



# AUDITOR GENERAL

William O. Monroe, CPA



## FOOD ESTABLISHMENT INSPECTION PROGRAM OF THE FLORIDA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES OPERATIONAL AUDIT

### SUMMARY

*In the State of Florida, food establishments, such as food processing plants, supermarkets, convenience stores, and food storage and distribution points, must adhere to the provisions of the Florida Food Safety Act (Chapter 500, Florida Statutes). Compliance with the Act is ensured, in part, through the food establishment inspection activities of the Florida Department of Agriculture and Consumer Services. Our audit, which focused on the inspection activities of the Department's Division of Food Safety, identified improvements that need to be made in the following areas:*

- ◆ *The Division did not always conduct food establishment inspections as frequently as required by Department guidelines. Absent the conduct of inspections at established, reasonably frequent intervals, violations of food safety standards may not be subject to timely detection and resolution.*
- ◆ *Current Department policies and procedures defining relationships that constitute conflicts of interest for Department employees, including those of the Division of Food Safety, do not address the impact of familial or other close personal relationships. The Department's policies and procedures should be amended to address the impact of these types of relationships.*
- ◆ *The Department should exercise its newly granted authority and implement procedures leading to the collection of fees to recover the costs of reinspections and other compliance enforcement*

*activities, which represent a significant percentage of inspector workload.*

- ◆ *The Department should enhance the effectiveness of the compliance enforcement function by maintaining and publishing a written schedule showing for each potential violation the minimum fine amount that may be assessed. Written guidelines promote the consistent assessment of fines and can serve as a deterrent to noncompliance with the Food Safety Act.*
- ◆ *Department policies that allow food establishment inspectors to collect annual permit fees during inspection visits introduced significant risks into the collections process. However, control procedures sufficient to adequately address these risks had not been adopted.*
- ◆ *The automated inspection system supporting the Division's permitting and inspection activities has significant operational limitations. Management indicated that the Department is currently in the process of developing an Electronic Inspection System to replace the current system.*

### INTRODUCTION

Food establishment inspection activities are one component of the Department of Agriculture and Consumer Services' Food Safety and Quality Program. During the 2000-01 fiscal year, the Department was responsible for the inspection of over 38,000 food establishments, including food processing plants, food storage and distribution points, and all stores and other locations in Florida where food is sold to the public.

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The Department's Bureau of Food and Meat Inspection, within the Division of Food Safety, administers food establishment inspection activities. The goal of the inspections is to ensure that regulated entities comply with the Florida Food Safety Act (Chapter 500, Florida Statutes), and administrative rules implementing the Act (Chapter 5K-4, Florida Administrative Code).

Section 500.12, Florida Statutes, requires that certain persons in the business of operating a food establishment or retail food store, as defined in Section 500.03(1), Florida Statutes, obtain an annual food permit from the Department. This Statute also authorizes the Department to collect an annual food permit fee from all regulated establishments. Department records indicate that during the 2000-01 fiscal year, a total of \$8.75 million in food permit fees were collected and deposited in the Department's General Inspection Trust Fund.

**FINDINGS AND RECOMMENDATIONS**

**Food Establishment Inspection Timeliness**

**Finding No. 1: The Division did not always conduct food establishment inspections as frequently as required by Department guidelines.**

One of the stated purposes of Chapter 500, Florida Statutes, is to safeguard the public health and promote the public welfare by protecting the consuming public from injury by product use and the purchasing public from injury by merchandising deceit, flowing from intrastate commerce in food. Consistent with this statutory objective, Section 500.147, Florida Statutes, authorizes the Department to inspect all entities (food establishments) permitted under Chapter 500, Florida Statutes.

Requirements concerning the timing and frequency of inspections are not addressed by Department rules. The Department has concluded that the effectiveness of inspection activities would be compromised if inspection timing and frequency for particular types of establishments was known to the industry. However, the Department has established internal inspection frequency guidelines that provide for routine inspections of food establishments from one to three times each year, depending on the food safety

risk category assigned to the food establishment and the availability of inspectors.

The importance of meeting these internal guidelines was emphasized in the Department's Legislative Budget Requests for the 2000-2001 and 2001-2002 fiscal years. Specifically, the Department indicated that less frequent inspections correlate with the increased likelihood of major sanitation violations and that establishments operating with sanitation deficiencies present an increased health risk to the public. The Department also indicated that the United States Food and Drug Administration recommends at least four inspections per year for high-risk facilities.

