



**Office of the Inspector General
Best Buddies International, Inc.**

Report #A-2021DOE-029

April 2022

Executive Summary

In accordance with the Department of Education’s fiscal year (FY) 2020-2021 audit plan, the Office of Inspector General (OIG) conducted an audit of the provider agreement between the Division of Vocational Rehabilitation (DVR) and Best Buddies International, Inc. The purpose of this audit was to determine if Best Buddies’ internal controls ensure effective delivery of employment services to DVR customers; ensure benchmark payments are made in accordance with the Provider Manual; and determine if DVR effectively manages and monitors Best Buddies’ compliance with the Provider Manual.

Best Buddies is a nonprofit 501(C)(3) organization dedicated to establishing a global volunteer movement that created opportunities for one-to-one friendships, integrated employment, leadership development, and inclusive living for individuals with intellectual and development disabilities (IDD). The Best Buddies job program secures jobs for people with IDD, allowing them to earn an income, pay taxes, and continuously and independently support themselves. The jobs program places focus beyond the typical jobs in which a person with IDD might be placed. Best Buddies focuses on finding work that matches the job seeker’s interests and talents¹.

During this audit we noted that, in general, Best Buddies is meeting the requirements of the Provider Manual, and DVR is effectively monitoring adherence to the Provider Manual. However, we noted instances where DVR and Best Buddies could improve some internal controls. For example, DVR did not approve all invoices within statutory timelines. Best Buddies did not include required supporting documentation for all invoices for completed benchmarks, and DVR approved those invoices without the proper supporting documentation. Finally, internal controls could be strengthened to ensure policies, procedures, and other provider related guidance are consistently and effectively communicated to providers. The Audit Results section below provides details of the instances noted during our audit.

¹ <https://www.bestbuddies.org/jobs>

Scope, Objectives, and Methodology

The scope of the engagement included employment services provided through Best Buddies' Provider Manual agreement during the period of July 1, 2020, through June 30, 2021. The objectives of this engagement were to:

1. Determine if Best Buddies' internal controls ensure effective delivery of employment services to DVR customers;
2. Ensure benchmark payments are made in accordance with the Provider Manual; and
3. Determine if DVR effectively manages and monitors Best Buddies' compliance with the Provider Manual.

In order to achieve these objectives, we reviewed applicable laws, rules, and regulations; reviewed the Provider Manual agreement and related documents; reviewed applicable departmental policies and procedures; interviewed appropriate department and Best Buddies personnel; reviewed a sample of invoices and supporting documentation; reviewed customer records; and evaluated management controls.

Background

The Division of Vocational Rehabilitation (DVR) is a federal-state program committed to helping people who have physical or mental disabilities find and maintain meaningful employment and enhance their independence. DVR accomplishes this by providing employment support and job placement assistance to eligible individuals with disabilities. DVR utilizes vendors for people with disabilities who require specific services or equipment to help them prepare for, gain, and retain employment.

DVR and Best Buddies entered into an agreement on June 22, 2017, to provide employment services to eligible DVR customers in accordance with the DVR Employment Services Provider Manual. The manual defines employment services as "services provided to VR Customers designed to help the Customer secure and maintain integrated, competitive employment. DVR pays Best Buddies a fixed service rate for accomplishing corresponding benchmarks, as defined in the Provider Manual. During the scope of our audit, we noted that DVR changed the benchmark service rates in October 2020. In February 2021, DVR changed benchmark service rates again, adding a Programmatic Operations Resource Guide (PORG) with the launch of their new billing system, Provider Electronic Referral Management (PERM). A new Provider Manual was published in August 2021.

Audit Results

Finding 1: DVR did not inspect and approve all invoices within statutory timelines. Best Buddies did not include required supporting documentation for all invoices for completed benchmarks, and DVR approved those invoices without proper supporting documentation.

Per Florida Statute 215.422 (1), “Approval and inspection of goods or services shall take no longer than 5 working days unless the bid specifications, purchase order, or contract specifies otherwise.” We reviewed all invoice data during our audit scope to determine if invoices were inspected and approved in accordance with Florida Statute 215.422 (1). Best Buddies received payment for 244 out of 245 submitted invoices for benchmarks achieved. There was one invoice that was rejected. The Rehabilitation Electronic Billing Application (REBA) system was discontinued on February 1, 2021. The new billing management software used by DVR is the Provider Electronic Referral Management (PERM) system, replacing REBA on February 1, 2021.

In total, we determined that 29 of 244 submitted invoices (12%) were inspected and approved *after* 5 working days of receipt, ranging from 6 to 49 working days. We additionally confirmed that DVR paid each benchmark only once per referral. Per DVR staff, the transition of computer database systems from REBA to PERM and the lack of training resources contributed to delays in the review and approval of invoices to Best Buddies. Untimely review and approval of invoices can cause delayed payments to Best Buddies, which could ultimately lead to delays in services to customers.

The 2017 Provider Manual states “The Provider must submit a properly completed invoice through REBA, including all supporting documentation and information required on the invoice template, no later than fifteen (15) days after the NOA is approved by the VR Counselor... VR may reject an invoice and /or request repayment for any service determined to be out of compliance.” We confirmed that 158 total students were referred to Best Buddies during our scope. We randomly selected a sample of 39 customers and noted that some had multiple benchmark referrals. In total, we reviewed 42 referrals for our random sample.

