



ANNUAL REPORT
2022 - 2023

OFFICE OF
INSPECTOR GENERAL

FLHSMV
FLORIDA HIGHWAY SAFETY AND MOTOR VEHICLES



July 27, 2023

Dave Kerner, Executive Director
Florida Highway Safety and Motor Vehicles
2900 Apalachee Parkway
Tallahassee, FL 32399

Director Kerner,

This annual report covers the 12-month period ending June 30, 2023 and summarizes the accomplishments of the Florida Highway Safety and Motor Vehicles (Department) Office of Inspector General (OIG). During this period, the OIG has worked extensively to safeguard the integrity and efficiency of Department programs and investigate those who allegedly abuse them.

Among our accomplishments, we completed 29 audit projects that encompassed Department program audits and consultations to improve internal operations as well as external audits of specialty license plate organizations. Our audit team has continued to expand the breadth of their services and as you will read in this report, identified improvement opportunities within the Department.

This year the investigation team continued its efforts to proactively identify and investigate fraud, waste, and abuse. These accomplishments are the result of the dedicated work of the OIG's professional staff and the support of yourself and the Department management team. In the future, we look forward to continuing our work in support of the Department's mission: *A Safer Florida*.

Respectfully Submitted,


Mike Stacy
Inspector General



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Background

The role of the Office of Inspector General (OIG) is to provide a central point for coordination of, and responsibility for, activities that promote accountability, integrity and efficiency within the Department. Section 20.055, Florida Statutes (F.S.), requires the Inspector General to submit to the Executive Director an annual report summarizing its activities during the preceding fiscal year (FY).

This report includes the activities and accomplishments of the OIG during the 2022-23 FY and specifically details the activities and reports of the audit and investigative teams that make up the OIG.

Inspector General Responsibilities

The specific duties and responsibilities of the Inspector General as defined in Section 20.055(2), F.S., include directing, supervising, and coordinating audits, investigations, and management reviews of Department programs and operations. This includes keeping the Executive Director informed of fraud, abuses, and deficiencies, recommending and reporting on corrective actions, reviewing actions taken to improve performance, providing advice on the development and reliability of performance measures, and ensuring coordination and cooperation between the Department and external auditors with a view toward avoiding duplication.

Internal Audit

Internal Audit provides management with independent and objective assurance reviews and consultation regarding risk

management, control, and governance processes. Audit work is performed in accordance with International Standards for the Professional Practice of Internal Auditing published by the Institute of Internal Auditors and General Principles and Standards for Offices of Inspector General published by the Association of Inspectors General.

Audit projects performed during the FY were based on the results of a risk assessment. An annual risk assessment is conducted by the Internal Audit Section and aids in developing the OIG Annual Work Plan. The Annual Work Plan was based on the results of the risk assessment, prior OIG audit and investigative findings, external audits, and requests from management.

External Audit Coordination

Internal Audit serves as a liaison to external agencies that audit the Department and monitors and tracks findings and recommendations that result from these external audits as well as monitors and tracks management efforts to correct audit findings. During the year, the OIG coordinated one operational audit conducted by the Florida Auditor General.

Compliance Reviews

Single Audit Reviews - The Department collects and distributes annual use fees for over 144 different specialty license plates (SLP) and voluntary contributions (VC) for over 32 organizations. Recipient organizations subject to audit pursuant to Section 215.97, F.S., shall submit a state single audit report in accordance with rules promulgated by the Florida Auditor General. Internal audit staff reviewed 83 state single audit reports submitted by the recipient organizations during the FY.

DUI Program Financial Audits - DUI Programs are required by Rule 15A-10.012, Florida Administrative Code, to submit a certified financial audit and an independent auditor's report on compliance with laws and regulations to the Department annually. Internal audit staff reviewed 19 DUI Program financial audit reports during the FY.

Performance Measures Assessment

Florida law requires State agencies to develop long-range program plans that include program outcomes and standards to measure progress toward program objectives. Section 20.055(2), F.S., requires the OIG to perform a validity and reliability assessment of agency performance measures and, if needed, recommend improvements. Of the three performance measures assessed for the 21-22 FY, two were determined to be valid and reliable for the intended purpose and use. However, one of the three measures reviewed was determined to be valid, but not reliable.

