

**Mission:**

To protect, promote & improve the health of all people in Florida through integrated state, county & community efforts.



**Ron DeSantis**  
Governor

**Joseph A. Ladapo, MD, PhD**  
State Surgeon General

**Vision:** To be the Healthiest State in the Nation

---

November 5, 2021

Joseph A. Ladapo, MD, PhD  
State Surgeon General  
4052 Bald Cypress Way, Bin A00  
Tallahassee, Florida 32399

Dear Dr. Ladapo:

Enclosed is our internal audit report # A-2021-003, *Selected Contracts Managed at County Health Departments*. The report provides an independent evaluation of selected deliverables of six sampled County Health Department (CHD) contracts for completion. We also reviewed each sampled contract for compliance with applicable laws, rules, and Department of Health policies and procedures.

The audit was conducted by Kyle Erickson, MBA, CIGA, Senior Management Analyst II, and supervised by Mark H. Boehmer, CPA, Director of Auditing.

Management agreed with the findings identified in the report. We will provide you a status update in six months detailing the progress management has made toward addressing the proposed corrective actions included in Appendix A of the report.

If you wish to discuss the report, please let me know.

Sincerely,

Michael J. Bennett, CIA, CGAP, CIG  
Inspector General

MJB/kfe  
Enclosure

cc: Melinda M. Miguel, Chief Inspector General, Executive Office of the Governor  
Lisa Norman, CPA, Office of the Auditor General  
Mark Lander, Interim Deputy Secretary for County Health Systems  
Mark H. Boehmer, CPA, Director of Auditing



FLORIDA DEPARTMENT OF HEALTH  
OFFICE OF INSPECTOR GENERAL

SELECTED CONTRACTS MANAGED AT  
COUNTY HEALTH DEPARTMENTS

Report # A-2021-003 • November 5, 2021

**Purpose of this project:**

Determine if selected deliverables of sampled contracts managed at county health departments (CHD) were met per the terms of the contract.

**What we examined:**

We sampled six contracts that ended during 2020 and reviewed:

- Selected deliverables of each contract for completion.
- Compliance with applicable laws, rules, and Department of Health (Department, DOH) policies and procedures.

The contracts were:

<u>Contract Number</u>	<u>Managed at</u>	<u>Provider</u>
BW703	Broward CHD	Broward County, A political subdivision of the State of Florida acting by and through its Board of County Commissioners
DEX58	Miami-Dade CHD	Liga Contra el Cancer, Inc. / League Against Cancer, Inc.
DS012	DeSoto CHD	CAN <sup>1</sup> Community Health, Inc.
HB359	Hillsborough CHD	The University of South Florida Board of Trustees for University of South Florida
PB398	Palm Beach CHD	Treasure Coast Health Council, Inc. dba Health Council of Southeast Florida, Inc.
SCC33	Sarasota CHD	CenterPlace Health Inc.

**Summary of results:**

The contracts we reviewed were managed well. We did not identify issues or concerns regarding the completion of the selected deliverables by the providers. However, we found deficiencies with subcontract language within one of the contracts. Contract PB398 had six executed subcontracts that did not contain required language found in the Department's *Standard Contract*.

Additional details follow below. Management's response to the issues noted in this report may be found in **Appendix A**.

## BACKGROUND

The Office of County Health Systems oversees all 67 of Florida's CHDs. Each of the CHDs investigate health problems and health threats and lead planning and response activities for public health emergencies. Local county health offices prevent, minimize and contain adverse health effects from communicable diseases, disease outbreaks from unsafe food and water, chronic diseases, environmental hazards, injuries and risky health behaviors.

<sup>1</sup> Community AIDS Network

## DETAILED RESULTS AND RECOMMENDATIONS

We did not identify issues or concerns regarding the completion of the selected deliverables by the contracts' providers. However, we found deficiencies within subcontract language within one of the contracts we examined.