We identified 15 customers where Best Buddies did not include all supporting documentation that DVR requires to approve an invoice for a completed benchmark service. We determined that Best Buddies did not include required supporting documentation for 25 invoices for completed benchmarks that DVR ultimately approved.

Approving invoices for benchmark payments without ensuring all supporting documentation is present hinders DVR’s ability to ensure customers receive appropriate and agreed-upon services. Furthermore, the lack of supporting documentation can prohibit DVR staff from verifying if Best Buddies Employment Specialists properly assisted DVR Customers in achieving benchmarks and, ultimately, gaining successful employment.

Recommendation

We recommend DVR streamline its invoice gathering, inspection, and approval procedures to ensure timely supervisory approval of invoices for payment. We further recommend that DVR reject invoices submitted for benchmark payment if all required supporting documentation is not included in the invoice submission. We also recommend Best Buddies enhance its internal procedures to ensure all required supporting documentation is maintained and provided to DVR with the submitted invoices.

DVR Management Response

Concur. DVR concurs that all invoices were not approved within statutory timelines. DVR agrees that procedures need to be strengthened. DVR will streamline its invoice gathering, inspection, and approval procedures to ensure timely supervisory approval of invoices for payment.

Best Buddies Management Response

Concur. Best Buddies staff will ensure that all required supporting documentation is properly maintained and provided prior to submission of an invoice to DVR. The Jobs Supervisor has put measures in place to ensure all documents are provided with the Notice of Approval (NOA) prior to submission of invoices.

Finding 2: Internal controls could be strengthened to ensure policies, procedures, and other provider related guidance are consistently and effectively communicated to providers.

Effective internal controls are intended to ensure that all programmatic activities are properly authorized, tested, and approved in accordance with laws, regulations, and program compliance requirements. Per the 2017 Provider Manual, “The purpose of this manual is to provide uniform guidelines to ensure VR customers receive quality employment services. VR developed this manual with input from our Provider partners. It will be periodically reviewed and updated, as necessary, in order to better serve our customers.” DVR discontinued the Rehabilitation Electronic Billing Application (REBA) system on February 1, 2021, and replaced it with a new billing management software called the Provider Electronic Referral Management (PERM) system, effective February 1, 2021.

DVR increased the rates of the existing benchmark services in October 2020. Per an October 2020 Trending Tuesday newsletter email notification regarding the increased service rates, “The following increased rates went into effect October 1, 2020. All service benchmarks achieved on October 1, 2020 or after will be paid at the increased rate amount.” On February 1, 2021, new benchmarks and service rates went into effect as the new system PERM was launched. Per the February 2021 Trending Tuesday newsletter email regarding the clarification of dates, “Any referral received on or after February 1, 2021, will include the new benchmarks and require use of the new template forms. Any referrals received and accepted prior to February 1, 2021, will use the old benchmarks and the old template forms. That means you will be using two separate

sets of template forms until you close out all of your active referrals that predate the February 1st launch of PERM.” DVR stated that “The launch of PERM on February 1, 2021, also launched a new set of benchmarks and requirements. Those benchmarks and requirements can be found in the attached PORGs. The documents can be found on our website at: <http://rehabworks.org/contracts.shtml>. Providers are instructed to refer to these documents. The Manual is being updated to include these changes.”

We noted during our review that the Trending Tuesday newsletters that were sent via email, are not published nor archived on the external DVR website. The exchange of information in proper formats enable all staff to carry out their responsibilities. Accurate benchmark and payment rate information should be accessible to all who need it. In addition, DVR should have required Best Buddies to sign a Provider Acknowledgment Form attesting to each criterion change.

The transition of computer database systems from REBA to PERM, inconsistent communication and guidance to providers, and a lack of adequate training for providers could contribute to potential benchmark payment discrepancies. Internal controls could be strengthened to ensure that policies, procedures, and information systems are appropriately and consistently updated. Inadequate policy documentation and communication may limit DVR providers’ ability to consistently comply with current guidelines.

Recommendation

We recommend DVR streamline its notification process to ensure up-to-date policies, procedures, and other provider related guidance are consistently and effectively communicated to providers and remain available on the DVR web site for future reference.

DVR Management Response

Concur. DVR concurs that internal controls can be strengthened to ensure that payments for completed benchmark align with established payment rates. In addition, DVR’s Employment Services Manual is being incorporated into the Vendor Qualifications Manual. Providers will be instructed to refer to the Vendor Qualifications Manual and the Programmatic Operations Resource Guide (PORG) documents. Providers will be required to sign a Provider Acknowledgement Form attesting they will abide by the Vendor Qualifications Manual.

Closing Comments

The Office of the Inspector General would like to recognize and acknowledge the Department of Vocational Rehabilitation staff, as well as the Best Buddies staff for their assistance during the course of this audit. Our fieldwork was facilitated by the cooperation and assistance extended by all personnel involved.

To promote accountability, integrity, and efficiency in state government, the OIG completes audits and reviews of agency programs, activities, and functions. Our audit was conducted under the authority of section 20.055, F.S., and in accordance with the International Standards for the Professional Practice of Internal Auditing, published by the Institute of Internal Auditors, and Principles and Standards for Offices of Inspector General, published by the Association of Inspectors General. The audit was conducted by Shannon Egler and supervised by Bradley Rich, MS, Audit Director.

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