

INVESTIGATIVE REPORT

Allegation of Inappropriate Spending for Broadband Digital Literacy Courses



**Phil Diamond, CPA
County Comptroller
Orange County, Florida**

www.occompt.com



Report No. 515

February 2025

County Audit Division

Wendy Kittleson, CPA, CISA, CIA
Assistant Comptroller

Lisa Fuller, CISA, CIA, CGAP
Director

Erin Boley, CPA, CIA
Deputy Director

Engagement Team

Jaqueline Bedoya, CIA
Audit Supervisor

Andrew Gibb, CIA
Senior Auditor

Orange County Comptroller's Office

Mission

The mission of the Orange County Comptroller's Office is to serve the citizens of Orange County and our customers by providing responsive, ethical, effective, and efficient protection and management of public funds, assets, and documents, as specified in the Florida Constitution and Florida Statutes.

Vision

The vision of the Orange County Comptroller's Office is to be recognized as a highly competent, cohesive team leading the quest for continuing excellence in the effective safeguarding and ethical management of public funds, assets, and documents.



TABLE OF CONTENTS

TRANSMITTAL LETTER	4
ALLEGATION.....	5
BACKGROUND.....	5
INVESTIGATION RESULTS	6
Finding 1 – The County Overpaid FTHCF for Services Provided	7
Finding 2 – The Community and Family Services Department Paid an Unreasonably High Rate for Services	8
Finding 3 – The Sole Source Determination Process for This Purchase was Inadequate	11
APPENDIX A — BCC CONSENT AGENDA.....	16
APPENDIX B — MANAGEMENT’S RESPONSE	18



OFFICE OF THE COMPTROLLER

ORANGE
COUNTY
FLORIDA

PHIL DIAMOND, CPA
County Comptroller
County Audit Division
Post Office Box 38
Orlando, FL 32802
Telephone: (407) 836-5775
Web page: www.occompt.com

February 27, 2025

Jerry L. Demings, County Mayor
and
Board of County Commissioners

In July 2024, we received an allegation concerning inappropriate spending related to broadband digital literacy courses provided by *From The Heart Charitable Foundation*.

We performed an investigation related to this allegation. Investigations performed by the Comptroller's Audit Division are considered non-audit projects. The Audit Division conducts investigations of reported fraud, waste, or abuse of Orange County funds.

Responses to our findings and recommendations were received from the Community and Family Services Director and are incorporated herein.

We appreciate the cooperation of personnel from the Community and Family Services Department during the course of the investigation.

Phil Diamond, CPA
County Comptroller

c: Byron Brooks, County Administrator
Carla Bell Johnson, Deputy County Administrator
Venerria L. Thomas, Director, Community and Family Services
Lavon Williams, Deputy Director, Community and Family Services



Allegation

In July 2024, a citizen contacted the Comptroller's Audit Division with an allegation of inappropriate spending and waste of County funds related to services provided by *From The Heart Charitable Foundation*.

Background

In February 2023, the County engaged *From The Heart Charitable Foundation* (FTHCF) to provide broadband and digital literacy classes to Orange County seniors. These classes were provided in two-hour sessions — once a week over four weeks — for a total of eight hours per class. Eight different County community centers hosted the classes. The course curriculum included:

1. Effectively using a smartphone;
2. Creating and using email accounts; and,
3. Using basic Microsoft applications such as Word and Excel.

According to the procurement documents, the COVID-19 pandemic and the need to isolate/quarantine from public places has made broadband infrastructure and literacy a necessity. The County's Innovation & Emerging Technologies Office and Community Action Division worked together to procure these broadband and digital literacy classes.

Community Action agreed that Orange County would pay \$1,600 per participant. That price included \$75 for materials and \$1,525 for instruction. The County was only required to pay the full amount for students who completed the entire eight-hour class. Therefore, the County was only supposed to be billed a pro-rata share (percentage of completion) for students who didn't complete the entire class.



According to sign-in sheets maintained at eight community centers, 162 people attended at least one session.

