



**State of Florida
Department of Children and Families**

Ron DeSantis
Governor

Chad Poppell
Secretary

**OFFICE OF INSPECTOR GENERAL
MEMORANDUM OF INVESTIGATIVE REPORT**

DATE: October 10, 2019
TO: Chad Poppell, Secretary
FROM: Keith R. Parks, Inspector General
SUBJECT: Investigation #2019-0001

In accordance with § 20.055, Florida Statutes, which charges the Office of Inspector General to conduct investigations of allegations of fraud, waste, mismanagement, misconduct and other abuses in state government, we respectfully submit the following investigative report.

If you have questions or comments concerning the report, please contact me at (850) 488-1225.

Attachment

Distribution:

Patricia Babcock, Deputy Secretary
Javier Enriquez, General Counsel
David Mica, Chief of Staff
Rodney Moore, Assistant Secretary for Substance Abuse and Mental Health
Ute Gazioch, Substance Abuse and Mental Health Director
Tony Lloyd, Assistant Secretary for Administration

1317 Winewood Boulevard, Tallahassee, Florida 32399-0700

Mission: Work in Partnership with Local Communities to Protect the Vulnerable, Promote Strong and Economically Self-Sufficient Families, and Advance Personal and Family Recovery and Resiliency



State of Florida
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Office of Inspector General

Enhancing Public Trust in Government

Investigative Report

2019-0001

October 10, 2019

Keith R. Parks
Inspector General

Amie H. Young, J.D.
Chief of Investigations

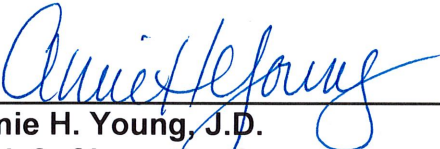
*“Provide leadership in the promotion of
accountability and integrity of State Government.”*



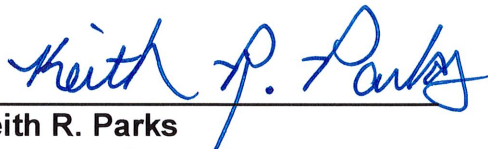
Mission: Work in Partnership with Local Communities to Protect the Vulnerable, Promote Strong and Economically Self-Sufficient Families, and Advance Personal and Family Recovery and Resiliency

Office of Inspector General
Investigation
Case Number: 2019-0001


The undersigned have remained free from personal or external impairments to independence and have consistently maintained an independent attitude and appearance in this assignment.



Amie H. Young, J.D.
Chief of Investigations



Keith R. Parks
Inspector General



Date Closed

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Chad Poppell
Secretary

DEPARTMENT OF CHILDREN AND FAMILIES OFFICE OF INSPECTOR GENERAL

Investigative Report
Case Number: 2019-0001



Keith R. Parks
Inspector General

INTRODUCTION

On August 23, 2018, the Department of Children and Families (Department) Office of the Secretary (OS)¹ received a written complaint from an anonymous individual identifying themselves as a Florida State Hospital (FSH) employee. The complainant expressed concerns about the conduct of former State Mental Health Treatment Facilities (SMHTF) Chief Hospital Administrator (CHA) Robert “Bob” Quam,² as follows:

- Mr. Quam recently returned from a trip to Africa with the manager of the FSH maintenance contract [Aramark Healthcare Support Services, LLC (Aramark)], one of the companies planning to bid on the FSH food service contract.
- Mr. Quam “wreck[ed]” a rental vehicle, which he had FSH transportation staff repair and drive back to the rental company in south Florida.
- Mr. Quam hired Frank Fela as a contractor. Mr. Fela’s “criminal record is astounding” and he does not reside in the United States.

The OS forwarded the complaint to the Office of Inspector General (OIG) for handling. On August 31, 2018, the OIG referred the complaint to former Assistant Secretary for Substance Abuse and Mental Health (SAMH) John Bryant³ for review and response to the OIG. In responses dated November 9, 2018 and December 19, 2018, Mr. Bryant included a November 13, 2018 background screening letter on Mr. Fela and a December 18, 2018 memorandum from Mr. Quam. Mr. Bryant noted the following:

- When SAMH first received the complaint, they required Mr. Fela to provide fingerprints to initiate a background investigation; however, his fingerprints were not able to be processed and had to be resubmitted on November 6, 2018. The November 13, 2018 background screening letter indicated that as of October 4, 2018, a review of criminal history records found nothing that disqualified Mr. Fela from serving in the SAMH programs.⁴
- Mr. Bryant noted that he discussed Mr. Quam’s response with him (Mr. Quam) and was “satisfied that there was no calculated effort of wrong doing.” *[sic]*

Based on information in Mr. Bryant’s responses confirming that Mr. Quam traveled to Africa with Aramark General Manager Richard Frey and that FSH transportation staff performed repairs on, and returned on Mr. Quam’s behalf, a state rental vehicle, the OIG initiated an investigation.

¹ On August 24, 2018, the Executive Office of the Governor Office of Citizen Services received an identical complaint and forwarded it to the Department OS and the Department of Management Services (DMS) for review and handling.

² Effective October 8, 2019, Mr. Quam was no longer employed by the Department.

³ Effective June 14, 2019, Mr. Bryant was no longer employed by the Department.

⁴ Based on § 110.105(3), Florida Statutes (F.S.), allowing for employment of non-Florida residents, and the negative Level 2 background screening results provided by Mr. Bryant, the OIG did not further review Mr. Fela’s alleged criminal history.

BACKGROUND INFORMATION

Department Contracts

The Department Contract Accountability Reporting System (CARS) reflected pertinent Department contracts with Aramark, as follows:

Contract #		Effective Dates	Contracted Services	Contract Amount	Signed by	Signature Date
BI201	Original	July 1, 2012 – June 30, 2017	Provide Environmental Services (EVS) and Facility Maintenance Operations (FM) at FSH. Amendment #0003 increased the number of zone mechanics from eight to ten by adding Buildings 1029 and 1262 leased to the Developmental Disabilities Defendant Program (DDDP)	\$42,620,100	Former FSH Administrator Marguerite Morgan ⁵	June 1, 2012
	Amendment #0002 (Renewal)	July 1, 2017 – June 30, 2022		\$88,690,220		June 27, 2017
	Amendment #0003	January 9, 2019 – June 30, 2022		\$89,071,804	Former Interim Secretary Rebecca Kapusta ⁶	January 9, 2019
DI421		March 1, 2019 – January 31, 2022	Provide environmental (housekeeping/janitorial) services hospital wide at North Florida Evaluation and Treatment Center (NFETC)	\$450,000	Mr. Quam	February 25, 2019
DI420		March 26, 2019 – February 28, 2022	Provide environmental (housekeeping/janitorial) services hospital wide at Northeast Florida State Hospital (NEFSH)	\$2,850,000	Mr. Bryant	March 26, 2019

ALLEGATIONS AND FINDINGS

Allegation 1 and Finding

State Mental Health Treatment Facilities Chief Hospital Administrator Robert “Bob” Quam created a conflict of interest and failed to safeguard his ability to make objective, fair, and impartial decisions in conjunction with Department contracting actions with Aramark Healthcare Support Services, LLC (Aramark). Potential violation of § 112.313(6), F.S.; Rule 60L-36.005(1) and (3)(b), (e), (f)2., and (g), F.A.C.; Sections 5-4.a. and c. and 5-5., CFOP 60-5; and Sections 1-8.c.(2), (5), and (6)(b) and (c), CFOP 60-55. **Finding: SUPPORTED.**

In a December 18, 2018 memorandum included with Mr. Bryant’s December 19, 2018 response to the OIG, Mr. Quam wrote:

Yes, I did arrange a personal trip, for myself, to go to Africa from July 27th to August 9th, 2018. All expenses were paid by myself which included arriving to the airport, flights, transportation, lodging, meals, area safari tours and any other incidentals.

Mr. Frey, from Aramark, arranged to go to Africa at the same time and paid for his expenses personally.

When I decided to go to Africa, I didn’t realize that Mr. Frey going at the same time would be unethical since we were paying for our own trips

⁵ Ms. Morgan had been the Department’s contract manager for Contract #BIT01.

⁶ Effective April 1, 2019, Ms. Kapusta was no longer employed by the Department.

personally. At the time, there was no bid in place for food services at FSH.

Since this was a foreign continent and Mr. Frey, had previously been to Africa, I felt that it would be safer to go with him since he had previous knowledge of the continent. [sic]

WITNESS TESTIMONY

The following individuals were interviewed:

- Former Assistant Secretary for SAMH John Bryant
- Aramark General Manager Richard Frey

Mr. Bryant opined that Mr. Quam was upfront about traveling with Mr. Frey because he (Mr. Quam) perceived it could be a problem; however, Mr. Quam came from the private sector, where this type of thing may have been viewed as “okay.” To avoid any appearance of a conflict of interest, he advised Mr. Quam to be “very crystal clear” about making his own travel arrangements and documenting that he paid his own expenses.

Mr. Bryant confirmed that around the time of the Africa trip, there was a food service contract up for bid; however, he did not believe that the Africa trip was an attempt by Aramark or Mr. Frey to influence Mr. Quam. Mr. Frey was the Aramark Regional Manager and likely the Aramark chief negotiator for the contracts. There were individuals within the chain-of-command between Mr. Quam and the procurement manager, but he agreed the process did not eliminate the potential perception of a conflict of interest.

When asked, Mr. Bryant opined that Mr. Quam and Mr. Frey had a “developing friendship.” He thought Mr. Quam had been to Mr. Frey’s home and probably had food and drinks while there, but he would have expected Mr. Quam, or any employee in such a position, to contribute appropriately for any meals and beverages. He felt certain Mr. Quam understood that he could not be perceived as giving an advantage to anyone that was or might become under contract with the Department. To his knowledge, Mr. Quam had not received any type of gift from Mr. Frey.

Mr. Frey stated that when he told Mr. Quam about the Kuvhima safari he booked, Mr. Quam indicated that he would like to go one day, so he (Mr. Frey) said, “Well, why don’t you do it?” He made the arrangements for the trip and told Mr. Quam to make sure he kept his receipts for everything. They were invoiced and paid separately. The costs associated with the trip were airfare to Johannesburg and Port Elizabeth (South Africa) in the amount of \$2,800, two all-inclusive safaris, and animal-related costs. He brought two guns, one of which Mr. Quam used during at least one of the hunting excursions. Mr. Quam hunted during the first safari, but only accompanied him on the second safari.

When asked if he paid any expenses on behalf of Mr. Quam or vice versa, Mr. Frey recalled that Mr. Quam gave him a check for several hundred dollars, but could not immediately recall what it was for. At first, he said that it was for shipping the trophies to the United States; however, later confirmed that he had booked and paid for airline tickets so they could sit together and said Mr. Quam gave him a check to reimburse his (Mr. Quam’s) airfare.

Mr. Frey explained a multi-step process to receive their animal trophies⁷ and said they were invoiced separately. Because Mr. Quam was in the process of moving from Titusville to Sarasota and did not want to move his trophies twice, they agreed that the finished trophies could be shipped to his (Mr. Frey's) home and stored in the garage until Mr. Quam could retrieve them.

Mr. Frey was unsure when the food service contract was put out for bid but thought the bid was due the first part of November 2018. He had limited interest in the food service contract. He explained that Aramark is a large corporation and the food service division, their biggest business, is separate from his division. Aramark is very good at food services; however, if they received the contract and there were problems, it would have reflected negatively on him, even though he had had nothing to do with it. He had oversight of Aramark housekeeping and maintenance services for FSH. He did not recall talking to Mr. Quam about the contract; however, he could not imagine that it did not come up at some point. For the last food service procurement, he (Mr. Frey) knew that Aramark was going to bid on the contract, but his only involvement was providing information to the Aramark Director of Business Development Ed Calderon (i.e., information about the account and FSH). When asked, Mr. Frey denied that Mr. Calderon asked him to win favors with FSH staff, including Mr. Quam. He explained that FSH managers and Mr. Quam were not involved in the selection process. He acknowledged the possibility that Mr. Quam might have some type of influence with the selection committee, but had the impression that Mr. Quam was not involved. Ultimately, the food service contract was not awarded and FSH kept food service in-house.

Mr. Frey considered Mr. Quam a good friend. For the past two years, Mr. Quam stopped by his (Mr. Frey's) house, usually to sit on the deck, have a drink, and look at the lake. They talked about events at the hospital, such as the One Hospital Plan,⁸ which was on the clinical side and had nothing to do with Aramark. Sometimes they went to restaurants (such as The Whip) and shared a couple of meals at his home. Sometimes Mr. Quam brought "stuff." He denied giving a gift to or receiving a gift from Mr. Quam.

RECORDS REVIEWED

Department E-mails

An OIG review of Mr. Quam's Department e-mails revealed the following pertinent information:

➤ Relating to housekeeping and contracts for NEFSH and NFETC

- On July 29, 2016, NFETC Hospital Administrator Robert "Bob" Gibson advised Mr. Quam that NFETC had no dedicated housekeeping services for the secure area. Mr. Quam asked if he had received a quote from the service used at FSH (Aramark).

⁷ Department e-mails showed several companies were involved.

⁸ According to the SMHTF Annual Report for Fiscal Year (FY) 2016/2017, former Department Secretary Michael "Mike" Carroll had a vision to establish a One Hospital System for the three state-owned and operated psychiatric hospitals (NEFSH, NFETC, and FSH) to improve overall efficiency and consistency in operations by combining their resources and standardizing management structures, processes, and procedures. Effective September 7, 2018, Mr. Carroll was no longer employed by the Department.

- On August 1, 2016, former NEFSH Purchasing Agent III Angela Gregory⁹ sent a response to NEFSH Finance and Accounting Director III Sarah “Anita” Bradley, advising that she had not received a quote from Aramark but had spoken to them and services would be over the \$35,000 threshold. She sent a second response to Ms. Bradley, noting, “I spoke to [Mr. Frey]. He said that NFETC is too small for them to even bid... They would only consider it if we included NEFSH. They like to do a packaged deal like they have at FSH where they can include maintenance or another service along with cleaning.” Ms. Bradley forwarded Ms. Gregory’s e-mail to Mr. Gibson, who in turn forwarded it to Mr. Quam.
- On August 1, 2016, Mr. Quam sent an e-mail to Mr. Gibson, “Is the \$35,000 threshold monthly cost?” Mr. Gibson responded to Mr. Quam, “\$35k I believe is the threshold for contracted services. Anything over that amount in total contract would require at least 2 bids unless you can have the vendor designated as single source....”
- On August 1, 2016, Mr. Quam responded to Mr. Gibson that he would be at FSH on Wednesday and asked if he (Mr. Gibson) minded if he (Mr. Quam) spoke to the vendor about a bid. Mr. Gibson forwarded the e-mail to Ms. Bradley, asking if she needed to brief Mr. Quam on what he should or should not pursue. Ms. Bradley responded, “Bob, yes I need to understand what Mr. Quam wants....”