Our audit identified the following opportunity to improve effectiveness and efficiencies in operations:

### ***Subcontract agreements did not contain the Department's required Standard Contract language.***

- Contract PB398 had six executed subcontracts that did not contain the Department's required *Standard Contract* language.
- PB398 *Standard Contract* paragraph I.H. - Assignments and Subcontracts, states, "In the event the use of subcontracts are allowed, Provider...shall incorporate the terms of the Department's *Standard Contract*, into any and all subcontracts."
- Examples of *Standard Contract* language not found in the subcontracts included the requirement for:
  1. The use of the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees performing work or providing services under the contract who are hired by the subcontractor during the contract term.
  2. A provision for compliance with the Pro-Children Act of 1994, 20 U.S.C. sections 6081-6084.<sup>2</sup>
- Upon our inquiry, the Department's contract manager (CM) explained they were not aware of the *Standard Contract* language required to be placed in subcontract agreements, and that the *Subcontracting Request Forms* (Form) were not completed. Throughout the Department, CMs may not read and understand all the terms in the *Standard Contract*.
- Subsequent to the execution of PB398, the Department's Contract Administration and Oversight Section updated its guidance<sup>3</sup> related to subcontracting. The updated forms are to assist CMs with the subcontracting process as well as provide instructions for completing the Form. The Form contains a checklist for required *Standard Contract* language to be placed in every subcontract.
- Excluding required language from subcontracts is a violation of the Department's *Standard Contract* and/or Department policies and procedures. Without such language, the Department may not hold subcontractors accountable for necessary legal requirements.

---

<sup>2</sup> Requires that smoking not be permitted in any portion of any indoor facility used for the provision of federally funded services including health, day care, early childhood development, education or library services on a routine or regular basis, to children up to age 18.

<sup>3</sup> Contract Administration and Oversight Unit's updated subcontracting guidance includes the following instructions and forms: *Subcontracting Request Guidelines*, *Subcontracting Request Form*, and the *Subcontracting Tracking Form*.

We recommend the Department of Health in Palm Beach County (DOH-Palm Beach) ensure its contract managers only approve subcontract agreements that include the required Department Standard Contract language, using the Subcontracting Request Guidelines as a resource.

We also recommend DOH-Palm Beach ensure where current contracted providers use approved subcontractors, such subcontracts include required Standard Contract language, using the Subcontracting Request Guidelines as a resource.

## SUPPLEMENTAL INFORMATION

Section 20.055, Florida Statutes, charges the Department's Office of Inspector General with responsibility to provide a central point for coordination of activities that promote accountability, integrity, and efficiency in government.

Kyle Erickson, MBA, CIGA, Senior Management Analyst II, conducted the audit under the supervision of Mark H. Boehmer, CPA, Director of Auditing.

Our methodology included reviewing Florida law; DOHP 250-14-19, *Contractual Services*; applicable documentation; and CMs' files for contracts selected for review. We also interviewed key management, the CMs, and the providers.

This audit was conducted in conformance with *International Standards for the Professional Practice of Internal Auditing*, issued by the Institute of Internal Auditors, as provided by section 20.055(6)(a), Florida Statutes, and as recommended by Quality Standards for Audits by Offices of Inspector General (*Principles and Standards for Offices of Inspectors General*, Association of Inspectors General).

We want to thank management and staff at the Department of Health in Broward County, Miami-Dade County, DeSoto County, Hillsborough County, Palm Beach County, and Sarasota County for the information and documentation they provided, and for their cooperation throughout the project.

Copies of all final reports are available on our website at [www.FloridaHealth.gov](http://www.FloridaHealth.gov) (search: internal audit). If you have questions or comments, please contact us by the following means:

**Address:**

4052 Bald Cypress Way, Bin A03,  
Tallahassee, FL 32399

**Email:**

[inspectorgeneral@flhealth.gov](mailto:inspectorgeneral@flhealth.gov)

**Phone:**

850-245-4141

**APPENDIX A: MANAGEMENT RESPONSE**

	Recommendation	Management Response
1.1	<p><i>We recommend the Department of Health in Palm Beach County (DOH-Palm Beach) ensure its contract managers only approve subcontract agreements that include the required Department Standard Contract language, using the Subcontracting Request Guidelines as a resource.</i></p>	<p>We concur.</p> <p>Contract Managers will ensure that they only approve subcontractors' agreements that include the required Department Standard Contract language, using the Subcontracting Request Guidelines as a resource.</p> <p>Contact: Natalie Kenton</p> <p>Anticipated Completion Date: January 31, 2022</p>
1.2	<p><i>We also recommend the DOH-Palm Beach ensure where current contract providers use approved subcontractors, such subcontracts include required Standard Contract language, using the Subcontracting Request Guidelines as a resource.</i></p>	<p>We concur.</p> <p>We will amend current subcontracts to include Standard Contract language using the Subcontracting Request Guidelines as a resource.</p> <p>Contact: Natalie Kenton</p> <p>Anticipated Completion Date: January 31, 2022</p>