Community Center	Number of Attendees
Hal Marston Community Center	13
Holden Heights Community Center	4
Taft Community Center	5
East Orange Community Center	30
Pine Hills Community Center	23
Maxey Community Center	22
John Bridges Community Center	59
Tangelo Community Center	6
	162

Investigation Results

As a result of our investigation, we concluded that:

1. The County incorrectly paid \$250,000 for services provided by FTHCF. The services were not invoiced according to proposal terms. This resulted in an overpayment of \$101,362.50.
2. The Community and Family Services Department contracted services at unreasonably high rates.
3. The sole source determination process for this purchase was inadequate to protect the County from inflated pricing.



Finding 1 – The County Overpaid FTHCF for Services Provided

The County received a proposal from FTHCF on January 11, 2023, to provide eight hours of training over four weeks. The proposal stated that the total cost would be \$1,600 per student. This amount included a handbook/materials charge of \$75. The proposal also stated that the County would only pay the full fee for students who successfully completed the entire program. The County was only to be billed a pro-rata percentage for students who didn't complete all four of the two-hour sessions.

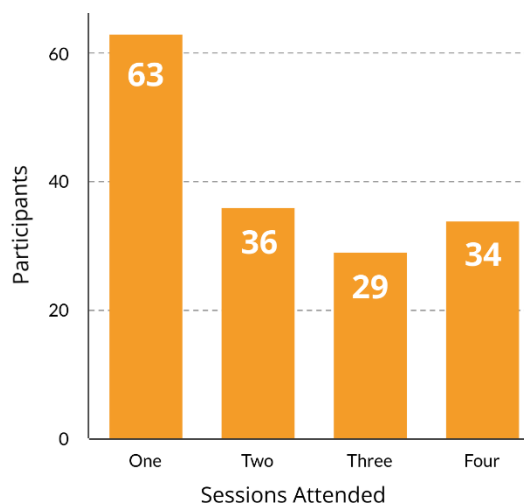
Below is an excerpt from the proposal.

Cost of Courses:

Each class can be offered for a maximum student body of 30 students each class. The program cost is \$1,525.00 per student and an additional \$75.00 handbook and material fee, with a Total Cost = \$1,600.00. The students are able to keep these books for ongoing practice. Students that do not successfully complete program will be billed at percentage of time they participated. We will provide two (2) instructors on site for each class.

FTHCF held four sessions at the eight participating community centers between April 3, 2023 and June 1, 2023. This was a total of 32, two-hour sessions. After reviewing student sign-in sheets, we determined that 162 students participated in the program. However, only 34 students attended all four sessions. We found that 63 students (39%) only attended one session. We also determined that some of the sessions had very low attendance. For example, there were fewer than 5 students in 12 of the 32 sessions (38%).

Number of Sessions Each Student Attended





The County paid a purchase order equaling the total project budget of \$250,000 on August 11, 2023. The purchase order billed the County for eight classes at a unit cost of \$31,250 per class — or \$250,000. As seen below, the purchase order referred to the proposal dated January 11, 2023.

LINE NO	QUANTITY	UNIT ACCOUNTING LINE	DESCRIPTION	ACCOUNTING LINE AMOUNT	UNIT COST	TOTAL COST
1	8.00000	EA	Broadband and Digital Literacy courses to Orange County residents. - 8 hours courses One weekly Class for Four (4) Weeks, Two (2) hours each week. Each class can be offered for a maximum student body of 30 students in each class. Program cost per class includes handbook and material fee. Contact: [REDACTED] Per Proposal dated: January 11, 2023. Board approved February 7, 2023		31250.0000	250,000.00
			RQSOC NO: Q00000136306 5896 019 8644 8610	250,000.00		
TOTAL:						\$250,000.00

Although the proposal stated the County should only pay an amount prorated based on actual attendance, the final payment was based on the total project budget of \$250,000.

We recalculated the amount due pursuant to the proposal based on actual student attendance records. The total amount due to FTHCF should have been \$148,637.50 — not \$250,000.00. Therefore, the County overpaid FTHCF by \$101,362.50.