➤ Relating to the Africa trip, trophies, and social events

Date (2018)	E-mail Account	Content
March 26	Mr. Frey	<i>Bob, If you want to see more about the place we'd be going to, you can look at their website, Kuvhima.co.za where you can see photos and read more about it. It really is a very nice place and a good time. Hope you can make it.</i>
March 28	Mr. Quam	<i>Teri¹⁰ is very excited about the opportunity for me. I just got go around June 30th we are having a reunion gathering. Talk to you next week. Thanks Bob [sic]</i>
April 6	Mr. Frey	<i>Bob, Looks like we have the dates. We will leave here on July 25, arriving in SA the 26th and going to Kuvhima that day through August 6, going to Tam Safaris from August 7 to 9 and returning home on August 10. We can book our flights when you are here next week.</i>
May 15	Mr. Quam	<i>Subject: Passport Passport has my full name – Robert Kenneth Quam.</i>
May 16	Mr. Frey	<i>Thanks, looks like that was all I needed from you for these forms.</i>
July 11	Mr. Quam	<i>To Mr. Fela and Mr. Frey: Subject: Dinner July 18, 2018 6:00 p.m. to 9:00 p.m. at the Whip.</i>
July 16	Mr. Quam	<i>Rich are you good for tomorrow night at your house?</i>
July 16	Mr. Frey	<i>Yes, but there are some problems. One, I can't get there before about 7 pm, and the Whip is closed on Monday and Tuesday so we would have to make do with pizza or something. If that doesn't matter we can do it. Wednesday [sic]</i>
July 16	Mr. Quam	<i>Thursday night might be better for me. Bob</i>
July 16	Mr. Frey	<i>That's fine with me, just let me know when you are certain. Better let Frank know as well.</i>
July 18	Mr. Quam	<i>Rich are you good to meet Frank and I at the Whip at 6p and later go to your house? Bob [sic]</i>
July 18	Mr. Frey	<i>Sounds good to me, see you there at 6</i>
July 23	Mr. Quam Mr. Frey	<i>Mr. Quam exchanged e-mails with Mr. Frey about the Africa trip. Mr. Quam asked if Mr. Frey had his (Mr. Quam's) "flight schedule from JNB to the other place we are going?" Mr. Frey sent Mr. Quam the electronic tickets for round trip tickets on South African Airways from Johannesburg to Port Elizabeth on August 5, 2018 and return on August 8, 2018. The booking had been completed on May 2, 2018 and \$307.45 cost paid by "CC AX ...3008 1019."</i>

⁹ Effective June 2, 2017, Ms. Gregory was no longer employed by the Department.

¹⁰ Determined by the OIG to be Teri Quam, Mr. Quam's wife.

Date (2018)	E-mail Account	Content
November 12	Mr. Frey Mr. Quam	Mr. Frey forwarded from his personal e-mail (floridamint@tds.net) an e-mail received from Swift Dip regarding a \$937.50 invoice for the dipping process of Mr. Quam's five animals from Kuvhima Safaris. Mr. Quam responded, "How do I get them sent to you and what is the cost?"
November 13	Mr. Quam	Mr. Quam sent an e-mail to Swift Dip advising that he would be sending payment with an address for shipping.
November 15	Mr. Quam	Mr. Quam forwarded the invoice information to renee.stokes@wellsfargo.com.
November 15	Mr. Quam Mr. Frey	Mr. Quam responded to Swift Dip, copying Mr. Frey's personal e-mail address, with a wire transfer number and shipping address of "Richard Frey c/o Robert Quam, 66 Gilcrease Lane, Quincy."
November 15	Mr. Quam	Swift Dip sent an e-mail to Mr. Quam advising that his trophies were packed and collected by Safari Cargo Systems (SCS) on November 19 to their warehouse in Johannesburg.
November 21	Mr. Quam	SCS sent e-mail to Mr. Quam advising that they will send a formal freight cost when they receive the final export permit and Mr. Quam's selection of a taxidermist and customs house broker.
November 21	Mr. Quam	Mr. Quam forwarded the November 21, 2018 SCS e-mail to Mr. Frey and wrote, "...please note the 2 questions below..."
November 21	Mr. Frey	Mr. Frey responded to Mr. Quam, "We don't have a taxidermist at this moment, but tell them to use Coppersmith as the broker and ask if they can combine our two shipments into one."
November 21	Mr. Quam	Mr. Quam responded to SCS, "Thanks for update, please combine mine with Richard Frey. We don't have a taxidermist as yet but use Coppersmith as the broker."
December 4	Mr. Frey	Mr. Frey sent an e-mail from his personal e-mail to Swift Dip advising that he and Mr. Quam wanted their trophies directed through Coppersmith in San Francisco and shipped to Animal Artistry in Reno.

Date (2019)	E-mail Account	Content
January 7	Mr. Quam Mr. Frey	SCS sent an e-mail to Mr. Quam and Mr. Frey advising that two wooden cases (one for Mr. Quam and one for Mr. Frey) would be shipped by Airfreight to San Francisco at a cost of \$749.65, excluding clearing and delivery charges at the destination. Attachments included an invoice for two packages addressed to Mr. Frey, including his mailing and personal e-mail address, and wire transfer instructions to SCS.
January 16	Mr. Quam Mr. Frey	SCS sent an e-mail to Mr. Quam and Mr. Frey confirming that they received payment.
January 16	Mr. Quam Mr. Frey	Coppersmith Global Logistics sent an e-mail to SCS inquiring about missing documents, with a copy to Mr. Quam and Mr. Frey. Mr. Quam sent e-mail to Mr. Frey asking if he (Mr. Frey) had the documents.
February 7	Mr. Quam Mr. Frey	Coppersmith sent an e-mail to Mr. Frey's personal e-mail and Mr. Quam, thanking Mr. Frey for payment and attaching the credit card payment receipt and backup documents. The payment was \$650 for Mr. Quam and \$720 for Mr. Frey.
February 7	Mr. Quam	Animal Artistry sent an e-mail to Mr. Quam with Deposit Invoice of \$2,032.50 for his five animals.
March 21	Mr. Quam	Mr. Quam sent his credit card information and pin to Animal Artistry for payment of his Deposit.
April 1	Mr. Quam	Mr. Quam sent photographs of the animals received from Mr. Frey to Animal Artistry to begin work

An OIG review of other Department e-mails revealed the following:

- On February 1, 2019, Mr. Frey sent an e-mail, subject "Employment," to Aramark Regional Vice President Scott Beer and Regional General Manager Paul Lemmer. Within the e-mail, he wrote (emphasis added):

*Over the past several months our client has awarded us several additions to our contract. These include **EVS¹¹ at the other to [sic] state-run hospitals, two additional mechanics at FSH, and the***

¹¹ Abbreviation for "Environmental Services."

pending addition of eleven positions related to on-campus food delivery, also at FSH. With these additions we are well over \$11MM annually. This obviously adds a great deal of additional responsibility for me...So that I can be compensated for this additional business I am requesting that I be returned to my former position of RDM¹²...My understanding is that RDM's should have \$12MM in business, and while I am not quite there yet we are extremely close to it. We also have been told that the RFP for POM¹³ at the other two facilities should be going out this year and we expect to secure that business as well....

Scott, I don't have to tell you the kind of performance we have consistently delivered for you, and I feel fully justified in asking you to approve my return as an RDM at \$150,000 per year....

Department Solicitations

My Florida Market Place (MFMP) Vendor Bid System (VBS) showed SMHTF solicitations pertinent to services provided by Aramark around the time of the Africa trip as follows:

Advertisement #	Advertisement		Bid Opening Date	Notice of Intent to Award/Withdraw/Reject Date
	Begin Date	End Date		
RFP SMHTF2018-001 (Food services at FSH, NEFSH, and NFETC)	December 15, 2017	July 1, 2018	February 22, 2018	Withdrawal/Rejection of all bids – March 22, 2018
ITBHK20180404 (Environmental housekeeping services at NEFSH)	April 20, 2018	July 10, 2018	May 24, 2018	Withdrawal – June 5, 2018
ITBJA20180509 (Janitorial Service at NFETC)	May 11, 2018	June 29, 2018	June 8, 2018	Withdrawal – June 4, 2018
RFP SMHTF2019-0001HK (Environmental Housekeeping/Janitorial Services at NEFSH and NFETC)	September 26, 2018	February 28, 2019	November 15, 2018	Award to Aramark ¹⁴ – January 7, 2019
RFP SMHTF2019-002FS (Provision of Food Services Management, Provision of Food and Food Delivery Services for FSH)	October 26, 2018	February 28, 2019	December 7, 2018	Rejection of all responses – January 7, 2019

Travel and Payment Records

Mr. Frey provided records and explanation to support his testimony concerning payments for the trip to Africa, as follows:

- American Express account ending in 3008 reflecting payments for airfare
 - April 26, 2018 Delta Airlines
 - Robert K Quam \$2,629.71
 - Richard T Frey \$2,047.11
 - May 2, 2018 South African Airways
 - Robert K Quam \$307.45

¹² Believed to be an acronym for "Resident District Manager."

¹³ Believed to be an acronym for "Plant Operations and Maintenance."

¹⁴ Notice indicated that Aramark was one of four responsive replies to the solicitation.

- Richard T Frey \$307.45
- Copies of processed checks reflecting safari payments
 - Check #3019 to Kuvhima Safaris, dated August 5, 2017,¹⁵ for \$3,900.
 - Check #3020 to TAM Safaris (Trans African Majestic Safaris), dated August 8, 2018, for \$10,380.
- Bank statement showing a deposit of \$2,944.71 on May 3, 2018, which Mr. Frey presumed was Mr. Quam's reimbursement for airfare.
- Mr. Frey provided a receipt from Coppersmith for \$1,129, writing:

...if I recall correctly Bob reimbursed me a little more than half since he had a little more than half of the shipment. I don't have a record of his check, but I expect that he does.
- As to the delivery of the trophies to his home, Mr. Frey wrote in a September 9, 2019 e-mail:

That charge was \$525 and I paid that in cash with a \$25 tip for the driver (\$550). I remember bob reimbursing me \$275 for his half by check. I didn't keep the receipt for this expenditure but the company that delivered them could probably give you one. I believe that the trucking company was PacBell. [sic]
- Mr. Frey wrote in a September 20, 2019 e-mail that SCS confirmed his wire transfer payment of \$749.65¹⁶ and Mr. Quam reimbursed him with a check for \$650. He advised that Mr. Quam's share of the shipping cost was \$400, but he could not remember the purpose of the additional \$250. He added:

Had I known at that time that these questions were going to be asked eight months later I would certainly have kept better records and notes, but since this was a vacation I didn't see a need to do so. If any further details should come to mind I will let you know.

SUBJECT TESTIMONY

Former SMHTF Chief Hospital Administrator Robert "Bob" Quam

Mr. Quam stated that he first met Mr. Frey during a site visit at FSH, where Mr. Frey was the Aramark manager over FSH operations. Since then, Department-contracted housekeeping services at NEFSH and NFETC had been added to Mr. Frey's responsibilities and a Department contract manager, two or three levels down from him, is responsible for the contracts. He (Mr. Quam) is not responsible for the contracts.

He described his relationship with Mr. Frey as both "business" and "friends." His direct report, FSH OMCM John "Wesley" Pelham, works directly with Mr. Frey and other Aramark staff regarding the day-to-day operations of FSH; however, he (Mr. Quam) is involved with discussing issues, both good and bad, with Aramark staff, including Mr. Frey, Aramark Director of Maintenance Operations Robert "Rob" Elliott, and Aramark Director of Environmental Services Jimmy Smith (i.e., remedying a complaint about FSH housekeeping or maintenance assistance needed at NEFSH). He explained that they

¹⁵ Although the year is written 2017, the check is marked as received on August 5, 2018.

¹⁶ In a September 23, 2019 e-mail, Mr. Frey provided a copy of his bank statement reflecting a \$799.65 wire transfer to SCS, which included the invoiced amount plus a \$50 fee for an international transfer.

used Aramark quite a bit to assist NEFSH maintenance staff, for which Aramark was paid through purchase orders.

Mr. Quam agreed that he and Mr. Frey spent time together after hours and engaged in “social chit chat,” but it had nothing to do with the Aramark contracts. He did not talk to Mr. Frey about business, but did talk about his frustrations with work. During his visits to Mr. Frey’s home on Lake Talquin, Mr. Frey provided food and drinks, for which he (Mr. Quam) did not pay; however, he sometimes brought “stuff.” Mr. Frey once took him for a boat ride on the lake and, on a few occasions, he spent the night at Mr. Frey’s home. He denied receiving any gifts from or giving gifts to Mr. Frey. They never traveled together other than the Africa trip.

Mr. Frey told him about plans for a hunting trip to Africa and asked if he was interested in going. When asked, Mr. Quam agreed that he had reservations about going; however, he advised Mr. Bryant of his interest and Mr. Bryant did not see any problem with the trip. No one expressed concerns about the perception of a possible conflict of interest.

Mr. Frey had already arranged two safaris for himself but not the travel, because he had not determined the dates. Once they decided on dates, Mr. Frey booked the flights and he (Mr. Quam) wrote a check to reimburse Mr. Frey for his share of the cost of the airfare. They paid their own expenses while in Africa. They both hunted at the first safari, where he killed five animals using Mr. Frey’s gun and ammunition. Only Mr. Frey hunted at the second safari. Mr. Quam described himself as a “tag-along” for the second safari, having all of the advantages of the hunt [including a helicopter ride to locate the rhinoceros herd and photographs of both he and Mr. Frey with the tranquilized rhinoceros¹⁷ (see insert)] without purchasing the safari, paying only for his room and board.



After he and Mr. Frey returned to the United States, there were multiple costs associated with processing, shipping, and mounting the animals as trophies. He and Mr. Frey were invoiced separately and each paid their own expenses, except for the shipping to Mr. Frey’s home. Since he (Mr. Quam) did not know where he would be living at the time of the delivery, he arranged for his shipment to be made to Mr. Frey’s home, where it would be stored until he could retrieve it.

Regarding procurements pending at the time of the Africa trip, Mr. Quam advised that in 2017 or early 2018, he was interested in putting out an RFP for food service at FSH, NEFSH, and NFETC, and Aramark was one of four companies that bid¹⁸; however, the RFP was withdrawn before the Africa trip. Neither he nor Mr. Frey were involved with the procurement. He believed there were no other solicitations considered or pending that were of interest to Aramark at the time of the trip and did not recall the details of the procurement of the NEFSH and NFETC housekeeping contracts; however, he knew

¹⁷ The total cost of Mr. Frey’s hunt on the TAM safari was \$10,380; however, the OIG was unable to ascertain the value of the helicopter ride and photographs that Mr. Quam received.

¹⁸ Four companies bid on the NEFSH and NFETC RFP for housekeeping/janitorial services, which was awarded to Aramark on January 7, 2019.

they were signed in 2019. When advised that the RFPs were out from April 2018 through June 2018, Mr. Quam initially stated that he was not involved in procuring the housekeeping contracts; he did not discuss the contracts with Mr. Frey until after they were in place; and there was no connection between the contracts and the Africa trip. Mr. Quam subsequently stated that he told Mr. Frey he would not be able to go on the Africa trip because of the potential perception of a conflict of interest with the RFPs for the housekeeping contracts; however, when he learned that the RFPs were withdrawn, he no longer saw a problem. While on the Africa trip, he did not know that the single RFP for housekeeping services at NEFSH and NFETC was going to be put out in September 2018. Although he was aware of the RFP after they returned from the trip, it was handled by Ms. Bradley's staff and he had no involvement in the process. When asked if he recalled being aware that Aramark was only interested in providing housekeeping services if both NEFSH and NFETC were part of the deal, he responded that it made sense that Aramark would not want to handle NFETC by itself due to it not being profitable. When advised of the August 2016 e-mails surrounding NFETC and NEFSH and his response asking Mr. Gibson if he minded if he (Mr. Quam) spoke with Mr. Frey, Mr. Quam did not recall the exchange or whether he spoke to Mr. Frey.

Mr. Quam advised that there were POs with Aramark for maintenance work performed at NEFSH and NFETC due to Aramark having more maintenance expertise than NEFSH and NFETC facility staff. Mr. Quam subsequently stated that he knew Aramark completed work via POs, but did not know the specific details of the POs.

Mr. Quam provided records to support his testimony concerning payments for the trip to Africa, as follows:

- Wells Fargo Check Details for payments made to:
 - Kuvhima Safaris – Check #1034 for \$7,600, dated August 5, 2018.
 - TAM Safaris – Check #1035 for \$600, dated August 7, 2018.
 - Mr. Frey (3 checks)
 - Check #1030 for \$2,944.71, dated May 4, 2018, noted, “Air Travel.”
 - Check #1037 for \$650, dated February 8, 2019, noted, “Transport Animal Heads.”
 - Check #1040 for \$275, dated August 12, 2019, noted, “Trophy shipment.”
- Sales receipt from Animal Artistry, Inc. for \$3,765, showing:
 - A deposit of \$2,032.50 on March 22, 2019.
 - A final payment for \$1,732.50 on July 29, 2019.