Quality Assurance Review

The purpose of this engagement was to internally assess the OIG's compliance with International Standards for the Professional Practice of Internal Auditing, issued by the Institute of Internal Auditors. The Quality Assessment Manual for the Internal Audit Activity, issued by the Institute of Internal Auditors was used for the assessment. Based on this assessment, it was the opinion that the internal audit activity generally conforms to the Standards.

Internal Audit Projects Completed

The following summaries describe the audit engagements completed by the Internal Audit Section during the FY. Work completed included Department assurance and consulting

services as well as external compliance audits of SLP/VC organizations.

Data Protection Controls for Partner Agencies - Report 202021-01

The purpose of this audit was to review and evaluate the efficiency and effectiveness of data protection controls required of certain external agencies which access Department data and compliance with applicable laws, Department policy, and procedures. Our review included the Department's verification and selection process, data protection requirements, data recovery measures, security breach standards, contract defaults, and the levels of access by these external agencies. We also sampled contract agreement documentation for accuracy, completeness, timeliness, and the storing of information within the Electronic Repository of Executed Contracts system and the Data Listing Unit Access database. The audit recommended enhancing controls for managing and storing required documentation and certification statements and strengthening security and compliance by receiving and evaluating Internal Control and Data Security audits prior to providing access to Department data.

FHP Training Academy Employee Benefit Fund - Report 202122-12

The purpose of this audit was to review and evaluate the Academy's employee benefit fund and determine compliance with applicable laws, Department policy and procedures. The scope of this audit included the oversight of the Training Academy's employee benefit fund from July 1, 2020, to June 30, 2021. The audit recommended strengthening controls by improving separation of duties, improving recordkeeping and reconciling processes, and submitting credit card purchase documentation for review and compliance with Department policy.

Mail Services Contract Billing Process - Report 202223-05

The purpose of this audit was to review the Department's mail services contract billing process and evaluate compliance with contract terms, applicable laws, Department policy and procedure. The scope of this audit included the Department's mail services contract billing process from July 1, 2021 through June 30, 2022. We reviewed how contract deliverables were reported, how services were billed, the reconciling and approving of monthly invoices, imposing liquidated damages, monitoring and oversight activities, and invoice payment. We also reviewed a sample of invoices and compared them to supporting documentation to determine if the rates and services were in accordance with the Service Level Agreement and to identify any instances of additional fees or duplicate charges. The audit determined the Department has adequate and efficient processes for overseeing contract deliverables and billing by the mail service vendor in accordance with the Service Level Agreement and generally complies with applicable laws, and Department policy and procedure.

National Technical Information Service (NTIS) Assessment - Report 202122-19

The purpose of this review was to assess and attest to the Department's controls regarding the Limited Access Death Master File information in compliance with the NTIS information security control requirements and applicable laws. The audit recommended revising Department policy manuals to address requirements for media marking, and awareness and disclosure training.

Mobile Vehicle Recording Camera Inventory – Report 202122-27

The purpose of this review was to assess the Department's internal controls for the Mobile Video Recording (MVR)

system components inventory, and compliance with applicable laws and Department policy and procedure. The scope of this consulting engagement included current Department operations and activities related to the MVR contract and inventory tracking of MVR system components. The review recommended introducing additional inventory methods specifically designed to account for the vendor's property in a consolidated manner to further mitigate associated risks. The review also recommended considering certain contract provisions for future "as a service" procurements where the Department has custody of vendor property.

FHP Intelligence Procedures - Report 202223-27

The purpose of this consulting engagement was to assess and report on the internal audit of Intelligence Procedures conducted by the Florida Highway Patrol Bureau of Criminal Investigations and Intelligence (BCII). As a result of our review, we determined the FHP Intelligence Procedures are compliant with the requirements in FHP Policy 22.03.07(d).