We recommend the Community and Family Services Department:

- Demand reimbursement from FTHCF for the overpayment of \$101,362.50;
- Ensure that future requisition documents accurately reflect proposal terms; and,
- Review and compare any proposals referenced on future purchase orders to ensure vendor invoice accuracy before payment approval.

Finding 2 – The Community and Family Services Department Paid an Unreasonably High Rate for Services

After reviewing the proposal and services provided, we determined that the rate charged appeared abnormally high for these services. We were also concerned because this purchase was awarded as a sole-source purchase.



In order to evaluate the reasonableness of the pricing, we contacted other government agencies that appeared to provide similar services. We identified similar broadband literacy classes offered by the Orange County Public Library (Library), the City of Orlando (Orlando), and Orange County's Parks and Recreation Division (Parks).

Cost of Similar Courses Offered by Library and Orlando

Both the Library and Orlando use employees to teach their courses because the information included in the class is not highly technical and many employees are able to teach the courses. These employees' hourly rates range from \$15 to \$27 per hour. The proposal indicated that two instructors would teach the classes. Using the \$27 maximum hourly rate, the cost for two instructors for eight hours of instruction would have been \$432 for all students¹ in attendance. This cost is significantly lower than \$1,600 per student proposed by FTHCF. Based on these rates, the instruction could have been provided at the same eight centers for \$3,456 — a savings of over \$200,000 for Orange County.

Cost of Similar Courses Offered by Parks

Parks has offered similar classes since 2017. These classes are provided by an outside party for \$5 to \$15 per attendee. The below picture was taken in October 2024. It shows an advertising banner hanging in the County's Renaissance Senior Center showing similar courses available.



¹ The proposal stated that up to 30 students could attend. Based on an hourly rate, the cost per student would be significantly reduced if 30 students had actually attended.



Community Action's Effort to Justify Pricing

In an effort to justify pricing as required on the procurement documents, Community Action compared the pricing to a 2016 contract for similar services with Edumatics, Inc. (Edumatics).

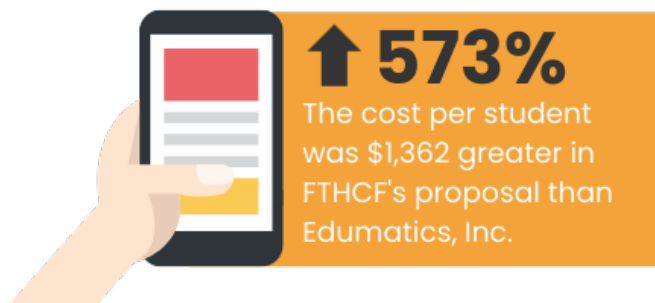
Edumatics and FTHCF are related companies. The same person serves as President of both Edumatics and FTHCF. The two companies share the same address. As such, Edumatics should not have been used for a cost comparison for reasonableness. Additionally, the Edumatics contract included a cost of \$287.50 per student for 12 hours of instruction. This is significantly lower than \$1,600 per student for 8 hours of instruction.

In May 2022, the County's former Chief Innovation & Emerging Technologies Officer (Initiator) asked FTHCF about the significant increase between the proposed costs for these services and the costs for services under the 2016 agreement. In her email response, FTHCF's President cited increased wages for staff, more materials to introduce the content, and increased materials cost as the reasons for the increase.

Based on an hourly rate of instruction, the price increase was 573% more than the earlier Edumatics contract.²

We do not find the President's explanation reasonable for such a large increase.

Based on our analysis of similar services, the pricing outlined in FTHCF's proposal is unreasonable, as those rates significantly exceeded those paid by other government agencies and prior purchases made by the County for similar services.



² Prices adjusted for inflation rate of 24% since 2016.



We recommend the Community and Family Services Department:

- A. Adequately perform cost analyses to ensure price reasonableness, considering multiple sources as directed in the County's Procurement Manual; and,
- B. Thoroughly review and critically assess vendor-provided cost justifications especially for sole-source agreements.