LEGAL OPINION

In response to an OIG request for a legal opinion as to whether the friendship between and activities conducted by Mr. Quam and Mr. Frey presented a conflict of interest, the Office of General Counsel responded, “...there is great potential to find ethically problematic behavior...”

Allegation 2 and Finding

State Mental Health Treatment Facilities Chief Hospital Administrator Robert “Bob” Quam misused state resources by having Aramark Healthcare Support Services, LLC (Aramark) staff perform repairs on a state rental vehicle. Potential violation of Rule 60L-36.005(1) and (3)(b), (e), and (f), F.A.C.; Section 11-6.d., CFOP 60-5; Sections 1-8.c.(2), (5), and (6), CFOP 60-55; and Attachment I Section B.1.b. and k.; and Exhibit E, Contract #BI201 between the Department and Aramark. **Finding: SUPPORTED.**

Allegation 3 and Finding

State Mental Health Treatment Facilities Chief Hospital Administrator Robert “Bob” Quam misused state resources by having Aramark Healthcare Support Services, LLC (Aramark) staff return a state rental vehicle to the originating Enterprise rental location on his behalf. Potential violation of Rule 60L-36.005(1) and (3)(b), (e), and (f), F.A.C.; Section 11-6.d., CFOP 60-5; Sections 1-8.c.(2), (5), and (6), CFOP 60-55; and Attachment I Section B.1.b. and k.; and Exhibit E, Contract #BI201 between the Department and Aramark. **Finding: SUPPORTED.**

In a December 18, 2018 memorandum included with Mr. Bryant’s December 19, 2018 response to the OIG, Mr. Quam wrote:

The accident occurred at FSH on a narrow bridge going into the Cove. It caused a minor scrape on the side of the vehicle which required the vehicle to be buffed out and a minor indentation popped out. The repairs were done by FSH Transportation staff.

At the time, I had a state rental vehicle while waiting for a state vehicle to be assigned to me. The state vehicle was delivered to me while the rental vehicle was being fixed. Now having two vehicles, Aramark staff agreed to deliver the state rental car back to the rental location in Jacksonville, Florida.

RENTAL VEHICLE STATE TERM CONTRACT

State Term Contract #78111808-15-1

Through State Term Contract #78111808-15-1 between the Department of Management Services and EAN Services, LLC (EAN), effective September 30, 2015 through September 29, 2020, Enterprise Rent-A-Car (Enterprise) and National Car Rental provide rental vehicles to state employees. Pertinent rental requirements are summarized, as follows:

- Vehicle Accidents – Renters will notify EAN of all accidents involving any rental vehicle in the renter’s possession and will provide information and documentation concerning the accident, if requested by EAN.
- Liability for Rental Vehicle – EAN will hold the renter harmless from physical damage, provided the rental vehicle was not used in any way prohibited by the contract.
- Alternate Pickup and Drop-Off Personnel – For “high-ranking management” renters, EAN will provide the option for designated employees of the renter to pick up and return the vehicle on behalf of the renter.

WITNESS TESTIMONY**The following individuals were interviewed:**

- Former Assistant Secretary for SAMH John Bryant
- Agency for Persons with Disabilities (APD) Sunland Superintendent Marguerite Morgan¹⁹
- Aramark General Manager Richard Frey
- Aramark Director of Operations for FSH Robert Elliott
- Aramark Transportation Supervisor John Harvell
- Aramark Vocational Instructor Terrence Searcy
- Aramark Assistant Clerk Macy Searcy
- FSH Administrative Assistant II Melanie McClellan

Mr. Bryant said that he first learned about Mr. Quam's rental vehicle accident when the OIG complaint was forwarded to his office, at which time he asked Mr. Quam for a written response. He did not remember why Mr. Quam was using a rental vehicle. He did not necessarily consider it inappropriate for Aramark transportation staff to complete a minor repair; however, he opined that it could be viewed as inappropriate use of state personnel for Aramark staff to repair and return a state rental vehicle. He estimated that buffing out a scrape on a vehicle would take a couple of hours and returning the vehicle from FSH to Jacksonville would take a full day for two staff as well as the use of a second vehicle for the return trip. Mr. Bryant opined that it was likely Aramark supervisors knew something about it.

Ms. Morgan recalled that when she was the FSH Hospital Administrator, she heard²⁰ "after the fact" that Mr. Quam brought a rental vehicle to maintenance for repair, maintenance staff completed the repair, and Mr. Elliott returned the vehicle to the Jacksonville area. She also heard that Mr. Elliott was already going to Jacksonville and volunteered to return the vehicle, but did not know whether that was true. When asked, Ms. Morgan indicated that repair and return of a rental vehicle were not services included in the Department contract with Aramark. She opined that even if Mr. Elliott returned a rental vehicle on his own time, it would be considered a personal favor. It was her understanding that Mr. Quam scraped the side of the rental vehicle on the metal railings of the bridge to Cypress Cove and went directly to Aramark to request the repairs. The maintenance crew would not have completed repair work without it being authorized by Mr. Elliott or Mr. Frey. The repair should have been on the books as a work order and Mr. Harvell, as maintenance supervisor, would have known at some point that the rental vehicle was being repaired.

Mr. Frey thought that the body shop completed relatively minor work on Mr. Quam's vehicle (unknown make), but he did not recall the details. He had no knowledge of a rental vehicle being returned by Aramark staff. When asked if Aramark policy allowed Aramark staff to repair or return rental vehicles, Mr. Frey said that he did not think he had ever been faced with that situation and would have had to seek clarification. If Mr. Quam had a vehicle that was scratched and Aramark staff thought it was a state vehicle, state prison inmates would have completed the work under Aramark staff

¹⁹ Ms. Morgan was the FSH Hospital Administrator from May 8, 2012 through August 17, 2017. From August 18, 2017 through March 7, 2019, Ms. Morgan was employed as a SAMH OMCM. Effective March 8, 2019, Ms. Morgan was no longer employed by the Department.

²⁰ Ms. Morgan did not recall who told her, but she did not believe that it was Mr. Frey.

supervision. No one asked him whether Aramark staff could return a rental vehicle for Mr. Quam; however, Mr. Harvell or Mr. Elliott could have authorized staff to return the rental vehicle to Jacksonville. When asked if it was justifiable to return a rental vehicle for Mr. Quam, Mr. Frey stated, "I would have a hard time seeing how it could be. I mean, it's possible it could be, but I would think it's not a justifiable thing..." The cost would be for two people²¹ to drive approximately eight hours roundtrip and possible use of a state vehicle.

Mr. Elliott was not aware of Aramark staff repairing or returning a rental vehicle for Mr. Quam. He recalled hearing, possibly from Mr. Harvell, about Aramark staff buffing out a scratch on the front fender of one of Mr. Quam's vehicles; however, he did not see the vehicle and believed it was Mr. Quam's (blue) state vehicle. It would not be protocol for maintenance to repair a rental vehicle. Aramark transportation staff travel to a hospital in Jacksonville, but would not do so to deliver a vehicle. He stated, "If they did it, you know, of course it would [be] to help just get the vehicles logistically, but I don't know, I don't remember it happening, if it did." Mr. Elliott indicated that he or Mr. Harvell would be aware of Aramark staff returning a rental vehicle on behalf of Mr. Quam and suggested that Mr. Harvell could have made the decision by himself without informing him (Mr. Elliott). When shown a March 30, 2017 e-mail string, on which he was copied, regarding the return of the rental vehicle, Mr. Elliott did not remember it.

Mr. Harvell said that he is responsible for FSH fleet vehicle repairs and resident transportation throughout the state. Aramark transportation staff repair only state vehicles, not rental vehicles. He recalled that about two years ago, Aramark staff buffed out two or three minor scrapes on the passenger-side front fender of Mr. Quam's state vehicle, a blue 2017 Chevrolet Malibu. He was not certain, but he believed that the scrapes were caused by something falling off the back of a truck and hitting the vehicle while Mr. Quam was driving on the interstate. He estimated that Mr. Searcy completed the work in no more than an hour while "on the clock," so the only cost was about two to four dollars for the buffing compound. Usually work orders are completed for every job; however, due to workload and the minimal time spent on the job, he may not have completed a work order.²² He did not know about Aramark transportation staff repairing and returning a rental vehicle for Mr. Quam. When advised of Mr. Quam's written statement regarding repair and return of the rental vehicle, Mr. Harvell recalled only that Mr. Quam showed them the scrapes and said they resulted from debris on the interstate. Mr. Quam did not direct him to repair the vehicle. Either Mr. Frey or Mr. Elliott would have had to authorize Aramark staff to return a rental vehicle.

Mr. Searcy said, "If somebody scratches a state vehicle...I take care of it." Aramark staff do not work on rental vehicles. All body work is completed at the request of his supervisor,²³ not a customer. Jobs are entered into the work order system; however, a small scratch is "not worth all the headache" of the paperwork. He did not recall completing any body work for Mr. Quam on either a blue 2017 Malibu or a rental vehicle; however, he buffed out "so many scratches" on vehicles that he could not recall any specific vehicles. He has everything on hand to complete buffing work. Mr. Searcy said that he did not assign FSH vehicles and had no knowledge of anyone returning a rental vehicle to Jacksonville or south Florida.

²¹ Mr. Elliott testified that Aramark drivers earn approximately \$15 per hour.

²² Via July 22, 2019 e-mail, Mr. Harvell wrote, "I look there was not a work order wrote on that repair since it was just minor buff job." [sic]

²³ Mr. Searcy reports directly to Mr. Harvell.

Ms. McClellan stated that she was not involved with Mr. Quam's rental vehicle. She recalled Mr. Quam and Aramark transportation staff telephoning her about the rental vehicle receipt. When shown the March 30, 2017 e-mail string concerning the return of the rental vehicle, she said that she left early that day because it was her birthday and assumed that since she copied Mr. Harvell and Mr. Elliott on the e-mail, they were involved. She did not know who actually returned the vehicle. Initially, Ms. McClellan had no recollection of damage to a state or rental vehicle driven by Mr. Quam; however, she later recalled that Mr. Quam had driven to the Cove and hit the metal handrails on the bridge, causing a scratch on the back of the vehicle, which she thought was one of the FSH fleet vehicles.

RECORDS REVIEWED

Department-Issued Purchasing Card (P-card) Transactions

Mr. Quam's P-card transactions from October 2016 through May 2019 showed one transaction with Enterprise for \$968.10 on March 31, 2017.

Enterprise Records

According to records provided by Enterprise Holdings Account Manager, State of Florida Contract, Danny Grosenbaugh:

- On February 25, 2017, Mr. Quam signed Rental Agreement (RA) #72JTV7 for a gray Dodge Journey, indicating that he received the vehicle at 11:19 a.m. and acknowledging that there were no additional drivers authorized to drive the vehicle.
- On March 31, 2017 at 11:39 a.m., the vehicle was returned to the Orange Park location with 3,317 miles driven, and \$968.10 was charged to Mr. Quam's P-card. A \$20.09 refueling charge for eight gallons of gas and \$62.02 tax were added to the bill.²⁴

Department E-mails

An OIG review of Mr. Quam's e-mails showed the following pertinent information:

- On February 23, 2017, Mr. Quam received an e-mail from no-reply@enterprise.com, confirming his reservation for a full-size vehicle²⁵ for pick-up on Saturday, February 25, 2017 at 11:00 a.m. and return on Friday, March 3, 2017 at 3:00 p.m. from the location at 1249 Park Avenue, Orange Park, at a rate of \$186.16 per week plus fees and taxes. Within the e-mail, Renter Requirements advised that additional drivers must appear at the rental counter with the primary renter.
- On February 25, 2017, Mr. Quam received an e-mail from donotreply@enterprise.com, providing a copy of his full Rental Agreement and Terms and Conditions for RA #72JTV7.
- On March 30, 2017, e-mails were exchanged between Mr. Quam, Ms. McClellan, former Headquarters SAMH Administrative Assistant I Donna Hollaway,²⁶ Mr. Harvell, and Mr. Elliott about the return of the rental vehicle, as follows, quoted in pertinent part:

²⁴ According to State Term Contract #78111808-15-1, in-state rentals of vehicles for business use that are billed directly to the renter's P-card are tax exempt.

²⁵ According to State Term Contract #78111808-15-1, rentals for business use are to be compact vehicles unless upgraded by the Contractor.

²⁶ Effective July 7, 2017, Ms. Hollaway was no longer employed by the Department.

Time (p.m.)	From	To	Message
1:54	Ms. McClellan	Mr. Quam	<i>Is there any rental paperwork to be turned in with the rental when it is returned to Orange Park tomorrow? Guys in Transportation are asking me....</i>
2:06	Mr. Quam	Ms. McClellan	<i>I don't have the paper work, [sic] so hope they can turn in without it. I do need the final receipt for the rental....</i>
2:15	Ms. McClellan	Mr. Quam	<i>Hmmmm...you think maybe Anita or whoever reserved the car for you can call Enterprise. Someone should have a receipt or document of some sort that was provided when the car was originally rented. I am kinda [sic] concerned that they may not accept the car back without any proof it was rented thru Enterprise in Orange Park, let alone provide them with a final receipt for the rental....</i>
2:25	Mr. Quam	Ms. McClellan Copy to Ms. Hollaway	<i>Ok I will see if Donna can but she is in training right now.</i>
2:32	Ms. McClellan	Mr. Quam Copy to Ms. Hollaway, Mr. Harvell, Mr. Elliott	<i>Ok, thanks. The earlier the better as our guys are planning on leaving real early in the morning. I am copying Rob Elliot and John Harvell on this email. Please respond to them if it is past 3:30 PM as I have to leave early today. Thanks so much!</i>
2:34	Mr. Quam	Ms. McClellan Copy to Ms. Hollaway, Mr. Harvell, Mr. Elliott	<i>Ok and HAPPY BIRTHDAY!</i>
5:32	Ms. Hollaway	Mr. Quam	<i>They will email the paperwork when they return the car, Per John Harvell.</i>

FSH Vehicle and License Log

Mr. Harvell provided the vehicle assignment log for March 28, 2017 through April 17, 2017 and confirmed that it was the only log used to check out vehicles on March 30, 2017 and March 31, 2017. No state vehicles were signed out to travel to Jacksonville on March 30, 2017 or March 31, 2017.

Aramark Time Detail Records

Time Detail records for the 10 Aramark employees working in the FSH Transportation Department reflect that six did not claim any hours worked on March 31, 2017. One driver and two garage staff worked a full day. One driver worked two hours after 6:00 p.m. Mr. Elliott and Mr. Frey worked 8:00 a.m. to 4:00 p.m.

Unit	Employee	Hours Worked
Drivers	Charles Harper	Excused Absence Unpaid
Drivers	Jennifer Harvey	On Call Non-Worked
Drivers	Maeelizabeth Moseley	7:37 a.m. - 4:03 p.m.
Drivers	Darryl Owens	6:37 p.m. - 8:37 p.m.
Drivers	Thomas Sanders	Paid Time Off (PTO)
Drivers	Macey Searcy	Vacation
Garage	Burton Carpenter	7:34 a.m. - 5:45 p.m.
Garage	John Harvell	PTO
Garage	Wilber McClamma, Jr.	7:27 a.m. - 11:33 a.m. 12:04 p.m. - 4:05 p.m.
Garage	Terry Searcy	Vacation
Manager	Robert Elliott	8:00 a.m. - 4:00 p.m.
Manager	Richard Frey	8:00 a.m. - 4:00 p.m.