Department Compliance with Executive Order 20-44 - Report 202223-30

The purpose of this engagement was to ensure the Department's compliance with Executive Order (EO) 20-44, Section 4. The scope of this review included the Department's actions in response to the directives in EO 20-44. Our review determined the Department generally addressed the requirements of Section 4; however, Department management should coordinate to establish clear roles and responsibilities for collecting and reviewing annual reports regarding total executive leadership compensation and other documentation from entities that meet the criteria outlined in EO 20-44 and maintain records to evidence compliance.

Motorist Services SLP Audit Unit Follow-up Process – Report 202223-18

The purpose of this engagement was to report on the Division of Motorist Services, Specialty License Plate Audit Unit, follow-up processes, procedures, and document retention practices when deficiencies are discovered. Recommended improvements included developing and implementing policy and procedures for conducting monitoring and follow-up activities, improving the current system for organizing documents obtained during monitoring and follow-up reviews, and implementing record retention procedures. These observations were discussed with the Division of Motorist Services leadership and corrective actions have begun.

Audits of the FHP Information and Evidence (I and E) Fund

The FHP's BCII is responsible for the use and maintenance of an I and E Fund. This fund is available to investigators to purchase materials as evidence or pay confidential sources for information.

During the 2022-23 FY, the Internal Audit Section conducted five quarterly audits of the FHP's I and E Fund to evaluate the internal controls over the fund and compliance with applicable laws, Florida Administrative Code, and Department policy and procedure. The audit for the third quarter of 2021-22 FY recommended ensuring that Request and Total Expenditure forms are properly completed and in a timely manner in accordance with BCII Policy.

Specialty License Plate/Voluntary Contributions Audits

Section 320.08062, 320.023, and 322.081 F.S., grants the Department the authority to examine all records relating to the use of SLP and VC funds. During the FY, 10 audit reports were issued, six of which contained no recommendations and

four with recommendations to improve compliance with statutory requirements related to the specific specialty tag or voluntary contribution.

The following five SLP reports and one VC report issued during the FY determined the organizations materially complied with applicable laws and policies:

- Surfing's Evolution & Preservation Foundation, Inc. (Endless Summer)
- Juvenile Diabetes Research Foundation International, Inc. (Juvenile Diabetes VC)
- University of Central Florida Foundation, Inc. (University of Central Florida)
- ARC Broward, Inc. (Support Autism)
- Harbor Branch Oceanographic Institute Foundation, Inc. (Aquaculture)
- Harbor Branch Oceanographic Institute Foundation, Inc. (Protect Florida Whales)

The SLP and VC reports issued during the FY determined the following three SLP organizations generally complied with applicable laws and policies, however, the following improvements are recommended:

Southeastern University, Inc. – ensure SLP expenditures are reported on the Schedule of Expenditures of State Financial Assistance and submit single audits timely.

Florida Foundation for Responsible Angling, Inc. (Fish Florida) – improve annual reporting by timely filing and consistently calculating and recording the balances of SLP funds and maintain adequate supporting documentation for expenditures.

Florida State Lodge of the Fraternal Order of Police, Inc. (Fraternal Order of Police) – improve annual reporting by

timely filing and consistently calculating and recording balances of SLP funds and maintain adequate supporting documentation for expenditures.

One SLP report determined that an organization was not in compliance with several laws, policies, and regulations related to the annual affidavit:

The Dream Foundation, Inc. (Live the Dream) – findings included lack of internal control including an absence of an active Board of Directors, under-distribution of funds to statutorily specified organizations, disbursement of funds in excess of the amount allowed by law for administrative and marketing purposes, inadequate documentation and recording of transactions, and untimely submission of annual affidavits.

In addition to the 10 audits completed during the FY, the OIG conducted a follow-up review of the Harbor Branch Oceanographic Institute Foundation, Inc. Save Our Seas SLP. The follow-up review determined the Foundation is maintaining administrative expense support documentation and an executed Memorandum of Understanding.

A follow-up review of the Harbor Branch Oceanographic Institute Foundation Inc. Protect Wild Dolphins SLP determined the Foundation is maintaining administrative expense support documentation, executed Memorandum of Understanding and discontinued allocations of SLP Funds for administrative expenditures to subrecipients not provided for in the statute.