Our audit included tests and analyses of the extent to which inspections had been performed in accordance with Department guidelines. Our tests disclosed:

- As shown by the following table, for 19 of the 60 selected food establishments (31.67%) included in our test, the food establishments were not inspected as frequently as required by the Department's guidelines.

Risk Category	Inspection Frequency Guideline (Inspections Per Year)	Total Number of Establishments Tested	Number of Establishments Meeting Inspection Frequency Guidelines	Number of Establishments Not Meeting Inspection Frequency Guidelines
A	3	34	16	18
B	2	14	13	1
C	1	12	12	0
Totals:		60	41	19

- An analysis of the Department's database disclosed 35 instances in which firms that possessed active food permits during the period July 1, 1999, through January 31, 2001, were not inspected at all during that time period. Of the 35 firms, one was a medium risk entity (requiring two inspections each year), and thirty-four were low risk mobile vendors who were to be inspected at least once a year. In response to our audit inquiry, Department personnel stated that the failure to inspect the mobile vendors was due largely to the difficulty in locating them. To address this problem, the Department has, in the Broward and Miami-Dade County area, assigned the responsibility

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for mobile unit inspections to one inspector whose focus is to be on locating and inspecting the mobile vendors.

Absent the conduct of inspections at established, reasonably frequent intervals, violations of food safety standards may not be subject to timely detection and resolution. Such violations may result in establishments operating with sanitation deficiencies that present significant health risks to the public. We recommend that the Department take steps to ensure that food establishment inspections are performed in accordance with established guidelines.

**Conflict of Interest Policies and Procedures**

**Finding No. 2: Current Departmental policies and procedures defining relationships that constitute conflicts of interest do not address familial or other close personal relationships.**

Due to the importance of the Food Establishment Inspection Program in protecting the safety and well-being of the public, policies and procedures that contribute to and encourage program integrity and effectiveness are imperative. Such policies and procedures should, at a minimum, identify and address the appropriateness of circumstances, activities, and relationships that might constitute a conflict of interest for employees.

The Department has established written policies and procedures to encourage and promote the objectivity of Department employees, including the Department's food establishment inspectors. The current policies and procedures require that employees report conflicts of interest, and policies and procedures define conflicts of interest as including employment, contractual relationships, or financial interests that may conflict with official duties or instances in which an employee has received a gift from a Department-regulated entity. However, in defining conflicts of interest, current policies and procedures do not address the impact of familial or other close personal relationships.

To further promote the integrity and effectiveness of Department operations, including the Food Establishment Inspection Program, we recommend that the Department amend its conflict of interest policies and procedures to

address the impact of familial and other close personal relationships.

**Recovery of Costs for Reinspection and Other Compliance Enforcement Activities**

**Finding No. 3: The Department should exercise its newly granted authority and implement procedures leading to the collection of fees to recover the costs of reinspections and other compliance enforcement activities.**

The Department is authorized by Section 500.12(1)(b), Florida Statutes, to assess and collect an annual permit fee from each food establishment regulated under Chapter 500, Florida Statutes. This Statute also provides that the amount of the permit fee assessed, up to a statutory cap, is to be determined by Department rule.

Under the authorized fee structure in effect as of June 30, 2001, the Department lacked the authority to assess an additional fee in the event that compliance enforcement visits (follow-up visits) were required. Compliance enforcement visits become necessary following the issuance of a "stop-sale" or "stop-use" order or when a "Poor" sanitation rating is issued.

Our tests of inspection reports indicated that follow-up visits necessitated by "Poor" sanitation ratings and other compliance enforcement procedures (stop use or stop sale releases, etc.) represented a significant amount of the inspection work performed for these establishments during the period July 1, 1999, through January 31, 2001.

Absent the implementation of procedures designed to allow the Department to recover the cost of compliance enforcement related activities, the food establishments with a consistent record of compliance with sanitation regulations will continue to unfairly pay the same annual permit fees as those which do not comply with the regulations. We noted that Chapter 2001-279, Laws of Florida, amended Section 500.09(7), Florida Statutes, allowing (effective July 1, 2001) the Department to establish and collect reasonable fees to recover the cost of each reinspection of a food establishment when the reinspection is conducted for the purpose of verifying compliance with the provisions of Chapter 500, Florida Statutes, or rules promulgated thereunder. We recommend

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that the Department immediately take the necessary steps to implement procedures designed to recoup the costs of reinspections. Such steps should include appropriately documenting the costs to the Department associated with reinspections.