Fleet Tag Number DCFYK197 [Blue 2017 Chevrolet Malibu (the Malibu)]

A review of Department e-mails, the Department Fleet Inventory Report, and the Department Vehicle Usage Record (Form CF 1345) for the Malibu revealed the following pertinent information:

- Department E-mail – On March 29, 2017, Ms. Bradley sent an e-mail to Ms. Gregory thanking her for everything she did in assisting in the purchase of Mr. Quam's state vehicle. She noted, "It is absolutely beautiful and he is very appreciative of everything that you did to make this happen!"
- Department Fleet Inventory Report – The Malibu, classified as "A-1: Pool assignment," was assigned to Mr. Harvell. The vehicle was received and placed into service on March 29, 2017.
- Department Vehicle Usage Record (Form CF 1345) – Mr. Quam documented travel with the Malibu, as follows:
 - March 30, 2017 – Tallahassee Headquarters, Miles Out 5, Miles In 77²⁷
 - March 30, 2017 – Macclenny NEFSH, Miles Out 77, Miles In 221
 - April 1, 2017 – Titusville Home, Miles Out 221, Miles In 390

SUBJECT TESTIMONY**SMHTF Chief Hospital Administrator Robert "Bob" Quam**

Mr. Quam said that he obtained the rental vehicle because he was tired of putting miles on his personal vehicle for work-related travel. He rented the vehicle from Orange Park because it was near Macclenny, where he resided at the time.

Mr. Quam stated that he had been involved in two incidents causing damage to state or state rental vehicles.

- State Rental Vehicle – Damage was sustained from scraping the poles on the narrow bridge to the Cove at FSH. While driving across the bridge, he was looking at an old paddle wheel, where there apparently had been a grist mill, and the vehicle pulled, scraping the poles on the bridge. He indicated that he was going to take it to be repaired; however, Mr. Harvell saw the damage a few days later, while he (Mr. Quam) was pumping gas from the FSH pump into the state rental,²⁸ told him that it would not take much to fix it, and offered to buff it out. He thought the repair was completed the next day that he (Mr. Quam) was at FSH. He did not observe the repair being completed but believed the inmates in the body shop did the work.
- The Malibu – Damage was sustained when he was driving on I-95 to his home in Titusville. Another driver moved into his lane and hit the right side of the Malibu. The other driver readily admitted fault. A deputy²⁹ responded to the scene and

²⁷ According to Mr. Quam's Travel Voucher, Mr. Quam travelled from Macclenny to Tallahassee to meet with Headquarters staff on March 28, 2017; Tallahassee to Chattahoochee to meet with FSH staff on March 28, 2017; and return to Macclenny on March 30, 2017 at 3:00 p.m. His P-card records showed a March 31, 2017 charge of \$298 for the Hampton Inn of Quincy.

²⁸ Mr. Quam stated that he always filled the rental vehicle with gas from FSH, NEFSH, and NFETC since it was a state rental vehicle. The OIG Investigator confirmed through Headquarters Staff Director for General Services Matthew "Matt" Howard and Assistant Staff Director for General Services Edgar "Pete" Shirah, Jr. that it was permissible to fill state rental vehicles from SMHTF gas pumps "as long as [they] are following the processes set up at the facility for dispensing gas..."

²⁹ Later identified from the Driver Exchange of Information document as Flagler County Sheriff's Office Deputy Trevor Yeoman. The document noted the date of the accident as July 14, 2017.

provided him (Mr. Quam) documentation that he was not at fault in the accident. He described the incident as a crash, not a scrape, and said there was damage to the fender and door. Mr. Harvell also completed repairs to the Malibu.

When asked if repairing a rental vehicle was included in the Department contact with Aramark, Mr. Quam responded that they (Aramark) repair vehicles every day.

He did not recall any conversations concerning the return of the rental vehicle to Orange Park. Initially, he thought he returned the vehicle himself; however, when reminded of his written statement provided to Mr. Bryant, Mr. Quam opined that the statement was accurate since it was provided closer to the date of the incident. When advised that he received the Malibu from FSH on March 29, 2017 and the rental vehicle was returned on March 31, 2017, he agreed that he would have received the state vehicle from Mr. Harvell. He (Mr. Quam) believed that the rental vehicle had to be returned to Orange Park or there would be an additional \$100 fee. When the OIG Investigator suggested that two Aramark staff would have been required to return the rental vehicle, one to drive the rental vehicle and the other to drive a vehicle for the return trip, Mr. Quam responded, "I didn't even think about that. They said that they would take it back..." He did not recall whether Mr. Harvell offered to return the vehicle or he (Mr. Quam) asked him to do it. He did not remember speaking to Mr. Harvell or Mr. Elliott about it. When asked if the return of the rental vehicle was included in the Department contract with Aramark, he responded, "I doubt it."

ADDITIONAL FINDINGS

On April 23, 2019, the OIG received an anonymous written complaint, as follows:

Order ID	Title	Status	Date Created	Supplier Name	Total
B1BBD8	6027 - Quarry Group - Forensic BPO FY 17/18	Ordered	3/16/2018 15:35	Quarry Group, LLC	\$34,999.99000 USD
B3E333	6036-ADMINISTRATION-QUARRY GROUP	Ordered	9/18/2018 13:47	Quarry Group, LLC	\$34,999.99000 USD
B39F17	6036-CHA-Quarry Group	Ordered	9/5/2018 8:19	Quarry Group, LLC	\$34,999.99000 USD
B193E1	6036 - Quarry Group LLC FY17/18 - Project Manager, Fela	Ordered	8/1/2017 11:04	Quarry Group, LLC	\$34,999.99000 USD
B193E2	6031 - Quarry Group LLC FY17/18 - Project Manager, Fela	Ordered	8/1/2017 11:10	Quarry Group, LLC	\$34,999.99000 USD
B20818	6027 - Quarry Group - Civil BPO FY 17/18	Ordered	3/14/2018 13:55	Quarry Group, LLC	\$34,999.99000 USD

Multiple PO's to same vendor, using Single Source not to exceed \$35,000.00 and informal quotes. Individual is performing part time work for DCF and works part time for Correct Care/Wellpath private provider. Exceeds threshold requiring competitive procurement and conflict of interest as the person works for contractor that operates private hospitals under contract with DCF.

Based on the additional anonymous complaint, records reviews, and witness and subject statements received during the course of the OIG investigation, the OIG determined the following additional findings:

Additional Finding 1

State Mental Health Treatment Facilities Chief Hospital Administrator Robert "Bob" Quam created a conflict of interest and failed to safeguard his ability to make objective, fair, and impartial decisions in conjunction with Department contracting actions with Frank Fela, in violation of § 112.313(6), F.S.; Rule 60L-36.005(1) and (3)(b), (e), (f)2., and (g), F.A.C.; Sections 5-4.a. and c. and 5-5., CFOP 60-5; and Section 1-8.c.(2), (5), and (6)(b) and (c), CFOP 60-55. **Finding: SUPPORTED.**

The OIG determined this finding based on three primary issues:

Issue 1 – Procurement Requirements

Issue 2 – Mr. Fela Working for Providers under Contract with the Department

Issue 3 – Personal Relationship

BACKGROUND INFORMATION

Department MFMP Purchase Orders and Contracts

For September 20, 2016 through June 30, 2019, MFMP shows 18 purchase orders (POs) and purchase requisitions (PRs) for Mr. Fela's services, obtained directly from him or through Quarry Group, LLC (Quarry Group)³⁰ totaling \$401,845.94.

OIG Note: Contract #DI422, a single source contract for \$288,000, was awarded to Quarry Group, effective July 1, 2019 through June 30, 2021.

The Method of Procurement (MOP) for all POs except three (marked *) was documented as "G - Single source."³¹ The other three (POs #B36B1D, #B39F17, and #B3E333) were documented as "F - Informally quotes purchase not exceeding \$35,000."³²

Table 1 – PO Summary

	PO #	MOP	PR #	PO Initial Date	PO Final Date (if different)	PO Title ³³	PO Amount	Amount Paid
2016	AFE1DB	G	PR9714875 ³⁴	October 3		6036 - Mr. Frank J. Fela - CHA	\$9,000.00	\$9,000.00
	AFEBA1	G	PR9750849 ³⁵	October 13		6036 - Frank J. Fela, Project Manager - CHA Office	\$9,000.00	\$9,000.00
	B017EE	G	PR9818993	November 17		6036 - Frank J. Fela, Project Manager - CHA Office	\$5,250.00	\$5,250.00
	B0223B	G	PR9839576	November 28		6036 - Frank J. Fela, Project Manager - CHA Office	\$4,950.00	\$4,950.00
	B04658	G	PR9895884	December 29		6031 - Frank Fela, Project Manager - CHA Office	\$4,500.00	\$4,500.00
	B04654	G	PR9895877	December 29		6036 - Mr. Fela, Project Manager - CHA Office	\$4,500.00	\$4,500.00
2017	B05708	G	PR9930502	January 18		6031 - Frank Fela, Project Manager - CHA Office	\$4,650.00	\$4,650.00
	B06BA0	G	PR9960361 ³⁶	January 31 (v1)	March 6 (v2)	6031 - Frank Fela, Project Manager - CHA Office-BPO	\$34,999.00	\$34,706.25
	B070D6	G	PR9961045 ³⁷	February 2 (v1)	March 31 (v2)	6027 - - Frank J Fela BPO FY 16/17	\$34,999.00	\$29,475.00

³⁰ Quarry Group, LLC, is operated by Mr. Fela's son, Zachary Fela, out of Chagrin Falls, Ohio.

³¹ Single source "\$2,500 or greater, not to exceed \$35,000." Pursuant to § 287.057(3)(c), F.S., if commodities or services are available only from a single source, a process may be followed for advertisement and award excepted from the competitive solicitation requirements.

³² Pursuant to Rule 60A-1.002(3), F.A.C.

³³ There are three separate vendor identifications within MFMP associated with Mr. Fela ("FJFela," "FFela," and "Quarry Group LLC").

³⁴ PR comment entered by Ms. Gregory, "Mr. Fela has worked with SFSH and well aware of creating revenue for state hospitals."

³⁵ PR comment entered by Ms. Gregory for #PR9750849, #PR9818993, #PR9839576, #PR9895884, #PR9895877, and PR #9930502, "Mr. Fela specializes in Kronos systems, surveillance systems, and facility structures approved by Mr. Bob Quam, Chief Hospital Administrator."

³⁶ PR comment entered by Ms. Gregory, "Mr. Fela has expertise in Kronos, man down systems, surveillance systems from his work at South Florida State Hospital."

³⁷ No PR comments were entered for #PR9961045, #PR10278863, #PR10231806, #PR10563639, #PR10611724, or #PR10846449.

	PO #	MOP	PR #	PO Initial Date	PO Final Date (if different)	PO Title	PO Amount	Amount Paid
2017	B193E1	G	PR10198752 ³⁸	August 1		6036 - Quarry Group LLC FY17/18 - Project Manager, Fela	\$34,999.99	\$34,999.99
	B193E2	G	PR10198761	August 1		6031 - Quarry Group LLC FY17/18 - Project Manager, Fela	\$34,999.99	\$34,999.99
	B1BBDB	G	PR10231806	September 1 (v1)	March 16, 2018 (v3)	6027 - Quarry Group - Forensic BPO FY 17/18	\$34,999.99	\$34,999.99
	B2081B	G	PR10276863	November 9		6027 - Quarry Group - Civil BPO FY 17/18	\$34,999.99	\$34,999.99
2018	B36B1D*	F	PR10563639	June 25		6036-CHA-Frank Fela	\$10,000.00	\$10,000.00
	B39F17*	F	PR10611724	July 30 (v1)	September 5 (v3)	6036-CHA-Quarry Group	\$34,999.99	\$34,999.99
	B3E333*	F	PR10667717 ³⁹	September 18		6036-ADMINISTRATION-QUARRY GROUP	\$34,999.99	\$34,999.99
2019	B47A77	G	PR10788716 ⁴⁰	January 25		6036-CHA-Frank J Fela	\$34,999.00	\$14,550.00
	B4BBD0	G	PR10846449	March 13 (v1)	May 2 (v2)	6036-CHA-Frank J Fela	\$34,999.00	\$34,999.00
Totals							\$401,845.94	\$375,580.19

Attached to #PR9961045 was a January 24, 2017 e-mail from Mr. Howard to Ms. Gregory, quoted in pertinent part:

Per our discussion, this is approved to move forward under an internal agency single source as follows:

Chapter 60A-1.002(5), Florida Administrative Code outlines the requirements for application of purchasing threshold as it applies to purchasing offices. Since NFETC and NEFSH operate under the same purchasing office, the aggregate total of the PO(s) for those facilities cannot exceed \$34,999 during current FY without going through the DMS single source process.

FSH as it operates its own decentralized purchase office, can issue a PO not to exceed \$34,999 for current FY.

Each PR/PO identified the services requested from Mr. Fela and, in some, the unit price or the fee per hour was included, as follows:

Table 2 – PR/PO Deliverable Description

PO #	PO Description
AFE1DB	<i>Review third party revenue for public and private hospitals and identify opportunities to increase revenue. Assist in identifying and implementing strategies and actions for implementing new "one hospital" model. Review operating issues as needed. (Unit week Qty 2 Need by: 03 Nov 2016 Unit Price \$4,500.00 Extended Amount \$9,000.00)</i>
AFEBA1	<i>To serve as Project Manager on projects to standardize services at the mental health treatment facilities, including but not limited to: Surveillance systems, KRONOS, Staffing analysis, and Facility structure. Coverage Period: July 1, 2016 - June 30, 2017 Authorized Approvers: Bob Quam, CHA; Anita Bradley, FADIII; Diana Nielsen, OMCM; Marvin Bailey,⁴¹ HA</i>

³⁸ PR comment entered by Ms. Bennet for PR10198752 and PR10198761, "Mr. Fela specializes in Kronos systems, surveillance systems, and facility structures approved by Mr. Bob Quam, Chief Hospital Administrator."

³⁹ This is the only PO or PR that included documentation of solicited quotes. PR comment entered by Ms. Bennett, "E-Quote attached, no other vendor responses."

⁴⁰ PR comment entered by Ms. Bennett, "[V]endor is the only vendor to provide this specific service within the geographic area."

⁴¹ Former FSH OMCM Marvin Bailey. Effective May 19, 2016, Mr. Bailey was no longer employed by the Department.