A follow-up review of the Florida Agriculture in the Classroom, Inc. Agriculture SLP determined the general ledger expenditures were timely recorded and properly classified by expenditure. The affidavit expense groupings were verified and reconciled to the general ledgers for the 2020 FY and 2021 FY.

A follow-up review of the Southeastern University, Inc. determined the 2022 FY state single audit was received timely and specialty license plate expenditures were reported on the state single audit's Schedule of Expenditures of State Financial Assistance.

Status of Prior Recommendations

Section 20.055, F.S., requires the identification of each significant recommendation described in previous annual reports on which corrective action has not been completed. As of June 30, 2023, there were five reports described in previous OIG annual reports that have significant recommendations open 12 months or more.

Purge Process of Driver License Records (Report 201516-27)

- The outstanding recommendation relates to creating a solution to a technical error in order to timely purge records eligible due to expired licenses and deceased drivers.

Headquarters Physical Security (Report 201718-13) – The outstanding recommendation relates to enhancing controls for managing building access.

FHP Sworn Employee Hiring and Background Processing (Report 201819-06) - The outstanding recommendation relates to enhancing the selection process to ensure it is conducted in a complete and uniform manner.

COOP/IT DR Program (Report 201819-19) - The outstanding recommendations relate to recovery point objectives for critical applications.

Department Software License Management (Report 201920-16) – The outstanding recommendation relates to enhancing controls for managing software licenses.

Investigations

The Investigations Unit is responsible for receiving complaints and coordinating activities of the Department in accordance with the Whistle-blower's Act pursuant to Sections 112.3187, and 112.31895, F.S. Additionally, the Unit receives and considers complaints that do not meet the criteria for an investigation under the Whistle-blower's Act and conducts, supervises, or coordinates such inquiries, investigations, or reviews as deemed necessary. When there are reasonable grounds to believe there has been a violation of criminal law, a criminal investigation is conducted, and the OIG refers the case to the appropriate state attorney for prosecution. Investigations are conducted in accordance with the Association of Inspectors General Quality Standards for Investigations. Once an investigation report is completed, case disposition is reported to the Executive Director and appropriate managers.

Reaccreditation

Established in 1995, the Commission for Florida Law Enforcement Accreditation, Inc. (CFA) is a council of law enforcement and criminal justice professionals that establish standards for staffing, training, conducting, and documenting the investigative function. In 2008, the CFA introduced an accreditation profession for offices of inspectors general, and in 2010 the OIG went through an initial accreditation assessment and was reaccredited in 2013, 2016, and 2019. In August 2022, the Investigative Unit went through an additional assessment, resulting in its fourth CFA reaccreditation.

Investigative Report Activities

Complaints are received through many sources and are reviewed to determine an appropriate course of action. During the FY, the OIG closed 40 administrative investigations and 2 criminal investigations. Of the investigations closed, 1 was within the Bureau of Personnel Services, 36 were within the FHP, 4 were within the Division of Motorist Services, and 1 was within the Office of General Counsel.

Additionally, 298 complaint inquiries were performed to assess allegations, of which 268 were referred to the appropriate Department functional area for handling, 29 were handled internally by the OIG, and 1 was referred to an external federal agency.

Case Summaries

The following is a summary of each closed investigative report:

20220287: A citizen complaint investigation sustained allegations that a sworn member failed to maintain security of their prisoner while at a medical facility, failed to abide by County jail rules regarding the delivery of a prisoner, failed to utilize their MVR while transporting a prisoner, and failed to assist the local jail staff with the prisoner who had become aggressive. An allegation that the member allowed an impaired driver unsupervised access to their vehicle while it was running was not sustained. The member received a written reprimand.

20220347: A citizen complaint investigation sustained allegations that a sworn member interfered with a law enforcement officer from another agency during an investigation, was out of their assigned zone without

permission, and was not wearing their ballistic vest while on duty. The member received an 8-hour suspension.

