

## FLORIDA DEPARTMENT OF CORRECTIONS

**REVIEW OF STAFF HOUSING  
ASSIGNMENTS AND PAYMENTS***Paul C. Decker, Inspector General*

Report # R07017

*Donald L. Miller, Chief Internal Auditor*

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**BACKGROUND**

The Department of Corrections (DC) provides staff housing to enhance institutional security and critical operations by having key DC employees and correctional officers available during their non-duty hours for immediate response in emergencies. Furthermore, outside housing in remote areas where many correctional institutions exist, is limited or unavailable within a local geographical area; hence a need for staff housing.

Staff housing refers to locations where DC employees reside on institutional grounds, including state-owned houses, apartments, mobile homes, mobile home lots, and rooms in officer quarters (BOQs). A mobile home privately owned by an employee is not considered staff housing.

**OBJECTIVES**

This Review of Staff Housing Assignments and Payments was performed at the request of the Secretary. Our review objectives were to determine the accuracy of revenues received from staff housing based on the housing inventories submitted by DC's Regional Offices.

**SCOPE AND METHODOLOGY**

The scope of this review included an examination of staff housing assignments and revenues received for the month of February 2007. To perform this review we requested and received a list of all persons residing in staff housing as of February 22, 2007. At the same time, we obtained from Florida Accounting Information Resource, FLAIR, a list of individuals who had payroll deductions for staff housing from salary warrants 2/02/07 and 2/16/07. We compared the data sets to identify possible discrepancies.

**RESULTS OF REVIEW**

We noted the following issues that need to be addressed by Management in Office of Institutions:

**Finding No. 1:** Seventy-one DC employees were residing in staff housing or privately owned mobile homes and were **NOT** paying the required maintenance and/or utilities fees associated with their housing assignment.

**Finding No. 2:** Discrepancies in payroll deduction codes and rates for staff housing maintenance and/or utilities were identified.

These issues were discussed with the Assistant Secretary, Office of Institutions. He concurred with our findings and recommendations and has agreed to take appropriate action to remedy the causes of the underlying issues.

**FINDINGS AND RECOMMENDATIONS**

**Finding # 1: Seventy-one DC employees were residing in staff housing or privately owned mobile homes and were NOT paying the required maintenance and/or utilities fees associated with their housing assignment.**

Chapters 33-208.501-512, Florida Administrative Code, are the rules governing DC's utilization of Staff Housing. The rules state that DC staff who reside in staff housing are to pay rent and utility rates that are approved by the Department of Management Services (DMS).

As a part of the initial audit of Staff Housing issued on March 24, 2005, the housing units were classified by structure and new rent and utility rates were established and implemented to create uniformity statewide. At that time we requested each DC employee living in staff housing complete a revised DC2-808A, Staff Housing Agreement, to include the new rates and forward it to the Bureau of Personnel staff to effect change in the People First System.

During this review, we identified seventy-one DC employees residing in staff housing or privately owned mobile homes who had no payroll deduction for the required maintenance and/or utilities fees associated with their housing assignment. In some instances the required documentation had been prepared and completed by the employee and forwarded to the servicing personnel office, but had not been processed. In other instances, the required documentation had been completed, but not forwarded to the personnel office.

Non-payment of staff housing fees generates a loss of revenues that could be used for repairs, renovations, and maintenance of staff housing. Upon notification of this issue, the Regional Directors and Wardens initiated actions to have the necessary payroll deductions implemented. Additionally, the Region I Director has initiated the process to recoup past due revenues from those employees that were in violation in that region.

Although the Staff Housing Program is meeting its intended objectives, it is imperative that staff housing documentation is accurately completed and maintained to ensure the efficient operation of the program. **We recommend** the Office of Institutions:

- re-emphasize to the Regional Directors and Wardens the rules and requirements pertaining to Staff Housing as described in Chapters 33-208.501-512, Florida Administrative Code;
- reiterate to the Wardens and Assistant Wardens the importance of continuous monitoring of the Staff Housing program and updating of the staff housing inventories periodically; and
- instruct the Regional Directors to recoup past due revenues from those employees residing in staff housing or privately owned mobile homes who were NOT paying the required maintenance and/or utilities fees associated with their respective housing assignment.

**Finding 2: Discrepancies in payroll deduction codes and rates for staff housing maintenance and/or utilities were identified.**

Florida Administrative Code 33-208.505 states “any rent or utility charges approved for the Department of Corrections at fixed rates shall be paid by payroll deduction.” The payroll deductions are initiated and terminated by the processing of a DC2-808A, Staff Housing Agreement, and DC2-808C, Termination of Staff Housing Agreement, respectively. This review revealed the following discrepancies in payroll deduction codes and rates that are being charged for staff housing maintenance and utilities:

**a. Inaccurate payroll deduction codes and rates for staff housing assignments.** We identified eighteen DC employees who were residing in the staff housing units to which they were assigned; however, the payroll deduction codes and rates being drafted from their salary warrants were inaccurate for their respective housing assignments. In these instances, the individuals should have been paying the required maintenance and utilities fees; instead, they were only paying the maintenance fee.

**b. Payroll deduction codes and rates that needed to be terminated.** We identified twelve DC employees who had vacated staff housing, yet their payroll deductions for the maintenance fee continued. Often times these payroll deductions continue because the employees are not proactive in completing the DC2-808C, Termination of Staff Housing Agreement, when they vacate staff housing.

As a result of this review, the Regional Directors and Wardens initiated the actions to have the required documents completed for the employees who were in violation of the conditions noted above. These documents were subsequently forwarded to the regional servicing personnel office to be processed by Human Resources staff.

*This review was conducted by Kimberly Jones and supervised by Paul Strickland, Audit Supervisor. Please address inquiries regarding this report to Donald L. Miller, Chief Internal Auditor, at (850) 410-4166.*

