



**STATE OF FLORIDA
DEPARTMENT OF JUVENILE JUSTICE**

July 1, 2011

Christina Smith
Director of Accounting and Auditing
Florida Department of Financial Services
200 East Gaines Street
Tallahassee, FL 32399-0353

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Director's Office
Division of Accounting
and Auditing
Chief Financial Officer

Dear Ms. Smith,

The Department has reviewed the findings contained in your report dated June 2, 2011 that reviewed activities related to service contracts and grant agreements. Following are the steps the Department intends to implement to correct the noted deficiencies:

Scope of Work and Deliverables in Grant Agreements

The Office of Prevention, the unit responsible for the development of scopes of work for grant agreements is implementing organizational changes that will place a greater priority and emphasis on grants and contracts. Key staff attended training conducted by the Department of Financial Services on 6/1/11, and is also pursuing other training opportunities to improve staffs' technical writing skills. The Bureau of Contracts continues to work with Prevention to improve the quality of grant agreements.

Financial Consequences

The Department is currently developing a revised contract monitoring procedure that will require contract managers to assess a financial penalty on the provider's invoice after contract noncompliance and a corrective action planning process. The policy will be posted for public comment by July 8, 2011. It is anticipated that the policy will be incorporated into contracts around September 1, 2011.

Contract/Grant Management

The Bureau of Finance and Accounting distributed a memorandum to all contract management and fiscal staff on June 17, 2011 reinforcing the requirement that certification statements on invoices had to be signed by the contract manager. The Bureau continues to oversee this requirement.

All new grant agreements will contain a provision allowing for a maximum of 45 days of start-up activities. The provider will be required to meet quarterly target numbers for youth served and services provided in the program. If a provider fails to meet those targets, a corrective action

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Rick Scott, Governor

Wansley Walters, Secretary

The mission of the Department of Juvenile Justice is to increase public safety by reducing juvenile delinquency through effective prevention, intervention, and treatment services that strengthen families and turn around the lives of troubled youth.

planning process will be followed, including the implementation of financial penalties if not corrected.

We look forward to using the results of your review of our contracts and grants to further improve our processes at the Department. If you have any questions regarding the information provided here, please contact Amy Johnson, Chief of Contracts at (850) 414-6248.

Sincerely,

 on behalf of Secy. Walters

Wansley Walters, Secretary
Florida Department of Juvenile Justice

cc: Fred Schuknecht, Director of Administration
Amy Johnson, Chief of Contracts
Rhyna Jefferson, Office of Prevention
Michael Yu, Audit Director