20220363: A Department investigation sustained allegations that a sworn member abandoned their Off Duty Police Employment (ODPE) assignment without proper authorization, did not wear the proper uniform throughout their ODPE shift, patronized an adult establishment during their scheduled ODPE shift, and inaccurately reported ODPE hours worked. The member resigned in lieu of dismissal.

20220387: A criminal investigation alleging that a sworn member falsified an official document was closed by arrest.

20220444: A Department investigation sustained allegations that a sworn member created Traffic Stop Data Report (TSDR) entries for traffic stops they did not conduct, generated and transmitted written warnings to Mobile Forms they did not issue, failed to positively identify drivers of vehicles on traffic stops, turned off their MVR during traffic stops, and operated their assigned FHP vehicle off-duty and not logged in service in Computer Aided Dispatch (CAD). The member was dismissed.

20220451: A Department investigation sustained an allegation that a member made inappropriate comments in the workplace. The member resigned during the investigation.

20220492: A citizen complaint investigation sustained an allegation that a member slapped a cell phone from a customer's hand. The member resigned in lieu of dismissal.

20220538: A Department investigation did not sustain an allegation that a sworn member made inappropriate comments about a towing company.

20220539: A citizen complaint investigation did not sustain an allegation that a sworn member used their law enforcement position to intimidate a party in a landlord-tenant dispute. An allegation that the member was untruthful when answering Police Department questions concerning a landlord-tenant dispute was determined to be unfounded.

20220540: A criminal investigation alleging that a sworn member requested a co-worker to access the Driver and Vehicle Information Database (DAVID) for reasons other than legitimate law enforcement purposes, and created a false incident report, was closed by arrest.

20220570: A citizen complaint investigation sustained an allegation that a sworn member conducted personal business while in an on-duty status. An allegation that the member committed an act that constituted domestic violence was not sustained. The member received a written reprimand.

20220576: A Department investigation sustained allegations that a sworn member falsified an official document, investigated a traffic crash in which they were involved, failed to immediately report vehicle damage to a Division vehicle, and failed to immediately report a patrol car crash to a supervisor. The member was dismissed.

20220626: A Department investigation sustained an allegation that a sworn member failed to follow FHP evidence procedures regarding the handling of a seized tag. The member received a written reprimand.

20220627: A Department investigation sustained allegations that a sworn member failed to conduct a proper Driving Under the Influence (DUI) investigation and failed to arrest a felony Hit-and-Run suspect. The member received a written reprimand.

20220628: A citizen complaint investigation did not sustain an allegation that a sworn member stalked a female citizen.

20220695: A citizen complaint investigation sustained allegations that a sworn member removed their gunbelt prior to physically engaging with a subject to make an arrest during ODPE, and left their firearm and other issued intermediate control device(s) unattended on a planter box. The member received a written reprimand.

20220708: A citizen complaint investigation sustained an allegation that a sworn member was rude and discourteous at the scene of a traffic crash. An allegation that the member committed an act that would constitute battery was determined to be unfounded. The member received a written reprimand.

20220713: A Department investigation sustained allegations that a sworn member requested a co-worker to access DAVID for reasons other than legitimate law enforcement purposes, and created a false incident report. The member was dismissed.

20220724: A Department investigation sustained allegations that a sworn member displayed inappropriate conduct in the presence of others, and used derogatory language in regard to the sexual orientation of a Department member. The member received a written reprimand and was required to attend an anger management class.

20220725: A Department investigation sustained allegations that a sworn member failed to complete a TSDR on traffic stop(s), and failed to provide violator(s) with any documentation from traffic stop(s). An allegation that the member failed to take law enforcement action on driver(s) who were driving with suspended licenses was determined to be unfounded. The member received a written reprimand.

20220760: A Department investigation sustained allegations that a sworn member used their ASP baton to strike a vehicle, was not in the proper uniform, and failed to activate their MVR while taking enforcement action. The investigation did not sustain an allegation that the member was not properly equipped to carry out their duties. The member received a written reprimand.

20220768: A Department investigation did not sustain an allegation that a sworn member engaged in an unauthorized pursuit. An allegation that the member posted videos to social media that discredited the integrity of the Division and impaired the operation of the Department/Division was determined to be unfounded.