Finding 3 – The Sole Source Determination Process for This Purchase was Inadequate

The competitive procurement process is designed to ensure that the County will pay a fair price for its purchases. The competitive procurement process can be bypassed if there is only one source to procure goods or services from. However, sole-source procurements are high-risk transactions susceptible to inflated pricing.

To mitigate these risks, adequate price analysis is required to ensure County funds are spent appropriately. These analyses are part of the County's sole-source process as detailed in its Procurement Manual. In February 2023, the sole-source justification was presented to the Board of County Commissioners on the consent agenda ([Appendix A](#)).

This Vendor Was Selected Before a Request for Quotes Was Issued

On February 10, 2022, the Initiator emailed the former Community Action Division Manager (Requesting Division Manager) that she was "very close to completing the agreement with Kietta [FTHCF President]" for the procurement of Broadband Literacy Courses. However, the Initiator did not issue Requests for Quotes (RFQ) for these services to potential vendors until March 2022 — one month later.

Furthermore, on October 6, 2021, the Requesting Division Manager forwarded FTHCF's proposal for services to the Initiator stating she "reviewed the attached proposal and it seems in line with our discussions...if you think this is acceptable, I will move forward with the procurement process." This suggests that the vendor was selected almost six months before an RFQ was ever issued.



The following timeline illustrates the timing of the vendor's selection — before the RFQ was ever issued.

Timeline of Key Events



Community and Family Services Improperly Designated the Vendor as Sole Source for These Services

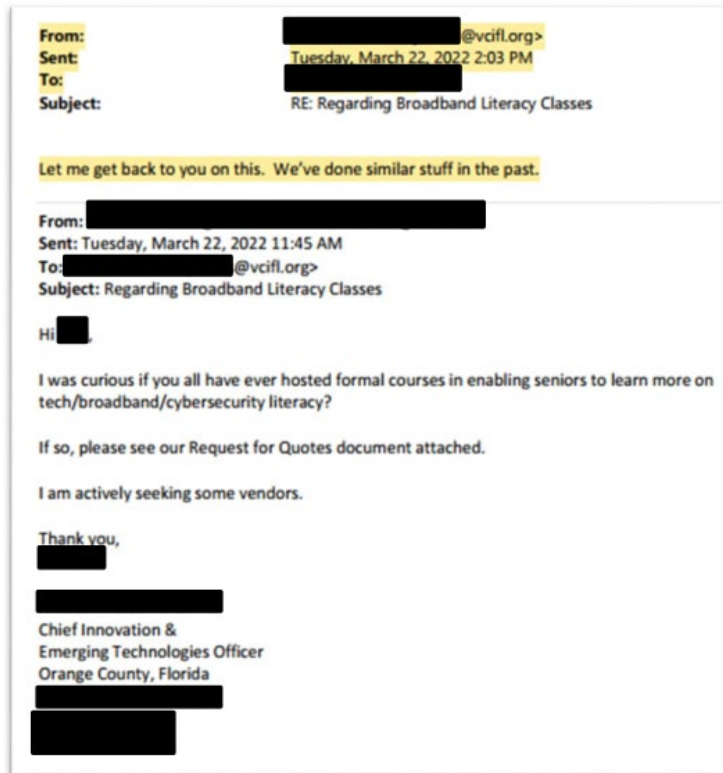
Per the County's Procurement Manual, a Sole Source Procurement Justification Form must be completed to detail why an item (or service) is the only one that will provide the desired results. The Sole Source Procurement Justification Form completed for this purchase cited the following reasons for pursuing a sole-source purchase:

- This item/service was available only from a single source, and,
- After solicitation of a number of sources, competition was considered inadequate.

Further, the form stated, "After seeking other vendors to teach such a course, there were no responses or responses in the negative, unable to meet our requirements. From the Heart Charitable Foundation...was the only responsive vendor." The form listed four vendors who were solicited to teach the requested courses. One



vendor responded via email to the RFQ, stating they offered similar services and would “get back to” the Initiator. Below is the email.



However, we found no evidence that anyone ever followed up with this vendor. This response was not disclosed on the Sole Source Justification Form and was never used to help the County obtain a better price.