#### **Compliance Enforcement**

**Finding No. 4: The Department should enhance the effectiveness of the compliance enforcement function by maintaining and publishing a written schedule showing for each potential violation the minimum fine amount that may be assessed.**

Section 500.121, Florida Statutes, grants the Department the authority to impose on food establishments that have violated any provision of Chapter 500, Florida Statutes, a fine, not exceeding \$5,000. Department records indicate that the Division of Food Safety assessed 1,537 food establishments fines totaling \$1.13 million, during the period July 1, 1999, to January 31, 2001.

Management of the Division of Food Safety was responsible for the assessment of fines. Although procedures were in place during the audit period to impose fines upon food establishments that violate the provisions of Chapter 500, Florida Statutes, the Department did not, until late December 2000, have approved written guidelines regarding the calculation of disciplinary fines. As of the close of our audit fieldwork, the guidelines had not been published and made available to food establishments.

Written guidelines promote the consistent assessment of fines for similar instances of noncompliance. Furthermore, a written and published schedule showing for particular violations the minimum fines to be imposed, can strengthen the effectiveness of compliance enforcement activities by functioning as a deterrent to noncompliance with the Food Safety Act.

Accordingly, we recommend that the Department maintain a written schedule of minimum fines. This schedule should be made available to all regulated food establishments either by inclusion in the Department's rules (Chapter 5K-4, Florida Administrative Code), or through other means of publication.

#### **Food Permit Revenue Collection**

**Finding No. 5: Although Department policies allowed food establishment inspectors to collect annual permit fees during inspection visits, control procedures sufficient to adequately address the resulting risks had not been adopted.**

The Department instructs regulated entities to mail permit fees direct to the Department's Bureau of Finance and Accounting. However, Department personnel stated that circumstances arise where it is deemed advantageous for the food establishment inspectors to accept a fee payment. Department personnel also indicated that when collecting such payments, inspectors are required to follow mandated, but unwritten, collection policies and procedures. Department records indicate that approximately \$316,000 in fees were processed by the Bureau of Food and Meat Inspection during the 2000-01 fiscal year. This amount consisted of fees collected in the field by the Department's inspectors and fees mailed direct to the Bureau of Food and Meat Inspection.

To properly administer its responsibilities relative to the collection of permit fees from food establishments, the Department should have in place control procedures designed to reasonably ensure that all permit fees collected are properly safeguarded, accounted for, recorded, and deposited. Our tests of the Department's controls governing the field collection and processing of fees disclosed the following deficiencies:

- ◆ Written field collection procedures had not been developed. Department personnel indicated that inspectors had been given verbal instructions directing the actions to be taken when collecting fees in the field. The lack of written procedures limits the ability of the Department to ensure that fees collected in the field are consistently and properly accounted for, safeguarded, and deposited.
- ◆ Food establishment inspection forms were not appropriately designed to ensure the reliability of collections information. Department personnel stated that inspectors have been instructed to provide, within the "Comments" section of the inspection form, a narrative description of the reason for a fee

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collection, in addition to the food establishment's check number and check amount. The effectiveness of this control is significantly decreased by the absence of mandatory fields requiring the inspector to note for each inspection whether or not a payment is collected, as well as the details of all collections made. Without the visual prompts provided by an appropriately designed inspection report, the likelihood that a food establishment representative will question the absence of a revenue collection notation, and withhold his/her signature until the details of the payment are appropriately noted, is reduced considerably. The omission of notations showing the amounts collected may subject all or a portion of the amounts collected to temporary or permanent diversion.

- ◆ Restrictive endorsements to limit the negotiability of checks were not applied immediately upon receipt. After the inspector accepted a permit fee payment in the field, the related checks were to be mailed to the Records Unit, within the Bureau of Food and Meat Inspection. The Records Unit was then to forward the payment, through the United States Postal Service mail, to the Bureau of Finance and Accounting. Checks were not restrictively endorsed until received and processed by personnel within the Bureau of Finance and Accounting. Absent immediate endorsement, the risk of misappropriation is greatly increased.
- ◆ Revenue received by the Bureau of Food and Meat Inspection was not adequately safeguarded, and the amounts received by the Records Unit were not reconciled to the amounts subsequently transferred to the Bureau of Finance and Accounting. When permit fee collections were received by the Records Unit staff in Tallahassee, the individual payments were recorded in a journal maintained within the Records Unit. The related checks were then stored in an unsecured location, until they were transferred at the end of the day to the Bureau of Finance and Accounting. Department personnel stated that the amounts received were not compared to the journal listing before the amounts were transferred to the Bureau of Finance and Accounting. Failure to

physically safeguard collections at all times significantly increases the risk of misappropriation. The failure to reconcile the amounts transferred to the related information recorded in the journal may preclude the timely detection of errors or fraud, should they occur.