20220786: A Department investigation sustained allegations that a sworn member took property from a vehicle involved in a crash and failed to follow FHP Evidence/Property submission procedures, and failed to answer questions pertaining to the performance of their duties during an administrative investigation. The member was dismissed.

20220793: A citizen complaint investigation sustained an allegation that a sworn member was involved in an inappropriate relationship with a subordinate. An allegation that the member discriminated against members in the workplace was determined to be unfounded. The member resigned during the investigation.

20220803: A Department investigation sustained allegations that a member accepted monies for completing fraudulent driver license (DL) transactions, and accepted monies from DL customers to advance them to the front of the waiting line. The member resigned in lieu of dismissal.

20220812: A Department investigation sustained an allegation that a sworn member engaged in inappropriate conduct in the workplace. The member received a demotion.

20220820: A citizen complaint investigation sustained an allegation that a sworn member failed to properly classify their DUI video resulting in the loss of video evidence. The investigation did not sustain an allegation that the member relayed information to an arrestee which was instrumental in having a DUI charge reduced to a lesser charge. The member received counseling.

20220827: A Department investigation did not sustain allegations that a member directed customers to a DL Examiner to complete fraudulent DL transactions, or paid the DL Examiner to process transactions for customers.

20220836: A Department investigation sustained allegations that a sworn member was insubordinate to a supervisor, failed to perform a field sobriety evaluation on a possibly impaired driver, and distributed a cell phone recording of FHP in-car camera video. The member received a written reprimand.

20220847: A citizen complaint investigation sustained allegations that a sworn member failed to properly investigate a traffic crash with injuries, failed to initiate a DUI investigation on the at-fault driver, failed to make appropriate charges on the at-fault driver in a traffic crash with injuries, and failed to arrest the at-fault driver for an active arrest warrant. The member received a written reprimand.

20220854: A citizen complaint investigation sustained an allegation that a sworn member failed to utilize their MVR per FHP policy. The investigation did not sustain an allegation that the member failed to conduct a DUI investigation. The member received counseling.

20230003: A Department investigation was conducted into an allegation that a member retaliated against another member by unapproving their People First timesheet. The investigation determined that the allegation was unfounded.

20230034: A Department investigation sustained an allegation that a sworn member, while off-duty, committed an act that constituted battery. The member received a 24-hour suspension.

20230035: A Department investigation sustained allegations that a sworn member was at a residence for an extended period of time while on-duty, inaccurately reported time worked, and failed to log work activities in CAD. The member received a written reprimand.

20230036: A Department investigation did not sustain an allegation that a member interfered with Bureau of Administrative Review procedures related to a Formal Review Hearing. An allegation that the member aided a customer in reinstating their DL ahead of other waiting customers was classified as exonerated.

20230059: A citizen complaint investigation sustained an allegation that following a traffic crash investigation, a sworn member initiated unsolicited contact with a driver via text messages. The member received a 24-hour suspension.

20230078: A citizen complaint investigation did not sustain an allegation that a sworn member held a citizen at gunpoint while off-duty.

20230079: A Department investigation sustained an allegation that a sworn member was at a residence for an extended period of time while on-duty. Discipline is pending.

20230095: A Department investigation sustained allegations that a sworn member committed acts that would constitute DUI, Fleeing and Eluding a Law Enforcement Officer, and resisting an Officer without Violence. The member was dismissed.

20230120: A Department investigation did not sustain an allegation that a sworn member was involved in an inappropriate relationship with a subordinate's spouse.

20230142: A Department investigation sustained allegations that a member submitted a Member Sick Leave Transfer Donation Form to acquire 80 hours of sick leave without permission, and altered Member Sick Leave Transfer Donation Forms. The member was dismissed.

202300149: A Department investigation sustained allegations that a sworn member worked ODPE outside of the 30-mile radius from their county of assignment, falsified records, and worked ODPE in excess of 16 hours in a 24-hour period. An allegation that the member spent extended periods of time at their residence during work shift was determined to be unfounded. Discipline is pending.

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