The County’s Procurement Manual includes analyses that may justify a sole-source transaction’s price reasonableness. These include, but are not limited to:

- Comparable purchases by other governmental agencies;
- Past purchase history including specific references to prior contracts; and,
- A comparison of outsourced labor and internal staff/resource costs.



A Cost Analysis Worksheet (Cost Analysis) was completed for the sole-source purchase. However, Community Action was unable to provide the source of the data it used in the Cost Analysis. Additionally, no support was ever submitted to Procurement. Nonetheless, a unit cost of \$1,700 was entered on the worksheet. No one ever verified this information's accuracy or could provide the source of this data.

DESCRIPTION		MATERIALS/ EQUIPMENT		LABOR			OVERHEAD	PROFIT	SUB-TOTAL
		QTY.	UNIT OF MEAS.	UNIT COST	QTY.	UNIT OF MEAS.			
Broadband and Digital Literacy Courses and		157	Per Book	\$100.00	157	Per student	\$1,600.00		\$266,900.00

Comparable Purchases

The Sole Source Justification Form indicated that comparable purchases made by other governmental agencies were used to justify the pricing as fair and reasonable.

6. Detail the research and analysis conducted to determine that the pricing associated with this sole source requisition is fair and reasonable?

The pricing is fair and reasonable based on:

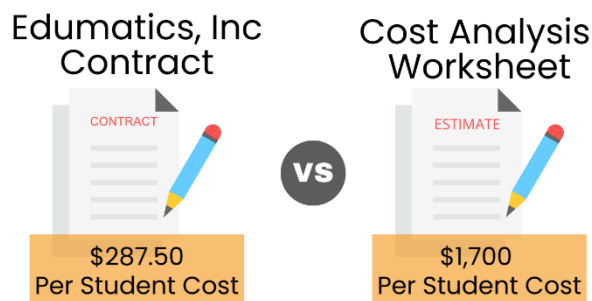
- Comparable purchases by other Governmental Agencies (technology literacy classes and other resident facing classes have been historically in this pricing range)

Despite referring to comparable purchases, no support for any “comparable purchases by other Governmental Agencies” could be provided. In fact, we found that the Library and Orlando offered similar courses using internal resources at a much lower cost.



Past Purchase History

We previously noted that staff had used a 2016 contract with Edumatics, Inc. as a cost-basis comparison — even though Edumatics and FTHCF are controlled by the same person. However, even if this flawed information had been considered, the price comparison would have still shown the unreasonableness of FTHCF's sole-source contract. The illustration to the right shows the difference in cost.



Comparison of Outsourced Labor and Internal Staff/Resource Costs

The Requesting Division Manager confirmed that no comparison was ever conducted between the costs of outsourcing labor and utilizing internal staff and resources, as outlined in the Procurement Manual.

In fact, even though the Parks and Community Action Divisions are both part of the Children and Family Services Department, there was apparently no effort to determine if other County divisions were offering similar courses. As noted above, we found that the Parks Division was offering similar “Courses from \$5 to \$15” to residents at the County’s Renaissance Senior Center.

We recommend the Community and Family Services Department provide training to:

- A. Ensure that no verbal or written commitments with vendors occur before RFQs are issued;
- B. Ensure all sole-source procurement justification documents are adequately supported; and,
- C. Ensure that cost analyses for sole-source purchases are thorough and multiple sources of pricing information are considered.



Interoffice Memorandum

January 13, 2023

TO: Mayor Jerry L. Demings
-AND-
County Commissioners

FROM: Carrie Mathes, CFCM, NIGP-CPP, CPPO, C.P.M., Manager II,
Procurement Division

CONTACT: Lavon Williams, Deputy Director, Family and Community Services
Department
[REDACTED]

SUBJECT: Approval of Purchase Order M110016 Broadband Literacy Classes for
Orange County Residents

ACTION REQUESTED:

Approval of Purchase Order M110016 Broadband Literacy Classes for Orange County
Residents, with From The Heart Charitable Foundation, in the not- to-exceed amount of
\$250,000.