- ◆ Records Unit staff did not periodically perform a reconciliation of amounts deposited by the Bureau of Finance and Accounting to documentation supporting amounts received by the staff of the Bureau of Food and Meat Inspection. Although the Department had instituted procedures requiring the copying and retention of documentation showing the fee amounts collected by inspectors and received within the Records Unit, these records were not utilized by Department personnel to periodically reconcile the fees received to the revenues subsequently deposited by the Bureau of Finance and Accounting. The absence of periodic reconciliations significantly decreased the Department's ability to ensure that all payments collected were timely deposited.

Our tests identified one inspection report containing a notation indicating that an annual food permit fee had been collected by the inspector. Neither we nor the Department were able to locate evidence that the described payment had been deposited. Details relating to this transaction were provided to Department personnel for further investigation.

We recommend that the Department review the acceptability of the risks associated with allowing food establishment inspectors to collect permit fees. Should the Department determine that the elimination of this practice is not feasible or advantageous, we recommend that the Department take the necessary steps to implement policies and procedures to mitigate the related risks.

#### **Food Safety Electronic Inspection System**

**Finding No. 6: The automated inspection system supporting the Division's permitting and inspection activities has significant operational limitations.**

Since 1997, the Division of Food Safety has utilized the Food Safety Electronic Inspection System (FSEIS) to capture inspection and sample collection data arising from food establishment inspections. While conducting food

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establishment inspections, inspectors input information regarding noted violations, applicable references to laws and rules, and other pertinent information directly into a laptop computer. The FSEIS software captures and summarizes this information, then generates a standardized inspection report that can be printed on-site for the establishment owner. In addition, the Department relies on the FSEIS's electronic data transfer capabilities to prevent lengthy mailing delays and data entry backlogs, both of which previously hampered management's ability to effectively and efficiently supervise, coordinate, and monitor the Division's activities.

The FSEIS is a custom designed software application developed by a private contractor. At the time of development, the contractor utilized a now seldom-used programming language to build the application and designed the program to be dependent on a specific, but now obsolete, operating system. According to Department management, the contractor, until approximately May 1998, satisfactorily responded to Department support requests. Subsequently, the Department was notified that the contractor no longer would support the software application. Attempts made by the Department to obtain support services from another source were unsuccessful.

We noted the following current vulnerabilities and difficulties associated with the FSEIS that reduce the efficiency of day-to-day operations and hinder effective Program management:

- ◆ The Department has indicated that it lacks the ability to modify the application software. This prevents the incorporation of new functionality, the enhancement of existing capabilities, and the timely response to changes in industry and regulatory needs.
- ◆ Since the application software is dependent on a specific operating system, the Division may be required to continue running the now obsolete operating system.

Management indicated that the Department is currently in the process of developing an Electronic Inspection System (EIS) to replace the FSEIS. In response to audit inquiry, the Department stated that the EIS was scheduled to be completed by June 2002. In developing the EIS, we

recommend that the Department, to the extent practicable, incorporate system features to address the control weaknesses discussed in Finding No. 5.

**SCOPE, OBJECTIVES, AND METHODOLOGY**

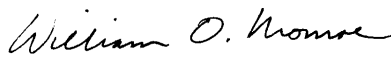
This operational audit focused on procedures and records pertaining to the Division of Food Safety. Our objectives were to:

- ◆ Evaluate the Division's performance in administering assigned responsibilities relating to the Food Establishment Inspection Program.
- ◆ Determine the extent that Division management controls promoted the achievement of management objectives in the categories relating to compliance with controlling laws, rules, and other guidelines; reliability of records and reports; safeguarding of assets; and the economic, efficient, and effective operations of the Food Establishment Inspection Program.
- ◆ Follow-up on deficiencies disclosed in prior audit reports regarding the Food Establishment Inspection Program.

In conducting our audit, we interviewed Division personnel; obtained an understanding of relevant Federal and State laws, rules, and management controls; performed tests of Division transactions; and completed various analyses and other procedures as deemed necessary. Our audit included examinations of various transactions (as well as events and conditions) occurring during the period July 1, 1999, through January 31, 2001.