PO #	PO Description
B017EE	Same as AFEBA1
B0223B	Same as AFEBA1
B04658	Same as AFE1DB with "Follow up on major projects including surveillance systems, radio/man down systems, Kronos and Auditor General pre-exit findings." Inserted prior to "Review operating issues as needed." To be on-site at facilities December 3-9"
B04654	Same as B04658 plus added "To be on-site at NEFSH November 28-December 2"
B05708	Same as B04658 plus added "To be on-site at facilities December 12-16"
B06BA0	"Blanket PO to" Same as B04658 plus "Rate: \$112.50 hour offsite \$75.00 hour onsite Not to exceed \$34,999.00. CONTRACT PERIOD: December 1, 2016 through June 30, 2017"
B070D6	Same as B06BA0, EXCEPT "Follow up" is replaced with "Consulting" Rate: \$112.50 hour Purchase Order Not to exceed \$34,999.00 CONTRACT PERIOD: January 10, 2017 through June 30, 2017
B193E1	Quarry Group to assist in the implementation of the One Hospital Model in FY 17/18. The Fee for Service for FY 17/18 is \$120.00 per hour for both onsite or offsite services and is fully loaded. Quarry Group LLC will be responsible for all travel, hotels and meals related to this service. Services will be scheduled on a quarterly basis based on the needs of each hospital consistent with receipt of a Purchase Order of \$34,999.99. [No contract period noted]
B193E2	Same as B193E1
B1BBDB	This is a Blanket Purchase Order to provide consulting services to Florida State Hospital for implementation of the One Hospital Model. Rate: \$120/hour for both onsite and offsite services. Quarry Group LLC will be responsible for all travel, hotels and meals related to this service. Purchase Order Not to exceed \$34,999.00 Contract Period: July 1, 2017 - June 30, 2018
B2081B	This is a Blanket Purchase Order to provide consulting services to Florida State Hospital Civil. Rate: \$120/hour for both onsite and offsite services. Quarry Group LLC will be responsible for all travel, hotels and meals related to this service. Purchase Order Not to exceed \$34,999.00. Contract Period: July 1, 2017 - June 30, 2018
B36B1D	Consulting services provided to SMHTF Chief Hospital Administrator and staff to aid in the development in the One Hospital Model. On site and off site services were performed at the three mental health facilities during May 22 - June 30, 2018. Invoice Approvers: Diana Nielsen, Ricky Goodman
B39F17	Mr. Fela is needed by Mr. Quam to oversee the completion of the One Hospital Model with the allotment of 233.33 hours for the tasks associated with this project. The rate for Mr. Fela's on-site consultation service is \$150.00 This PO takes the place of already approved PO B37B00.
B3E333	CONSULTING SERVICES TO PROVIDE STRATEGIC PLANNING AND LEADERSHIP IN THE DEVELOPMENT OF WORK PLANS TO SUPPORT THE DEVELOPMENT OF A ONE HOSPITAL MODEL FOR THE STATE MENTAL HEALTH TREATMENT FACILITIES (SMHTF) INCLUDING NORTHEAST FLORIDA STATE HOSPITAL, NORTH FLORIDA EVALUATION AND TREATMENT CENTER, AND FLORIDA STATE HOSPITAL. CONSULTANT SHOULD BE FAMILIAR WITH THE VARIOUS OPERATING FUNCTIONS AND PROJECTS OF THE HOSPITALS INCLUDING: SURVEILLANCE, SAFETY, AND PROJECTS THAT ENCOMPASS UPGRADING THE FACILITY MAINTENANCE. CONSULTANT SHOULD KNOW THE OPERATING PROCEDURES THAT GOVERN THE HOSPITALS AND HAVE A MINIMUM OF 10 YEARS PROJECT MANAGEMENT EXPERIENCE IN JOINT COMMISSIONED PSYCHIATRIC HOSPITALS. CONSULTANT SHALL BE AVAILABLE ONSITE AT THE STATE MENTAL HEALTH TREATMENT FACILITIES AND DCF HQ LOCATED IN TALLAHASSEE, FL FIVE (5) - EIGHT (8) DAYS PER MONTH. CONSULTANT SHALL BE AVAILABLE AT ALL TIMES DURING THE WEEK TO PROVIDE SUPPORT RELATED HOSPITAL EMERGENCIES AND/OR OTHER OPERATIONAL ISSUES. CONSULTANT WILL BE RESPONSIBLE FOR ALL TRAVEL AND TRAVEL RELATED EXPERIENCES DURING THE SERVICES PROVIDED.
B47A77	Complete a Part D systems upgrade with PCG and HCS, Develop a refresh program for cameras, radios and med carts. Assist with development and implementation of FSH Food Services transition plan from private management to state management. Assist NEFSH with facility planning for Recovery programming at Eagles Nest. Support the Chief Hospital Administrator in various HR reorganization issues. Rate per hour \$120 and number of hours expected to completion is not to exceed 292 hours of work. Completion of work, presentation, findings, and reports to be delivered to the Chief Hospital Administrator.
B4BBD0	Same as B4A77

Issue 1 – Procurement Requirements**Section 1.3.3. Department Procurement and Contracting Playbook (Playbook)**

The Procurement Manager may use small purchase procedures for procurements [not exceeding \$35,000].⁴² Rule 60A-1.002, F.A.C., requires the following for small purchase procedures:

- Procurements meeting or exceeding \$2,500 in anticipated total contract value, but are less than or equal to [\$35,000] must be completed using, at a minimum, two written quotes, written records of telephone quotes, or informal bids. Oral quotes must include the name and address of the company, and the amount quoted. If DCF receives only one quote, a written statement as to why DCF did not receive additional quotes must be prepared and filed in the Contract File...*
- Purchases approaching [\$35,000] are often services of an ongoing or potentially extensive nature (i.e. temporary services), and the use of competitive procurement procedures should be considered. It is important that appropriate procurement procedures are followed...*

WITNESS TESTIMONY

The following individuals were interviewed:

- SMHTF Accounting Services Analyst D Diana Nielsen
- SMHTF Finance Accounting Director III Sarah “Anita” Bradley
- Former Assistant Secretary for SAMH John Bryant
- Contracted Project Manager Francis “Frank” Fela

Ms. Nielsen said that she is a Florida Certified Contract Manager (FCCM). In her role as SMHTF Financial Services Director, she is involved with almost everything related to purchases, payments, and day-to-day operations with SMHTF finance. She advised that 99% of SMHTF purchases are through POs. They do not use state term contracts (STCs) with many of their purchases because STCs require constant monitoring and involve a lot of paperwork; whereas a PO holds the vendor to the same standards and is completed electronically. PO records are only maintained in MFMP, where the requisition is entered and approved and the PO is automatically sent by e-mail to the selected vendor. The terms and conditions of the PO are like Part I of the state standard contract and what the vendor agrees to provide; the PO description contains the requested deliverables. Requesters and reviewers of the PRs document their actions through comments in MFMP, including the justification for the type of procurement and certification that the deliverables are met and approved for payment.

Ms. Nielsen stated that when consultant services are needed, they usually look on the STC website to determine if there is a vendor they can use, then they complete a PO with that vendor; however, that was not done for the POs with Mr. Fela. Mr. Quam worked with Mr. Fela in the past and told Ms. Bradley that he wanted to bring in Mr. Fela, who specialized in revenue, Medicare, and Medicaid, to review their processes and make recommendations to bring revenue into their facilities. Ms. Bradley asked her to initiate the purchase requisition on Mr. Fela’s behalf. Because Mr. Quam wanted Mr. Fela in particular, they did not obtain quotes and went straight to the PO (#AFE1DB).

⁴² As defined in § 287.017, F.S.

Although she did not validate Mr. Fela's background and experience, she heard his name before as having worked at SFSH.

Ms. Nielsen confirmed that she certified deliverables as met for several invoices submitted by Mr. Fela. Because she had no documentation to support the invoices for onsite and offsite hours, she relied on verification from Mr. Quam that Mr. Fela provided the deliverables before she certified in MFMP that the services were received. She had no idea what Mr. Fela's offsite hours entailed or who he met with. She noted that Mr. Quam is not a MFMP user, so he could not enter or approve any steps in the process. After reviewing POs, she noted that there were duplicate deliverables and opined that likely the dollars budgeted for the previous POs had been depleted, the projects had not been completed, and additional POs were funded to continue the projects. For the additional POs to be issued, Mr. Quam must have told her that the projects had not been completed and more money was needed.

Ms. Nielsen opined that Mr. Quam was knowledgeable about contract and threshold requirements established in statute. Mr. Quam never said they needed a PO; however, she believed Mr. Quam told Ms. Bradley that "we" needed to do whatever was needed to have Mr. Fela take care of the tasks that he (Mr. Quam) wanted completed. To them (Ms. Nielsen and Ms. Bradley), that meant PO. The amounts for the POs rose to \$34,999 because Mr. Quam wanted to keep Mr. Fela's services. Ms. Gregory advised that the most they could do without going to another type of procurement was use the budgets from all four locations (NEFSH, NFETC, FSH-Civil, and FSH-Forensic) and complete POs less than \$35,000 from each budget, since he was working at each of the locations. Each facility has its own Purchasing Unit Indicator (PUI): 6027 for FSH, 6031 for NFETC, and 6036 for NEFSH. POs are issued to the CHA structure from 6036 and she completes journal transfers to move expenditures so each hospital has an equal share. Mr. Fela's work encompassed all of the facilities at one time.

When advised of the January 24, 2017 e-mail attachment to PO #B06BA0, in which Ms. Gregory sought approval from Mr. Howard for Mr. Fela's consulting services for January 10, 2017 through June 30, 2017, Ms. Nielsen responded that she had no knowledge of the e-mail and said it appeared that two POs for \$34,999 were approved instead of four. When asked if consecutive POs just below \$35,000, totaling about \$144,000 annually, met the intent of the statutory requirements, Ms. Nielsen said that she did not think it did and maybe they should have talked more with Mr. Quam about completing a formal procurement or a contract. When asked if anyone advised Mr. Quam about the appearance of the consecutive POs just below \$35,000, she responded that she mentioned they needed to go to a contract a few times, which they have now done,⁴³ but they should have done so sooner. She let him know that if they were going to keep using Mr. Fela's services, they needed to have something formal in place. She did not know why Mr. Quam did not want to do something more formal. She stated, "I do acknowledge the fact that we should have tried harder, that I should have tried harder, to get Mr. Quam to do... a state contract or something sooner for [Mr. Fela]."

Ms. Bradley said that she is a FCCM. As the SMHTF fiscal agent, she made sure Mr. Quam's requests were facilitated if there was money in the budget to do so. Mr. Quam wanted to bring in a consultant with knowledge in a variety of areas and identified Mr. Fela as having that knowledge and expertise from having built facilities in the private

⁴³ A contract with Quarry Group was effective July 1, 2019.

sector. She later learned that Mr. Quam and Mr. Fela had worked together at SFSH. Mr. Quam told her to get Mr. Fela on board; therefore, they did not solicit other vendors. She did not know if another vendor could have met the deliverables because the only way to make that determination would have been to put the requested service out on the VBS. The first PO was issued around the time Mr. Quam sent her an e-mail advising that an individual, later identified as Mr. Fela, was coming to speak with her about revenue and review their records. At the time, she did not know why he was coming because there already was a vendor⁴⁴ in place to assist with revenue.

Ms. Bradley said Mr. Quam did not tell her to use POs specifically; however, at the time, it seemed reasonable because she thought Mr. Fela would provide an overview of what needed to be done and help the facilities get up and running on all the projects. She had no idea that the consulting services would continue for almost three years and the project list would expand. She and her staff repeatedly spoke to Mr. Quam about the MFMP approval process and purchasing requirements and opined that Mr. Quam was aware of the \$34,999 threshold; however, Mr. Quam wanted the POs to continue because Mr. Fela had the knowledge and expertise needed for the projects.

Ms. Bradley said that she did not assign work to Mr. Fela and did not know if anyone other than Mr. Quam assigned work to him. In order to pay Mr. Fela's invoices, her staff had to rely on Mr. Quam to certify that Mr. Fela's invoiced services were received. She had personal knowledge of his work with Medicare Part D because she was responsible for revenue. Sometimes she received e-mails showing Mr. Fela was working with vendors on projects, such as cameras and radios; however, she did not know what progress was made on the assignments.

Ms. Bradley said that she expressed her concerns to Mr. Bryant about Mr. Fela's arrangement. As a matter of routine, she regularly met with Mr. Bryant to discuss the facilities, budgets, LBRs, contracts, and any issues with money. Beginning in June 2018, she raised the question several times as to whether she needed to continue budgeting for Mr. Fela's consultation services at \$140,000 per year. She did not know if Mr. Quam, having come from the private sector, was aware of the rules and regulations that the state must follow, and she wanted Mr. Bryant to be aware of what Mr. Quam was telling them to do. During one meeting, she shared her opinion that Mr. Fela was causing more problems than helping the facilities based on her personal observations and what others told her about Mr. Fela's unprofessional manner⁴⁵ with staff, vendors, and the hospital administrators. During another meeting, she talked to Mr. Bryant about procurement threshold requirements and advised him that she did not feel comfortable completing another PO with Mr. Fela. Mr. Bryant said he would talk to Mr. Quam. She believed that Mr. Fela's services would end on June 30, 2019; however, after Mr. Bryant separated from the Department, Mr. Quam informed her to continue Mr. Fela's services, at which time they entered into the two-year contract with Mr. Fela for \$288,000.

Mr. Bryant estimated that Mr. Fela was hired within three to six months of Mr. Quam beginning employment with the Department. Mr. Quam pitched Mr. Fela's role to him (Mr. Bryant) by indicating that he needed certain things done by somebody with Mr. Fela's background and experience. The expectation was that Mr. Fela was available at critical times of the year when they were assessing facility issues, developing LBRs, and

⁴⁴ Later identified as Public Consulting Group (PCG).

⁴⁵ Ms. Bradley stated that she observed a couple of incidents where Mr. Fela "basically belittle you. He, um, screamed and hollered and rant and raved and cussed and carried on."

completing remedial work associated with funding received in prior years. He needed to be on site to provide supervision when these things were occurring. When the action commenced, Mr. Fela was expected to be on site daily or weekly. Since it was common to use POs for this type of service, he did not see it as a red flag. He spoke with Mr. Quam about a complaint he received about Mr. Fela's unprofessional behavior with staff and, to his knowledge, there were no further issues. He had conversations with Mr. Quam about how much longer Mr. Fela was needed and Mr. Quam told him another six months. When the anti-ligature issue came up,⁴⁶ Mr. Quam wanted Mr. Fela to help with that, so he (Mr. Bryant) verbally approved the request.

When advised that POs for Mr. Fela from October 2016 through September 2018 totaled approximately \$294,000, Mr. Bryant responded that he had a conversation with Ms. Bradley about the limits of POs and opined that if a vendor is to be retained consistently for more than two years, then something other than a PO must be completed, like a contract or an Other Personal Services (OPS) position. When advised that there appeared to be overlapping POs, Mr. Bryant responded, "Well, that strikes me as being outside of the scope of the intent" in dollar amount and length of time and needed to be put out for contract. He said that it was unacceptable for two POs to be processed simultaneously. When asked about the POs that were \$34,999, Mr. Bryant responded that he was not aware of that and agreed that it looked suspicious.

Mr. Fela stated that he contacted Mr. Quam in 2016 looking for contract opportunities. Mr. Quam had a problem with revenue and asked if he (Mr. Fela) could come for a week. He agreed, worked up a proposal, and e-mailed it to Mr. Quam. Mr. Quam accepted the proposal and he (Mr. Fela) went to work. Later, Mr. Quam and Mr. Bryant asked him to commit to working two years on the One Hospital projects. At that point, he did not know what the state vendor process was. Mr. Quam and Ms. Bradley developed a Project Manager description, which he believed was needed to give them the authority to issue POs as the mechanism for payment. They had a "rolling PO process," where POs were issued quarterly. Mr. Quam told him what he wanted done and if he (Mr. Fela) was running out of PO money, he told Ms. Bradley, not Mr. Quam. If Ms. Bradley did not have the money for him to continue, he had her work through with Mr. Quam why he (Mr. Fela) was needed and what they (finance) were going to do. He tried to pace the PO dollars to cover the quarter and did what he could on the assigned projects. Frequently, they wanted more time from him than he was willing to give. Mr. Quam and Ms. Bradley decided if they wanted to move forward or add on other projects. When a new PO was issued, he received an e-mail indicating the PO number and the dollar amount, which he billed against. Other than that, he did not pay attention to the notification and, even if there was a link in the e-mail to view the PO deliverables, he never looked at them. He knew what Mr. Quam wanted him to do because he (Mr. Quam) told him. He talked with Mr. Quam and Ms. Bradley almost every day and sometimes on weekends, especially in the beginning.

Mr. Fela agreed that he billed for hours, not activities leading to the accomplishment of the goals or deliverables. He completed invoices as a contemporaneous record about every two weeks based on his e-mails, telephone records, and notes. He kept no calendar or activity log to support his invoices. During the first year, his NEFSH office was 50 feet from the finance office, so they could see him coming to the office every

⁴⁶ He said that over the course of the last year, people have come through their facilities and identified risks associated with individuals hanging themselves and Mr. Fela's job was to remedy those types of situations.

morning and he often met with finance staff. Mr. Quam was very involved with his (Mr. Fela's) work and he (Mr. Fela) talked to Ms. Bradley about money and vendors all the time. He did not realize that staff other than Ms. Bradley and Ms. Nielsen were certifying his services as received and opined that if someone had a question about his invoices or wanted more documentation, it was up to that individual to ask for it and not his responsibility to determine what that individual might want. He expressed that he was offended that the OIG requested documentation to support his invoices.