PROCUREMENT:

This purchase order provides funding to provide broadband literacy classes for Orange
County residents from the date of Board approval through June 1, 2025.

FUNDING:

Funding is available through the American Rescue Plan Act in the account number
5896-019-8644-8610.

APPROVALS:

The Family and Community Services Department concurs with this recommendation.

REMARKS:

From The Heart Charitable Foundation is the sole entity able to provide broadband literacy
classes. Negotiations were attempted and the cost submitted is their best and final offer.
The pricing is fair and reasonable based on comparable purchases by other governmental
agencies (literacy classes and other resident facing classes have been historically in this
pricing range), and past purchase history including specific references to contracts and
purchase orders. Due to the COVID-19 pandemic and the need to isolate/quarantine from
public places, broadband infrastructure and literacy has become a necessity of living.
COVID-19 has underscored the need for home-based connectivity as well as adequate



Approval of Purchase Order M110016, Broadband Literacy Classes for Orange
County Residents
Page 2

broadband literacy sufficient to enable users to perform daily tasks without traveling. If a resident is over 65 and lacks a high school diploma, lives in poverty, is non-white or foreign-born, lives alone, suffers from poor health or physical disability, is female, or lives in a rural area, digital privation is likely added to any burdens these individuals endure. Specific issues of digital isolation include barriers to adequate healthcare, education, mental wellbeing, or workforce pursuits. Over 22 million American seniors do not have access to the internet, and this digital isolation has resulted in as severe a consequence as death: in a recent study by AARP's Older Adults Technology Services and Humana, "AGINGconnected", an estimated 40% of seniors who died due to COVID-19 were unable to access needed online resources because they lacked in-home internet.

Orange County is deploying a broadband literacy program which predominantly supports low to moderate income senior residents (aged 65 years old and older). While these residents will be prioritized for class access, the rare cases where low to moderate income residents aged 18 to 64 years old are participating in other County programs in which broadband literacy is vital, will also be considered eligible. A curriculum provider is sought to deliver a course program – preferably built on an already proven, successful curriculum - providing our senior residents with broadband technology literacy basics. Components of the course must include:

- What the various devices are that comprise a broadband system and how to utilize/maintain these hardware components
- How to utilize web browsers and different types of browsers/what software solutions may be optimized with which browser
- How to differentiate and activate Wi-Fi, Bluetooth, and other wireless device protocols; as well as how to access Virtual Private Networks for remote access
- How to utilize a search engine (especially Google) and how to access different modes of content (i.e. webpages, videos, images, etc.)
- How to utilize various mobile devices to access the above topics, whether on a desktop, laptop, tablet or cell phone
- How to set up email accounts; maintain email inboxes; and send emails
- How to find, download, and utilize mobile apps and fillable web-forms
- Anti-cyber-phishing exercises, basic public-facing cybersecurity principles, and detection of fraud/suspicious internet activity
- Overview of modern technology useful to seniors such as voice-activated devices, autonomous vehicle/shuttle services, tele-health kiosks, etc.



Community and Family Services Department
Venerria L. Thomas, Director

INTEROFFICE MEMORANDUM

Date: February 12, 2025

TO: Wendy Kittleson, Assistant Comptroller, Orange County Comptroller

FROM: Venerria L. Thomas, Director, Community and Family Services

SUBJECT: Investigative Report- Spending on Broadband Digital Literacy Courses

The goal of the Broadband Digital Literacy Courses was to provide low-income individuals, specifically senior citizens, with access to digital navigators that assist clients in better utilizing digital devices for day-to-day activities. Improving digital literacy is one goal of the Office of Innovation and Technology and therefore, in partnership with the Community Action Division, the County engaged From the Heart Charitable Foundation (FTHCF, a 501c3 nonprofit organization), ultimately utilizing the sole source procurement process for direct services.

In our review contracts awarded funding by the County we recently noticed an overpayment for services rendered for the Broadband Digital Literacy classes conducted in 2022. Simultaneously, the Comptroller's Office reviewed this contract, and the associated services performed. The purpose of this memorandum is to offer response to the findings and conclusions in the resulting Investigative Report issued by your office, as outlined below.