**AUTHORITY**

Pursuant to the provisions of Section 11.45, Florida Statutes, I have directed that this report be prepared to present the results of our operational audit.

  
William O. Monroe, CPA  
Auditor General

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**AUDITEE RESPONSE**

In a letter dated September 28, 2001, the Commissioner of Agriculture provided the following responses to the audit findings included in our report:

- ◆ Finding No. 1: These guidelines are used for workload management and establishing general priorities and should not be considered as a requirement, but as a goal. The Department is considering establishing an internal goal for Fiscal Year 2002-2003, which will include a percentage of firms in operation for the entire period for which the frequency guidelines will be met.

The Department believes that the capacity to accomplish the guidelines on average will be attained after hiring and training is completed for the 16 additional inspection positions authorized in the Fiscal Year 2001-2002 Operating Budget for the Division of Food Safety. However, that capacity will continue to be eroded by statewide growth in the numbers of food establishments, without periodic adjustments to staffing level.

- ◆ Finding No. 2: In response to your recommendation, the Department will review the current conflict of interest policy and procedure to ensure that Department inspectors are fair, impartial and even-handed.
- ◆ Finding No. 3: The Department has initiated rule-making to implement procedures for cost recovery in accordance with the recent legislation which became effective July 1, 2001.
- ◆ Finding No. 4: The Department is currently reviewing its policies regarding the publication of procedures for determining administrative fines for violations of Chapter 500, Florida Statutes. A matrix

and guidelines have been available and used since 2000. We anticipate that a schedule of minimum fines or other information relative to the determination of such fines will be published in the Department's rules or through other appropriate means, such as including the fine matrix in annual mailings for permit renewals.

- ◆ Finding No. 5: The Department anticipates a need to continue the practice in certain circumstances, and will develop and implement written policies and procedures to mitigate associated risks in all phases wherein checks are handled. No more than 1.7% of total payments for food permits are handled by inspectors.
- ◆ Finding No. 6: The Department does not fully agree with your conclusions that the Food Safety Electronic Inspection System (FSEIS) has significant operational limitations and vulnerabilities reducing daily operational efficiency or hindering effectiveness of program management. This program is one of the completely computerized regulatory inspection programs that provides reliable data to the Department as well as the regulated industry. A lack of flexibility in the software has been a nuisance on occasion, but not to an extent that program efficiency is significantly impacted. The continual evolution of technology did create some vulnerability for FSEIS acknowledged by Department management prior to this audit, but that situation has recently been corrected. The Department will continue its priority effort to develop a replacement system for FSEIS when sufficient funding for software and equipment is available. Where appropriate, system features will be incorporated to strengthen controls related to collections by inspectors.

The Commissioner's complete response can be viewed on the Auditor General Web site.

To promote accountability in government and improvement in government operations, the Auditor General makes operational audits of selected programs, activities, and functions of State agencies. This operational audit was made in accordance with applicable **Government Auditing Standards** issued by the Comptroller General of the United States. This audit was conducted by Angela Y. Robbins, CPA, and supervised by Mehdi Yazdanpanah, CPA. Please address inquiries regarding this report to Donald R. Hancock, CPA, Audit Manager, via E-mail at [donhancock@aud.state.fl.us](mailto:donhancock@aud.state.fl.us) or by telephone at (850) 487-9037.

This report and audit reports prepared by the Auditor General can be obtained on our Web site (<http://www.state.fl.us/audgen>); by telephone (850 487-9024); or by mail (G74 Claude Pepper Building, 111 West Madison Street, Tallahassee, Florida 32399-1450).





Florida Department of Agriculture and Consumer Services  
CHARLES H. BRONSON, Commissioner  
The Capitol • Tallahassee, FL 32399-0800

September 28, 2001

Please Respond to:

William O. Monroe, CPA  
Auditor General  
111 West Madison Street  
Claude Pepper Building, G-74D  
Tallahassee, Florida 32399

Dear Mr. Monroe:

The following is my response to the preliminary and tentative findings and recommendations in your Operational Audit of the Food Establishment Inspection Program of the Florida Department of Agriculture and Consumer Services for the period of July 1, 1999 through January 31, 2001:

Food Establishment Inspection Timeliness

- Finding No. 1:** The Division did not always conduct food establishment inspections as frequently as required by Department guidelines.
- Recommendation:** We recommend that the Department take steps to ensure that food establishment inspections are performed in accordance with established guidelines.
- Response:** These guidelines are used for workload management and establishing general priorities and should not be considered as a requirement, but as a goal. The Department is considering establishing an internal goal for Fiscal Year 2002-2003, which will include a percentage of firms in operation for the entire period for which the frequency guidelines will be met.