RECORDS REVIEWED

Department E-mail

An OIG review of Mr. Quam's Department e-mail account showed the following pertinent communications regarding Mr. Fela:

- On July 26, 2016, Mr. Fela wrote to Mr. Quam summarizing their conversation about an assignment to review "the actual amount each hospital is billing versus its potential billing, a review of the eligibility/billing process and recommendations on action steps to maximize the Medicaid reimbursement at each hospital." Mr. Fela detailed the records he wanted to review prior to his onsite visit, set the onsite dates as August 29, 2016 through September 2, 2016, and set his lump sum fee (including all expenses) of \$4,500.
- On August 1, 2016, Mr. Quam sent an e-mail to Mr. Gibson asking if the \$35,000 threshold was a monthly cost. Mr. Gibson responded to Mr. Quam, "\$35k I believe is the threshold for contracted services. Anything over that amount in total contract would require at least 2 bids unless you can have the vendor designated as single source..."
- On August 18, 2016, Mr. Fela wrote to Mr. Quam that he planned to arrive Sunday, September 11, 2016 and be onsite the week of September 12, 2016. Mr. Quam responded that he might be going to North Carolina at the end of that week and subsequently wrote that he would be leaving on September 16, 2016.
- On September 1, 2016, Mr. Fela advised that he would be at Mr. Quam's house the afternoon of September 11, 2016.
- On September 7, 2016, Mr. Quam provided Mr. Fela his home address, 703 North State Road, Macclenny.
- Between September 23, 2016 and September 27, 2016, the following e-mails were exchanged between Mr. Quam, Ms. Nielsen, Ms. Bradley, and Mr. Fela:

Date (2016)	Individual	Content
September 23 1:03 p.m.	Ms. Nielsen to Mr. Quam and Mr. Fela	<i>Subject: Project Manager Hello, again! Please see the attached and let me know what you think. If you'd like for me to include Mr. Fela's qualifications on this document, please let me know. She attached a document, "Project manager."</i>
September 23 1:44 p.m.	Mr. Quam to Ms. Nielsen, Mr. Fela, and Ms. Bradley	<i>Diana thank you. I have made some tweaks. Frank I will need a brief Bio. You can send it Monday to me. Anita please make any changes you can think of. Thanks, Bob</i>

Project Manager Description – Within the September 23, 2016 e-mails, Ms. Nielsen provided a Project Manager description, which Mr. Quam revised. Following is the description, quoted in its entirety, with changes made by Mr. Quam in bold:

*To achieve the goals of the Secretary's PoE commitment, the mental health treatment facilities have been tasked with standardizing services in a "one hospital" approach. An apparent need is a Project Manager to oversee projects, coordinate communication, and review organizational structure at all three facilities. **This position would be contractual on a part time basis. The estimated cost through the current fiscal year would be \$54K.***

Scope of Service (to include, but limited to):

- **Surveillance System**
*The facilities were given funds via an LBR (Legislative Budget Request) to enhance safety. This includes the man down system, **cameras and possibly radios.** (Mr. Quam reworded to ..."**radios and cameras.**")*
- **Revenue**
Ensure that all institutions are collecting to their utmost capability. Review third-party revenue and identify opportunities to increase revenue.
- **KRONOS Upgrade**
Ensure KRONOS is being used to its fullest potential, and that each facility has the same version. Also, work with KRONOS to create and implement reporting features, utilize scheduling feature to enhance staff efficiency, and possibly implement "point system" to track attendance.
- **Staffing analysis**
*Assist in identifying, **analyzing** and implementing strategies and actions to ensure positions are utilized efficiently. Standardize staffing patterns at the three facilities.*
- **Facilities - structure**
*Coordinate with Facilities Management at each institution **and Matt Howard, Director of Environmental Services** to evaluate building structures, renovation action plans, and determine course of action – rehab or new structures.*
- **Future Projects: To oversee projects as yet to be determined.**

Date (2016)	Individual	Content
September 25 6:44 p.m.	Mr. Fela to Mr. Quam, Ms. Nielsen, and Ms. Bradley	<i>Attached please see a short bio. Let me know if you need anything additional.</i>
September 25 8:47 p.m.	Mr. Quam to Mr. Fela, Ms. Nielsen, and Ms. Bradley	<i>Only suggestion is to add the revenue side especially with Medicare and Medicaid. The rest is great. Bob</i>
September 26 7:55 p.m.	Mr. Fela to Mr. Quam, Ms. Nielsen, and Ms. Bradley	<i>Bob, I made the changes we discussed. Please review and let Diana know if this is what you want sent to you tomorrow morning.</i>
September 27 11:24 a.m.	Mr. Quam to Mr. Fela, Ms. Nielsen, and Ms. Bradley	<i>Very good!</i>

Mr. Fela's "Bio" – Within the September 25, 2016 and September 26, 2016 e-mails, Mr. Fela provided his "bio" and added content subsequent to Mr. Quam's suggestion, quoted in its entirety, with Mr. Quam's suggested changes in bold:

*Frank Fela has 40 years of finance, management and project development experience including over 15 years of experience in the **finance**, management and development of mental health facilities. His experience includes serving 5 years as Assistant Hospital Administrator for South Florida State Hospital (SFSH). His role there included serving as Chief Financial Officer, and included responsibility for the Human Resources Department,*

Food Service, Safety, Medical Records, Pharmacy. **As CFO, Fela had responsibility for Medicare billing, and teaching hospital revenue and CMS compliance.**

In addition to his operational duties Frank oversaw the day to day construction, startup and transition to the new SFSH **including coordinating with the State of FL onsite project manager and ACHA.** [sic]

He served on the Senior Management teams of Treasure Coast Forensic Treatment Center, South Florida Evaluation and Treatment Hospital and Columbia Regional Care Center in Columbia South Carolina as Facility Manager.

Frank has consulted in **finance**, planning, construction and opening of forensic and SVP facilities in Florida and Texas. He has completed numerous operational audits and participated in Joint Commission Surveys **at all the hospitals.**

Date (2016)	Individual	Content
September 27 1:51 p.m.	Ms. Nielsen to Mr. Quam, Mr. Fela, and Ms. Bradley	Please see the attached! Have a great day,.

Revised Project Manager Description – Within the September 27, 2016 e-mail, Ms. Nielsen compiled the revised Project Manager description with Mr. Fela's revised "bio" into one document, with additional content added, in bold⁴⁷:

- *The estimated cost through the current fiscal year would be \$54K, **which would be shared amongst all three facilities.***
- *I have selected **Mr. Frank Fela to serve in this capacity.** Mr. Fela has 40 years of finance...*

MFMP Records

An OIG analysis of the 19 MFMP purchase requisition, order, and payment records related to Frank Fela, Frank J Fela, and Quarry Group revealed the following pertinent information and discrepancies:

Dates of Issued Purchase Requisitions and Orders Relative to Invoicing

- Mr. Fela's on-site consultation services commenced on September 12, 2016.
- Eight POs were issued between October 3, 2016 and January 31, 2017. Of the eight POs, six were issued after the first (or only) invoice date, one was issued the same day as the invoice date, and only one was issued prior to the first invoice date.⁴⁸
- PO #B017EE invoice was stamped "SERVICES WERE RECEIVED AND ARE SATISFACTORY" with Mr. Quam's signature.

Overlapping POs

- POs #B04658 (NFETC) and #B04654 (NEFSH), each for \$4,500, were issued on December 29, 2016.
- POs #B05708 (NFETC), #B06BA0 (NFETC), and #B070D6 (FSH Civil), totaling \$74,648, were issued within a 16-day timeframe, January 18, 2017 through February 2, 2017.

⁴⁷ When asked about the document, Ms. Nielsen said that she completed the document because Mr. Quam asked her to, but did not know the purpose of the Project Manager description.

⁴⁸ Not all invoices for the eight POs were date stamped as received. The following invoices were date stamped as received: #B04658 (January 3, 2017); #B05708 (January 19, 2017); and #B06BA0 (February 6, 2017, February 27, 2017, March 2, 2017, March 27, 2017, and April 24, 2017).

- POs #B193E1 (NEFSH) and #B193E2 (NFETC), each for \$34,999.99, were issued on August 1, 2017.

Overlapping Invoices

- Invoices #0008 for PO #B193E1 (NEFSH) and #0009 for PO #B193E2 (NFETC), both dated October 5, 2017, included the same dates of onsite services (September 14, 15, 18, 19, 20, and 21) and offsite services (September 1 through September 13 and September 22 through 30).⁴⁹
 - Via Invoice #0008, the following services were billed:
 - Onsite services – September 14, 15, 18, 19, and part of September 20
 - Offsite services – September 1 through September 13 and September 22 through September 30
 - Via Invoice #0009, the following services were billed:
 - Onsite services – Part of September 20 and all of September 21
- Invoices #0022 for PO #B1BBDB and #0023 for PO #B2081B, both dated February 16, 2018, included the same dates of onsite services (February 21, 22, 25, 26, 27, and 28 and March 1) and offsite services (February 17 through March 3).
 - Via Invoice #0022, the following services were billed:
 - Onsite services – February 21, February 22, and part of February 25
 - Offsite services – February 17 through March 3
 - Via Invoice #0023, the following services were billed:
 - Onsite services – Part of February 25 and all of February 26, 27, 28, and March 1

FCCM Ricky Goodman noted in the comments of each PO that FSH (Civil) and FSH (Forensic) would each be billed 50%.

PO Rate and Invoice Billing Discrepancies

An OIG review of the rates set by the PO descriptions and the rates invoiced by Mr. Fela revealed the following discrepancies:

PO #	PO Initial Date	Rate
AFE1DB	10/3/2016	\$4,500/unit (week)
AFEBA1	10/13/2016	\$1,000/unit (each) with the extended amount as the PO limit
B017EE	11/17/2016	
B0223B	11/28/2016	
B04658	12/29/2016	PO dollar limit/unit (each) Set timeframes were set for onsite visit in each PO
B04654	12/29/2016	
B05708	1/18/2017	
B06BA0	1/31/2017 (v1)	"Rate: \$112.50 hour offsite \$75.00 hour onsite"
B070D6	2/2/2017 (v1)	\$112.50/hour for onsite and offsite services
B193E1	8/1/2017	\$120/hour for onsite and offsite services
B193E2	8/1/2017	
B1BBDB	9/1/2017 (v1)	
B2081B	11/9/2017	
B36B1D	6/25/2018	Lump sum \$10,000. No rate set
B37B00	Closed 7/27/2018	Closed and reissued as B39F17
B39F17	7/30/2018 (v1)	"Mr. Fela's on-site consultation rate is \$150.00.

⁴⁹ Mr. Fela invoiced onsite services by listing dates, but no locations, and billing for total hours at eight hours per day. He invoiced offsite services, which he described as "correspondence follow-up," "conference calls," and "project documentation preparation," by identifying a date range and billing for total hours, not broken down, during that range.

PO #	PO Initial Date	Rate
B3E333	9/18/2018	No rate noted.
B47A77	1/25/2019	"Rate per hour \$120"
B4BBD0	3/13/2019 (v1)	

- PO #AFE1DB Invoice #901, dated September 19, 2016, included future dates. Onsite visits at NEFSH, Headquarters, and FSH were billed for September 12, 2016 through September 23, 2016. The invoice was not paid until October 10, 2016.
- PO #B05708 Invoice #1203, dated December 27, 2016, included offsite services at \$75/hour (rate not mentioned in PO description). The PO Unit Price was noted as \$4,650, with the requirement "to be on-site at facilities December 12 – 16." In prior POs, the rate for a week of onsite services was \$4,500.
- PO #B06BA0, issued January 31, 2017, established the rate for service as "Rate: \$112.50 hour offsite \$75.00 hour onsite." Mr. Fela billed at \$112.50 per hour onsite and \$75/hour offsite, and his invoices were paid.
- PO #B36B1D, issued June 25, 2018, established a lump sum of \$10,000 for onsite and offsite services to be performed at the three mental health facilities during May 22 – June 30, 2018. Via Invoice #601, dated June 15, 2018, Mr. Fela billed for a lump sum, with no notation of locations, dates, or hours of service.
- PO #B39F17, issued July 30, 2018, noted, "Mr. Fela's on-site consultation rate is \$150.00" (rate for offsite services not noted). Via Invoices #0029 (dated July 23, 2018), #0030 (dated August 13, 2018), #0034 (dated September 4, 2018), and #0036 (dated September 18, 2018), Mr. Fela billed for a total of 49.33 hours of offsite services at \$150/hour.
- PO #B3E333, issued September 18, 2018, noted no rate, only that Mr. Fela shall be on site five to eight days/month and available all times to provide support. The timeframe for the PO was "need by June 30, 2019." Mr. Fela invoiced at \$150/hour for onsite services and offsite services.
- POs #B47477 and #B4BBD0, issued January 25, 2019 and March 13, 2019 (respectively), set the rate at \$120/hour. Mr. Fela invoiced at \$150/hour for both onsite and offsite services.

PO Descriptions

Table 2 shows that the deliverables requested from Mr. Fela were repetitive across successive POs. In the final two POs, issued on January 25, 2019 (PO #B4A77) and March 13, 2019 (PO #B4BBD0), the PO descriptions stated, "...number of hours expected to completion is not to exceed 292 hours of work. Completion of work, presentation, findings, and reports to be delivered to the Chief Hospital Administrator."⁵⁰

EXPERT TESTIMONY

Department of Financial Services (DFS) Division of Accounting and Auditing Assistant Director Mark Merry opined that there appeared to be a systemic level of negligence concerning the contractual relationship with the vendor. Mr. Merry explained that it

⁵⁰ PO Comments for PO #B4BBD0 noted that Mr. Fela changed his remittance address in MFMP, so PO #B4A77 was closed and the remaining amount of \$20,449 was transferred to PO #B4BBD0. On February 2, 2019, the dollar amount for PO #B4BBD0 was revised to \$34,999.

appeared they wanted to pay the vendor a specified dollar amount and worked backwards to create the PO as the vehicle for the payment. The Department FCCMs involved with the PRs and POs were not following statutory requirements. There appeared to be an effort to get around the requirements by using de-centralized purchasing; however, one individual (the CHA) was guiding or telling them what should be done. Mr. Merry opined that for the facilities to be separate purchasing entities, each purchasing office would have the authority to independently make purchasing decisions and carry out business. Procurement and payment, from beginning to end, would be out of each separate budget, not paying out of one and re-allocating. It was not clear how the vendor's work related to one specific budgeting entity or facility. The POs were vaguely written with no specific deliverables as to the work to be performed or the documentation requirements to evidence such work. The vendor invoices were also vaguely written and not sufficient for the FCCMs to determine performance in order to process for payment. There should not have been discrepancies with the vendor rate as written in the POs and what was invoiced.

SUBJECT TESTIMONY

Former SMHTF Chief Hospital Administrator Robert "Bob" Quam

Mr. Quam said that he has known Mr. Fela for about 20 years. Mr. Fela worked for him at SFSH and took the lead working with the contractor when the new hospital was built. They worked together at two or three different privatized hospitals, including South Florida Evaluation and Treatment Center (SFETC). Shortly after being hired by the Department, he (Mr. Quam) hired Mr. Fela as a contractor for a couple of projects, primarily development of information technology systems, staff radios, and hospital cameras. Mr. Fela had expertise relative to those things. He thought that Mr. Fela probably provided documentation of his work history to Ms. Bradley at the time Mr. Quam brought Mr. Fela in. He (Mr. Quam) already knew him, so he had seen his resume before and did not contact anyone as a reference.⁵¹

Mr. Quam said that he was "clueless" about the financial process used to bring Mr. Fela on board. He was aware that they recently bid the work out for a contract, but did not know what was done before that. He claimed to have no knowledge of procurement requirements for the various threshold levels; Ms. Bradley handles that.