Finding 1 - The County Overpaid FTHCF for Services Provided. Recommended that the Community and Family Services Department:

A: Demands reimbursement from FTHCF for the overpayment of \$101,362.50

B: Ensures that future requisition documents accurately reflect proposal terms.

C: Reviews and compares any proposals referenced on future purchase orders to ensure vendor invoice accuracy before payment approval.

OC Response –This finding is consistent with our own review that incorrect scrutiny of the vendor's invoice may have contributed to a significant overpayment of over \$101,000. The County was billed incorrectly, on a per class rather than per student attendee (or pro-rated), basis. To recapture the overpayment, and in accordance with our standard practice in such rare instances, a Notice to Cure was already sent to the vendor on October 25, 2024, and subsequent measures to prevent future occurrences are being implemented. The County continues its pursuit of remittance for the overpayment.



W. Kittleson Investigative Report Response – February 12, 2025
Page 2

FTHCF provided multiple proposals, customized to varying specifications and payment terms, as the County sought to refine the services to be rendered. The final accepted FTHCF proposal used to advertise (test the marketplace) and, ultimately, secure the services, included a proration method that could be applied per student, as opposed to per class. However, the related purchase order was poorly constructed and did not clearly detail the appropriate method or units of measure upon which to base payment except for references in the notes. Finally, the invoice submitted by the vendor was not calculated based on the per student terms agreed to in the final accepted proposal and documented in the notes of the purchase order. Unfortunately, this went unnoticed by both FTHCF and county staff, as the invoice was apparently not scrutinized by either party against the purchase order or the final accepted proposal. Staff turnover, inadequate training and/or missteps resulted in confusion regarding the payment for services provided, causing the overpayment.

The procurement document accurately acknowledged the date of the best and final offer. As an improvement we will include documentation to remind fiscal and accounts payable staff to ensure proration is accurate as an additional measure to support invoice accuracy.

We acknowledge that the request for payment failed to acknowledge the proration requirement, as did the actual payment. Going forward, we will ensure that all parties involved in the payment authorization process increase scrutiny of all invoices against proposals before payment approval. In addition, we will ensure that all parties involved in the payment authorization compare all invoices against proposals before payment approval.

Finding 2 -- The County contracted services at unreasonably high rates. Recommended that the Community and Family Services Department:

- A. Adequately performs cost analyses to ensure price reasonableness, considering multiple sources as directed in the County's Procurement Manual; and
- B. Thoroughly review and critically assesses vendor provided cost justifications especially for sole source agreements.

OC Response - We acknowledge, in hindsight, that the contracted rate was probably unreasonably high. However, the comparisons to digital literacy courses provided by the Library, City of Orlando and Parks and Recreation as the basis for this assertion are inadequate.

The Investigative Report proffers or opines that the County could have saved funding by using in-house employees. The County exercised its operational prerogative to determine the best mechanism for executing the project and our decision to use a vendor to do so is not fundamentally the issue; rather, it is our execution of the decision.



W. Kittleson Investigative Report Response – February 12, 2025
Page 3

At the time of the contract, the Community Action Division was managing several other social services programs in response to the impact of the COVID-19 pandemic and did not have the staff capacity available to manage or teach digital literacy courses without the assistance of a vendor. The models addressed in the report do not adequately compare to the services provided by FTHCF. FTHCF provided a curriculum, and materials and staff trained to teach the curriculum.

Finding 3 -- The sole-source process was inadequate. Recommended that the Community and Family Services Department:

- A. Ensure no verbal or written commitments with vendors occur before RFQ are issued.
- B. Ensure all sole source procurement justification documents are adequately supported; and
- C. Ensure that cost analyses for sole source purchases are thorough and multiple sources of pricing information are considered.