The Department believes that the capacity to accomplish the guidelines on average will be attained after hiring and training is completed for the 16 additional inspection positions authorized in the Fiscal Year 2001-2002 Operating Budget for the Division of Food Safety. However, that capacity will continue to be eroded by statewide growth in the numbers of food establishments, without periodic adjustments to staffing level.



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Conflict of Interest Policies and Procedures

- Finding No. 2: Current Departmental policies and procedures defining relationships that constitute conflicts of interest do not address familial or other close personal relationships.
- Recommendation: We recommend that the Department amend its conflict of interest policies and procedures to address the impact of familial and other close personal relationships.
- Response: In response to your recommendation, the Department will review the current conflict of interest policy and procedure to ensure that Department inspectors are fair, impartial and even-handed.

Recovery of Costs for Reinspection and Other Compliance Enforcement Activities

- Finding No. 3: The Department should exercise its newly granted authority and implement procedures leading to the collection of fees to recover the costs of reinspections and other compliance enforcement activities.
- Recommendation: We recommend that the Department immediately take the necessary steps to implement procedures designed to recoup the costs of reinspections. Such steps should include appropriately documenting the costs to the Department associated with reinspections.
- Response: The Department has initiated rule-making to implement procedures for cost recovery in accordance with the recent legislation which became effective July 1, 2001.

Compliance Enforcement

- Finding No. 4: The Department should enhance the effectiveness of the compliance enforcement function by maintaining and publishing a written schedule showing for each potential violation the minimum fine amount that may be assessed.
- Recommendation: We recommend that the Department maintain a written schedule of minimum fines. This schedule should be made available to all regulated food establishments either by inclusion in the Department's rules (Chapter 5K-4, Florida Administrative Code), or through other means of publication.

**Response:** The Department is currently reviewing its policies regarding the publication of procedures for determining administrative fines for violations of Chapter 500, Florida Statutes. A matrix and guidelines have been available and used since 2000. We anticipate that a schedule of minimum fines or other information relative to the determination of such fines will be published in the Department's rules or through other appropriate means, such as including the fine matrix in annual mailings for permit renewals.

#### Food Permit Revenue Collection

**Finding No. 5:** Although Department policies allowed food establishment inspectors to collect annual permit fees during inspection visits, control procedures sufficient to adequately address the resulting risks had not been adopted.

**Recommendation:** We recommend that the Department review the acceptability of the risks associated with allowing food establishment inspectors to collect permit fees. Should the Department determine that the elimination of this practice is not feasible or advantageous, we recommend that the Department take the necessary steps to implement policies and procedures to mitigate the related risks.

**Response:** The Department anticipates a need to continue the practice in certain circumstances, and will develop and implement written policies and procedures to mitigate associated risks in all phases wherein checks are handled. No more than 1.7% of total payments for food permits are handled by inspectors.

#### Food Safety Electronic Inspection System

**Finding No. 6:** The automated inspection system supporting the Division's permitting and inspection activities has significant operational limitations.

**Recommendation:** We recommend that the Department, to the extent practicable, incorporate system features to address the control weaknesses discussed in Finding No. 5.

**Response:** The Department does not fully agree with your conclusions that the Food Safety Electronic Inspection System (FSEIS) has significant operational limitations and vulnerabilities reducing daily operational efficiency or

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hindering effectiveness of program management. This program is one of the completely computerized regulatory inspection programs that provides reliable data to the Department as well as the regulated industry. A lack of flexibility in the software has been a nuisance on occasion, but not to an extent that program efficiency is significantly impacted. The continual evolution of technology did create some vulnerability for FSEIS acknowledged by Department management prior to this audit, but that situation has recently been corrected. The Department will continue its priority effort to develop a replacement system for FSEIS when sufficient funding for software and equipment is available. Where appropriate, system features will be incorporated to strengthen controls related to collections by inspectors.

I appreciate the interest and efforts of your staff and the professionalism they exhibited in helping us to improve operations of state government.

Sincerely,



CHARLES H. BRONSON  
COMMISSIONER OF AGRICULTURE

CHB/ac