LEGAL OPINION

In response to an OIG request for a legal opinion as to whether the history of purchase orders and payments to Mr. Fela presented a conflict of interest, the Office of General Counsel responded, "...there may be ethically problematic behavior..." and that the matter "also raises an issue under procurement law..."

⁵¹ He added that Mr. Reddick also knew Mr. Fela. Mr. Reddick worked with Mr. Quam for 19 years before he came to work for the Department.

Issue 2 – Mr. Fela Working for Providers Under Contract With the Department**WITNESS TESTIMONY****The following individuals were interviewed:**

- Contracted Project Manager Francis “Frank” Fela
- Department Director of Background Screening Sherry Smyly
- Former Assistant Secretary for SAMH John Bryant

Mr. Fela said that from the very beginning, he told Mr. Quam and Mr. Bryant he would not work with the Department if he could not still work with Wellpath, and there was a verbal agreement between him (Mr. Fela), Wellpath, Mr. Quam, and Mr. Bryant. While working with the Department, all of his Wellpath assignments (with one exception) were for out-of-state start-up and development or facility design. In the beginning, he was traveling a lot; however, Wellpath has not opened any new facilities in the last year and hired a new vice president that covers some of the things he used to do for them. The one exception was an assignment with SFETC at the time of Hurricane Irma⁵² in 2017. Prior to Hurricane Irma making landfall, he received a lot of calls from both the Department and Wellpath, since he had written the emergency management plans for the hospitals Wellpath was managing. Although SFETC residents were not evacuated prior to the hurricane, they were evacuated after landfall when there was no power. On the way back from evacuation, a resident jumped out of the bus and died on the Florida Turnpike.⁵³ Wellpath called Mr. Quam and advised that they were ready to go before the Joint Commission regarding this critical event. Mr. Quam agreed for him to go down to help with the presentation and the SFETC facility manager position, left vacant from a resignation just prior to the hurricane. He did not know if Mr. Quam talked to Mr. Bryant about it; however, it was no secret that he went. Wellpath paid him for his time; the state did not pay him for those days or his expenses. When requested to assist the OIG with obtaining a statement from Wellpath regarding his employment history, Mr. Fela declined.

Ms. Smyly stated that all mental health facility staff are required to be screened through the Agency for Health Care Administration (AHCA) Clearinghouse. On October 10, 2017, SFETC requested a Level 2 background screening for Mr. Fela, who was determined eligible to be employed in a mental health program.

Mr. Bryant stated that they received an allegation that Mr. Fela had a working agreement or purchase order with Wellpath/Correct Care. He was not aware of Mr. Fela having contracts with other entities working with the Department and did not think that he was working in Florida. Mr. Bryant opined that if Mr. Fela were working for Wellpath/Correct Care in Florida facilities with which the Department has contracts, it would be inappropriate. If he worked in other states, he (Mr. Bryant) would not necessarily see that as a conflict; however, it would warrant a conversation between Mr. Quam and Mr. Fela to understand what Mr. Fela was doing through the other contracts.

⁵² Hurricane Irma made landfall in Florida on September 10, 2017.

⁵³ According to the Internet, the SFETC resident died on September 19, 2017.

RECORDS REVIEWED

AHCA Clearinghouse Background Screen

An AHCA Clearinghouse background screen for Mr. Fela showed his fingerprints were obtained from a SFETC livescan device on October 6, 2017.

PO Invoices

Mr. Fela submitted Invoices #0008, #0009, and #0010 under POs #B19E1 and #B193E2 for services for NEFSH or NFETC, as follows:

- Onsite services
 - September 14, 15, 18, 19, 20, and 21, 2017 (48 hours)
 - October 2, 3, 4, 9, 10, 11, 12, and 13, 2017 (64 hours)
- Offsite services
 - September 1, 2017 through September 13, 2017 (16 hours)
 - September 22, 2017 through September 30, 2017 (16 hours)
 - October 1, 2017 through October 15, 2017 (7 hours)

Wellpath Employment Records

Via e-mail, Wellpath Regional Human Resources Manager Belkys Cairo advised that Mr. Fela had not been an employee of the company since May 11, 2015; however, she noted Professional Services Agreements between Wellpath and Mr. Fela, assigned to Quarry Group on March 3, 2017, to “provide professional consulting services... regarding Joint Commission compliance readiness assessment for the Environment of Care, Emergency Management and Life Safety Standards; such other related services as the Facility or GEO Care may reasonably request.”

FACILITY	DATES
South Florida Evaluation and Treatment Center	03/06/2014- Present (contract auto-renews)
Texas Civil Commitment Center (TCCC)	07/31/2015-09/04/2015 (contract allows for extension upon mutual agreement, unclear if he worked at TCCC past this date, we exited TCCC 04/30/2019)
Bridgewater State Hospital (BSH)	03/06/2017-04/28/2017 (contract allows for extension upon mutual agreement, unclear if he worked at BSH past this date)
South Carolina Sexually Violent Predator Treatment Program	08/01/2018-11/30/2018 (contract allows for extension upon mutual agreement, unclear if he worked at SCSVPTP past this date)

SUBJECT TESTIMONY

Former SMHTF Chief Hospital Administrator Robert “Bob” Quam

Mr. Quam stated he was aware that Mr. Fela and his son have a business in Cleveland, Ohio, where they buy houses to rehabilitate and sell, and Mr. Fela has done work for Wellpath in California, Alaska, and other states, but not Florida. Mr. Fela was working with Wellpath before the Department and continued to do so after working on the Department projects. He was certain that Mr. Fela was not working in Florida for any contracted provider.

Issue 3 – Personal Relationship**Section 1.6.2. Department Playbook – Employee Relationships with Provider**

The following describes ethical considerations for a DCF employee involved in the procurement and contract management process:

- *DCF employees must be fair and honest in the selection, negotiation, and management process.*
- *DCF employees must not pressure consultants and vendors to provide services beyond the scope of the contract or to provide services before an executed contract or an amendment to a contract is in place.*
- *DCF employees must be vigilant to maintain the proper ethical standards and guard against even the appearance of collusion, particularly the acceptance of any gift.*
- *DCF employees must avoid any appearance of impropriety by limiting their contacts with vendors who may respond to a procurement. DCF employees do not discuss prices, other possible bidders, or provisions limiting bidders or giving any advantage to one bidder. All emails and written documentation prior to a procurement are subject to public record laws, and disclosure of the contents of private discussions during a bid protest is possible.*
- *Section 287.057 F.S. prohibits a vendor, its employees, agents, or subcontractors with a material interest in the contract, from knowingly participating in preparation of a procurement resulting in a contract with a state agency.*

WITNESS TESTIMONY

The following individuals were interviewed:

- SMHTF Accounting Services Analyst D Diana Nielsen
- SMHTF Finance Accounting Director III Sarah “Anita” Bradley
- Agency for Persons with Disabilities (APD) Sunland Superintendent Marguerite Morgan
- Former Assistant Secretary for SAMH John Bryant
- SMHTF Contractor Francis “Frank” Fela

Mr. Fela stated that his friendship with Mr. Quam goes back 20 years. Mr. Quam hoped to recruit him to work for the state, but he was not interested in moving his family back to the United States and no employer, including Wellpath, was willing to accommodate his personal plan to spend a minimum of 10 days each month with his family in Peru.

Mr. Fela said that when he went to NEFSH for the first assignment, Mr. Quam invited him to stay with him and his wife at their rental home in Macclenny. When Mrs. Quam decided to spend less time in Macclenny and return to their Titusville home, Mr. Quam suggested that he stay with him at his house to save money. Mr. Fela had the need to stay in Macclenny for longer periods of time, so he agreed partly because Mr. Quam did not like to live alone and also because they worked from 6:00 a.m. to 8:00 p.m. or 9:00 p.m. and used the time to talk about work. He contributed \$500 per month toward rent, which is money that he otherwise would have spent on a hotel. Similarly, when Mr. Quam moved from Macclenny to a Tallahassee townhouse (1530 Kay Avenue, Apartment A), he (Mr. Fela) stays with Mr. Quam when in town and contributes \$500 per

month. He made the \$500 per month arrangement with Mrs. Quam, not Mr. Quam, and paid by cash or check. He did not want to lease a property for himself because the POs were on a quarterly basis and the government could stop funds at any time. Regarding food, he and Mr. Quam did not cook a lot and did not eat the same things, so they bought food separately. They also ate at restaurants but paid for their own meals. When asked about gifts, he said that he probably gave Mr. Quam a gift on his birthday. When asked if Mr. Quam has stayed with him, Mr. Fela said that Mr. Quam has not travelled to Ohio or Peru yet, although he (Mr. Quam) wants to travel Peru but Mrs. Quam has not agreed.

Ms. Nielsen and Ms. Bradley said that they were aware Mr. Quam and Mr. Fela were friends and, when in Tallahassee, Mr. Fela stayed with Mr. Quam at his (Mr. Quam's) townhouse. Ms. Morgan said that she was aware Mr. Quam and Mr. Fela were close friends and heard from others (unknown) that Mr. Fela stayed with Mr. Quam. Ms. Nielsen, Ms. Bradley, and Ms. Morgan indicated that a contractor staying with someone who controls the contract was concerning to them; however, Ms. Bradley did not think that the arrangement affected the facilities. Ms. Bradley said that she had many conversations with Mr. Quam about how the state did things differently than the private sector and quoted policies to him that he, as a state employee, must follow, pointing out that separations were needed. Ms. Morgan said that when she heard Mr. Fela was staying with Mr. Quam, she was concerned about potential ethical violations, so she informed Mr. Bryant.

RECORDS REVIEWED

Rent Checks

Mr. Fela provided copies of cleared PNC checks (front and back) from Quarry Group to Ms. Quam, signed by Zachery Fela, as follows:

- Check #1025 for \$1,000, dated November 16, 2017, with the notation, "Oct + Nov Rent."
- Check #1063 for \$1,000, dated May 14, 2018, with the notation, "April + May Rent" lined through and "Jan + Feb 2018" added.
- Check #1079 for \$1,000, dated August 23, 2018, with the notation, "March + April Rent."
- Check #1084 for \$2,000, dated September 18, 2018, with the notation, "Back Rent March, April, May, June."
- All of the checks had been endorsed "Deposit only acct #415152987" or by Mrs. Quam.

MFMP Vendor Detail

The MFMP Vendor Information Portal shows the following two addresses for Mr. Fela:

- 001 FFELA – 1530 Kay Avenue, Apartment A, Tallahassee, Florida.
- 002 FFELA-OH – 2850 East Derbyshire Road, Cleveland Heights, Ohio.

Florida Department of State Sunbiz

On June 24, 2019, Quarry Group registered as a corporation with the Florida Department of State, listing Mr. Fela as the registered agent with 1530 Kay Avenue, Apartment A, Tallahassee as his address. The principal address for Quarry Group is 549 East Washington Street, STE 100, Chagrin Falls, Ohio.

State of Florida Warrants

In February 2019 and March 2019, PO payments were issued via warrant addressed to Mr. Fela at 1530 Kay Avenue, Apartment A, Tallahassee.

Department E-mail

An OIG review of Mr. Quam's Department e-mails revealed the following pertinent communications:

- On December 12, 2018, Mr. Quam sent an e-mail to Mr. Fela advising that he and his wife would like to visit Lima for their 20-year anniversary and asked if it would be "ok to come down." Mr. Fela responded that it would work for them. Mr. Quam responded that his wife would make the arrangement but would need help from him (Mr. Fela).
- On September 16, 2019, Mr. Quam sent an e-mail to Mr. Fela, quoted in its entirety:

Frank we need to get some clarity on the rent situation and the IG investigation. I am not sure what the overall motive is with their investigation but I do know they are focusing on you also. Tomorrow, Tuesday I am going to asked [sic] again your renting from me. I had hoped the rent situation would be between Teri and you but right now it is left with me. Teri says you haven't paid anything since December or January. I know your contract amount has changed but the agreement between you and Teri has not changed. If you figure the number of days in Tallahassee and the cost of hotel while you are here what you are paying for the town house is still a deal. I need for you to discuss this with Teri. I really don't want to be in the middle of this. We can discuss further when you get here. Bob

SUBJECT TESTIMONY**Former SMHTF Chief Hospital Administrator Robert "Bob" Quam**

Mr. Quam confirmed that he knew Mr. Fela before he brought him in as a consultant for the Department. He described their relationship at that time as "friend and professional." When they both lived in south Florida, they often went fishing in the Everglades using Mr. Quam's boat. He, Mr. Fela, and their wives once went on a week's "thing" to the Bahamas. He (Mr. Quam) was Mr. Fela's best man at his wedding to his current wife. When asked if their relationship was the same when he brought Mr. Fela to work with the Department, Mr. Quam agreed that they were friends. Mr. Quam stated, "He actually rents a room from me at the townhouse." He explained that he and his wife pay \$800 plus utilities for a two-bedroom townhouse in Tallahassee. Shortly after his wife returned to Titusville, they rented the extra bedroom to Mr. Fela. Mr. Quam said that he did not know how much rent Mr. Fela paid because it was an arrangement between Mr. Fela and his (Mr. Quam's) wife. He guessed that his wife probably asked Mr. Fela to pay half the monthly rent (\$400). He did not know how Mr. Fela paid his wife, but opined that Mr. Fela sent her a check since she had not been at the townhouse for a while. Mr. Quam subsequently said that he learned from his wife that Mr. Fela was paying \$500 rent almost monthly, but had not paid since January 2019, even though he continued to stay at the townhouse.

When he (Mr. Quam) and his wife leased a home in Macclenny, Mr. Fela sometimes stayed with them, but he did not think Mr. Fela paid rent because he slept on an air mattress while there. Mr. Fela never stayed with them in Titusville. He has not visited or stayed with Mr. Fela in Peru, although they had planned a visit but decided not to go for family reasons. Mr. Quam said that he had not been to Ohio.

When asked if Mr. Fela had given him gifts, paid for meals, bought liquor, or vice versa, Mr. Quam said that when they go out to eat, sometimes Mr. Fela pays, sometimes he (Mr. Quam) pays, and sometimes they pay separately. Mr. Fela bought groceries at times and he (Mr. Quam) bought groceries at times

Additional Finding 2

State Mental Health Treatment Facilities Chief Hospital Administrator Robert “Bob” Quam did not follow required procedures for reporting an accident with an Enterprise rental vehicle, in violation of Rule 60L-36.005(1) and (3)(b) and (e), F.A.C.; Section 1-8.c.(2) and (5), CFOP 60-55; Section 7.c.(2), CFOP 40-2; and Section 7 of Exhibit 6, Contract #78111808-15-1 between the Department of Management Services and EAN Services, LLC. Finding: SUPPORTED.

WITNESS TESTIMONY

The following individual was interviewed:

- Enterprise Holdings Account Manager, State of Florida Contract, Danny Grosenbaugh

Via e-mail, Mr. Grosenbaugh stated that he saw no damage report for the vehicle from the time Mr. Quam had the rental vehicle (February 25, 2017 through March 31, 2017).

SUBJECT TESTIMONY

Former SMHTF Chief Hospital Administrator Robert “Bob” Quam

Mr. Quam stated that he did not inform Enterprise of the damage to the rental vehicle. He did not tell the individuals returning the vehicle to either inform or not inform Enterprise because there was no observable damage. He was unaware that it was his responsibility to report any damage to Enterprise.