OC Response – As advised by the County's Procurement Division, the County's Sole Source Process as identified in the Procurement Policies is adequate and is specifically designed to protect the County from inflated pricing. The issue appears to be with the price analysis conducted for this specific transaction - not the entire sole source process. Standing up the broadband literacy courses took considerable time and effort. Staff initially believed that a subrecipient agreement was needed to secure federal funding to cover the cost of the services, hence, the early original proposal. Staff solicited other proposals but received no actionable responses. Ultimately, staff made an operational decision that the final procurement should instead occur through a direct service purchase order. Staff submitted a sole source determination form, as the provider is a nonprofit organization exempt from regular procurement procedures and the services of the vendor were determined uniquely tailored.

Note that the department's sole source is a request and is not an approval. Approval is conveyed by the Procurement Division. It is not unusual for departments to test the market before officially submitting their sole source documentation. Note that on the sole source form the department is simply a "requestor" and not an approver. Selection occurs when procurement issues the PO after the sole source posting. The department is simply recommending, not selecting. The oversights made by staff in securing this provider are representative only of a *misstep in implementing* a process that has proven, over time, to be more than adequate and, in fact, *award-winning* by national procurement standards.

Since there were multiple proposals from one vendor and others declined to provide proposals, price reasonableness could not be adequately established by the Community Action Division.



W. Kittleson Investigative Report Response – February 12, 2025
Page 4

Therefore, in keeping with the County's Procurement Policies, the Procurement Division advertised publicly, solicited for the services and did not receive any other proposals. In the public solicitation 3,536 vendors were notified, 223 clicked through the notification, and 24 fully logged on to download the associated files. Not one of the vendors who viewed the scope of work indicated a more reasonable price.

We agree that the selection of the vendor as a sole source available for these services was not adequately documented. However, Community Action used a proposal provided by the vendor as was documented with the requisition request. There was not a formal RFQ through the Procurement Division. It is common practice for staff to request quotes and proposals for services.

This notwithstanding, we have concluded that there were a few errors in our execution of the Broadband Digital Technology Courses project, and this is essentially substantiated by the findings in your Investigative Report. As a result, we have initiated the following corrective measures:

1. In coordination with the Procurement Division and the County Attorney's Office, a letter of demand was sent to the vendor to recapture funding overpaid for services on October 25, 2024. The vendor was to respond by November 26, 2024. The County continues to discuss options and repayment with the vendor.
2. In collaboration with the Procurement Division, CFS Fiscal and Operational Support is developing a procurement training plan. This training plan will afford CFS division managers and fiscal staff opportunities to refresh on procurement procedures on a quarterly basis. The first training course occurred on December 12, 2024. Topics include(d), but are/were not limited to:
 - Conducting Sole Source Determinations and Justification
 - Primer on Procurement Roles and Responsibilities
 - Requesting Quotes and Determining Price Reasonableness
 - How to evaluate when services or programs should be outsourced
 - Distinguishing between subrecipients and vendors for direct services
 - Primer on state and federal procurement
3. Community Action staff have been provided with appropriate checklists to accompany the Procurement Policies and Procedures Manual that is utilized by all division managers and fiscal staff. The objective is to alert and guide them through the procurement process to ensure compliance by all participants.



W. Kittleson Investigative Report Response – February 12, 2025
Page 5

Community and Family Services affords joy, hope and help to our Orange County citizens. Doing so requires that we use the utmost diligence in protecting the public interest, particularly regarding utilization of public funds. We believe the inaccuracies found in the digital literacy procurement and subsequent invoicing to be an uncommon representation of the great work that our staff perform daily. Nonetheless, great can always be greater and that is what we hope to achieve as these new measures are implemented.

Should you have questions or require further information, please contact me directly at (407) 836-6229 or Lavon B. Williams, Deputy Director of Community and Family Services at (407) 836-5614.

C: Byron W. Brooks, AICP, County Administrator
Carla Bell Johnson, AICP, Deputy County Administrator
Lisa Snead, Assistant County Administrator
Kurt Petersen, Director, Office of Management and Budget
Lavon B. Williams, Deputy Director, Community and Family Services
Carrie Mathes, Procurement Division Manager
Anne Kulikowski, Director, Administrative Services
Zulay Millan, Assistant Manager, Procurement