Additional Finding 3

State Mental Health Treatment Facilities Chief Hospital Administrator Robert “Bob” Quam misused Department fleet vehicles by allowing personal use for himself and staff, in violation of § 112.313(6), F.S.; Rule 60B-1.005, F.A.C.; Rule 60B-1.008, F.A.C.; Rule 60L-36.005(1) and (3)(b) and (e), F.A.C.; Sections 1-8.c.(2) and (5), CFOP 60-55; and § 812.014(1)(b), F.S. Finding: SUPPORTED.

Rule 60B-1.008, F.A.C., sets forth the requirements of “Special assignment” vehicles as follows:

- 1) *officially authorized as a prerequisite [sic] by [DMS],*
- 2) *required by an employee after normal duty hours to perform duties of the position to which he is assigned, or*
- 3) *assigned to an employee whose home is his official base of operation.*

The rule further sets forth the following conditions on the use of “Special assignment” vehicles:

Vehicles...may be driven to and from an employee’s home when used for the purpose or under the conditions stated below:

...Perquisite⁵⁴ – Employee is entitled to use of vehicle by virtue of his position and is so approved and authorized as a perquisite by [DMS].

...Law enforcement...

...Emergency service – Employee is subject to emergency calls from his residence for the protection of life or property.

...Employee’s home is office – Employee’s home is his official base of operation and vehicle is parked at home when not in use.

WITNESS TESTIMONY

The following individuals were interviewed:

- Agency for Persons with Disabilities (APD) Sunland Superintendent Marguerite Morgan
- SMHTF Finance Accounting Director III Sarah “Anita” Bradley
- SMHTF Accounting Services Analyst D Diana Nielsen
- SMHTF Operations Review Specialist Zebadiah Reddick
- Former Assistant Secretary for SAMH John Bryant
- DMS Bureau of Fleet Management and Federal Property Assistance (Bureau) Chief Cheri Ferrell
- DMS Human Resources Management (HRM) HR Consultant Anthony Tipler

Ms. Morgan advised that Mr. Quam authorized her to have a state vehicle assigned about two weeks after she started working at Headquarters, and she returned the vehicle on her last day of employment with the Department. She was told that staff doing work for the different facilities were assigned vehicles due to their frequent travel. She questioned the arrangement because she was commuting daily to Headquarters in Tallahassee from her home in Chattahoochee, but was not traveling to a facility every day. She kept the vehicle in her driveway when not using it. She filled the gas tank mostly at FSH, instead of using the fleet card. She maintained the daily mileage log, which she submitted to Mr. Harvell. She was aware that former SMHTF Operations Manager C Kimberly Barnes,⁵⁵ Ms. Bradley, Mr. Reddick, and Chief Medical Officer Carolyn Drazinic also were assigned state vehicles, which she believed were from FSH and NEFSH. When asked if it was the intent for facility vehicles to be used in this capacity, Ms. Morgan agreed that previously, facility vehicles were used to transport clients to appointments and things like that; however, there was a change in approach after Mr. Quam was hired.

Ms. Bradley said Mr. Quam told her to order a new state vehicle for his use and she did so through the state term contract. Dr. Drazinic and Mr. Reddick also were assigned state vehicles for their exclusive use. She personally did not have a vehicle assigned to her; however, a NEFSH state vehicle was available for use by any NEFSH staff. A SMHTF vehicle was stationed at Headquarters for use by SMHTF Operations Manager C Perry Dollinger and former SMHTF Government Operations Consultant II Dr. Kevin

⁵⁴ Merriam-Webster defines a perquisite as “a privilege, gain, or profit incidental to regular salary or wages.”

⁵⁵ Effective December 15, 2018, Ms. Barnes was no longer employed by the Department.

Bist,⁵⁶ both of whom worked directly for Mr. Quam, and that vehicle remained at Headquarters for anyone to use. She confirmed that Ms. Barnes was assigned a state vehicle, but did not think that Ms. Barnes drove the vehicle home. She was unaware that Ms. Morgan was assigned a vehicle. She advised that DMS had to approve fleet vehicle assignments to employees for exclusive use and believed that Ms. Nielsen had submitted the paperwork to DMS for Mr. Quam, Mr. Reddick, and Dr. Drazinic.

Ms. Nielsen confirmed that Ms. Bradley told her to obtain a state vehicle for Mr. Quam. She understood that Mr. Bryant told Ms. Bradley to obtain the vehicle so Mr. Quam would not have to claim mileage reimbursement. She was aware that Dr. Drazinic, Ms. Morgan, and Mr. Reddick also had assigned vehicles due to the number of miles that they drove. The majority of Mr. Quam's SMHTF staff with offices at Headquarters frequently travel to the facilities and are not often at Headquarters. Dr. Drazinic and Mr. Reddick's vehicles were assigned for their exclusive use. She thought their vehicles were assigned from the available fleet inventory at the time. She was not involved with vehicle assignments and thought that Mr. Bryant made that decision. She had to research the process and approval requirements for Dr. Drazinic, Mr. Reddick, and Mr. Quam's exclusive use of their state vehicles because "typically that's not how our FLEET is assigned." The DMS website referred all perquisite approvals to the State Personnel System agencies, so she e-mailed Department Director of Human Resources Shelby Jefferson⁵⁷ and Human Resource Consultant Susan King for guidance. After speaking with Ms. King, it was determined that DMS gave prior approval for certain categories of perquisites, so she prepared the Request for Approval of Perquisites forms authorizing perquisite Category G10⁵⁸ for Dr. Drazinic, Mr. Reddick, and Mr. Quam for Mr. Bryant's approval and signature.

Mr. Bryant said that a state vehicle may be assigned to an employee based on the employee's scope of work and frequency of travel. There are certain scenarios where a state vehicle may be driven 24/7 by the assigned individual, which includes personal use of the vehicle and taking the vehicle home; however, DMS must approve the use. Typically, they try to assign a state vehicle to somebody like Mr. Quam and Dr. Drazinic, who regularly travel between Tallahassee, FSH, NEFSH, and NFETC when needed. Both Dr. Drazinic and Mr. Quam are subject to being on call. He did not know how often Mr. Quam was scheduled to be on call but opined it was 24/7, for the most part. Mr. Quam would need to respond in the case of natural disasters and has the authority to elect whether to respond to adverse incidents where there have been injuries. He was aware that Mr. Quam occasionally went to his Titusville home and may have assigned Mr. Reddick or one of the hospital administrators to be on call while he was away.

Mr. Bryant remembered submitting DMS paperwork for Dr. Drazinic; however, he did not remember if Mr. Quam was assigned a state vehicle when he was first hired or if he authorized or requested DMS final approval for Mr. Quam. He was aware that Mr. Quam had an assigned state vehicle and that his personal vehicle was a truck. He opined that Mr. Quam would be allowed to drive his state vehicle to Titusville or his new

⁵⁶ Effective September 21, 2019, Dr. Bist was no longer employed by the Department.

⁵⁷ At the time, Mr. Jefferson was the Interim Director for Human Resources.

⁵⁸ According to the Descriptive Narrative, G10 is the "Special assignment of a state-owned or leased motor vehicle to an employee who is required to perform duties of the position after normal duty hours and whose incidental personal use of the vehicle has been determined to be in the best interests of the state and approved by the Division of Motor Pool pursuant to Rules 60B-1.005 and 1.008, F.A.C."

home in Sarasota only if he had DMS approval. Initially, Mr. Bryant said that Mr. Quam was probably using the state vehicle, but later opined that Mr. Quam was “pretty scrupulous” about taking the state vehicle home and would not have done so even though it was allowed. Mr. Quam could use the fleet gas card or his state-issued P-card to pay for gas for the state vehicle. When asked about Ms. Morgan’s use of a state vehicle, Mr. Bryant responded that he did not issue her a state vehicle; however, she may have used a state vehicle for a short time when she first transitioned from FSH Administrator to working at Headquarters. She lived in Chattahoochee and commuted daily to Tallahassee. He believed that she drove her personal vehicle for the commute.

Ms. Ferrell stated that approval for the special assignment of vehicles under C-1 Perquisite must be obtained from the Bureau. Agencies are required to submit a Request for Approval of Perquisites or Sale of Goods and Services form for each perquisite request to the Bureau for consideration and approval. She advised that there have been no state vehicle G10 Transportation perquisites approved in approximately five years. If approved, employees would be responsible for tracking and recording commute mileage and reporting the value of the personal use of the state vehicle to DFS for taxation. She stated DMS approval is required.⁵⁹

Via e-mail, Mr. Tipler advised that DMS HRM maintains a list of approved perquisite categories, which state personnel system agencies may grant (Approved Perquisite Categories form). Additional categories can only be established if approved by DMS. He noted the following, quoted in pertinent part (emphasis as written):

*...The rule states, “Employee is entitled to use of vehicle...and is so approved and authorized as a perquisite by [DMS].”...DMS HRM’s Definition of Perquisite Categories form dated April 16, 2015 which states, “G10 Transportation: Special assignment of a state-owned or leased motor vehicle to an employee...and whose incidental personal use of the vehicle has been determined to be in the best interests of the state **and approved by the Division of Motor Pool pursuant to Rules 60B-1.005 and 1.008, F.A.C.** In order to request approval for the special assignment of vehicles under this code, agencies are required to submit a Request for Approval of Perquisites or Sale of Goods and Services form to [the Bureau] for approval.*

RECORDS REVIEWED

Fleet Vehicle Usage Records (VURs) and FuelMaster Transaction Listing Reports

An OIG review of VURs and FuelMaster Transaction Listing Reports for FSH state vehicles assigned to Mr. Quam, Ms. Morgan, and Mr. Reddick showed personal use, as follows:

- Equipment Tag #DCFYK197, a 2017 Chevrolet Malibu (the Malibu), was assigned to Mr. Quam on March 30, 2017.

⁵⁹ Rule 60B-1.008, F.A.C., requires DMS approval for the special assignment of vehicles under code C-1: Perquisite.

The VURs for March 30, 2017 through June 14, 2019⁶⁰ reflected:

- 60 trips to Titusville and Sarasota (locations of Mr. Quam's homes) and Okeechobee (where his brother resides) that appear to be personal in nature.⁶¹
 - 11 trips between March 30, 2017 and December 15, 2017
 - 32 trips between January 5, 2018 and December 21, 2018
 - 17 trips between January 11, 2019 and June 14, 2019
- Approximately 25,500 miles were traveled as personal use of the state vehicle, logged as follows:

	Dates	Trip Start	Destination	Trip End	#
2017	March 30 – April 3	NEFSH	Titusville	NEFSH	1
	April 20 – April 24	FSH/NEFSH	Titusville	NEFSH	2
	May 4 – May 7	NEFSH	Titusville	NEFSH	3
	June 9 – June 11	NFETC	Titusville	Tallahassee	4
	August 4 – August 6	FSH/Tallahassee	Titusville	NEFSH	5
	August 18 – August 21	NFETC	Titusville	NEFSH	6
	October 13 – no end date noted	NEFSH	Titusville		7
	October 24 – October 30	TCFTC/Sarasota	Titusville	NEFSH	8
	November 9 – November 13	NEFSH	Titusville	Tallahassee	9
	November 16 – November 27	NEFSH	Titusville	NEFSH	10
	December 15 – January 3, 2018	FSH/Tallahassee	Titusville	Tallahassee	11
2018	January 5 – January 7	NEFSH	Titusville	Tallahassee	12
	January 12 – January 15	NFETC	Titusville	Tallahassee	13
	January 19 – January 21	NEFSH	Titusville	Tallahassee	14
	January 26 – January 30	NEFSH	Titusville	NEFSH	15
	February 2 – February 5	NEFSH	Titusville	NEFSH	16
	March 2 – March 5	NEFSH	Titusville	NFETC	17
	March 7 – March 12	FSH/Tallahassee	Titusville	Tallahassee	18
	March 13 – March 19	FSH/Tallahassee/ NEFSH/NFETC	Titusville	NEFSH	19
	March 23 – March 26	NEFSH	Titusville	NFETC	20
	April 6 – April 8	NEFSH	Titusville	Tallahassee	21
	April 13 – April 15	FSH/NEFSH	Titusville	Tallahassee	22
	April 18 – April 23	Tampa	Titusville	NEFSH	23
	April 25 – April 30	FSH/NEFSH	Titusville	NEFSH	24
	May 4 – May 7	NFETC	Titusville	NFETC	25
	May 11 – May 13	Milledgeville, GA	Titusville	Tallahassee	26
	May 18 – May 20	NFETC	Titusville	NFETC	27
	May 24 – May 28	Tallahassee	Titusville	Tallahassee	28
	June 15 – June 24	NEFSH	Titusville	Tallahassee	29
	June 28 – July 2	NEFSH	Titusville	NEFSH	30
	July 5 – July 8	NEFSH	Titusville	Tallahassee	31
	July 12 – July 15	NEFSH	Titusville	Tallahassee	32
	July 20 – August 20	FSH/NEFSH	Titusville	NEFSH	33
	August 31 – September 4	NEFSH	Titusville	Tallahassee	34
	September 14 – September 15	NFETC	Titusville	NEFSH	35
	September 27 – October 1	Sarasota	Okeechobee	Tallahassee	36
	October 5 – October 7	NEFSH	Titusville	Tallahassee	37
	October 24 – October 31	Tallahassee	Okeechobee/Titusville/ Okeechobee	Tallahassee/ FSH	38
	November 9 – November 12	NFETC	Titusville	Tallahassee	39
	November 16 – no end date noted	NFETC	Titusville	Tallahassee	40
	December 7 – December 9	NEFSH	Titusville	Tallahassee	41
	December 14 – December 17	NEFSH	Titusville	NEFSH	42
	December 21 – January 7, 2019	NEFSH	Titusville	NEFSH	43

⁶⁰ It is noted that the July 2017 log and September 1, 2017 through September 26, 2017 logs were not provided by Mr. Harvell. It is also noted that the state vehicle accident on I-95 (previously described by Mr. Quam) occurred on July 14, 2017.

⁶¹ Trips made to his homes as stops to or from the private facilities in south Florida are not included.

	Dates	Trip Start	Destination	Trip End	#
2019	January 11 – January 13	NEFSH	Titusville	Tallahassee	44
	January 18 – January 21	NEFSH	Titusville	Tallahassee	45
	January 25 – January 28	Tallahassee	Titusville	NEFSH	46
	February 1 – February 4	Tallahassee	Sarasota	NFETC	47
	February 13 – February 18	NEFSH	Titusville	NFETC	48
	February 22 – February 25	NFETC	Titusville	NEFSH	49
	March 28 – March 31	NEFSH	Titusville	Tallahassee	50
	April 4 – April 7	NEFSH	Titusville	Tallahassee	51
	April 12 – April 15	NEFSH	Titusville	NEFSH	52
	April 18 – April 21	NEFSH	Sarasota	NFETC	53
	April 26 – April 29	FSH/Tallahassee	Sarasota	Tallahassee	54
	May 10 – May 13	FSH/Tallahassee	Sarasota	NFETC	55
	May 14 – May 19	Orlando	Sarasota	Tallahassee	56
	May 25 – May 27	Tallahassee	Sarasota	Tallahassee	57
	May 31 – June 4	Tallahassee	Sarasota	Tallahassee	58
	June 6 – June 10	NFETC	Titusville	NEFSH	59
	June 14 – no end date noted	Tallahassee	Sarasota		60

- 2008 Chevrolet Impala (the Impala), Tag #38709
- A VUR for August 4, 2016 through October 26, 2016,⁶² showed that Mr. Quam used the vehicle from August 12, 2016 through August 25, 2016 for trips to NEFSH, NFETC, FSH, and Headquarters, and Mr. Reddick used the vehicle on October 18, 2016 for “hotel” and October 24, 2016 for “Macclenny Office.”
 - VURs for August 2016 through December 2017 were not provided by Mr. Harvell. Via e-mail, Headquarters General Services Specialist Koniesha Gilmore noted that Mr. Harvell told her the records were possibly ruined by Hurricane Michael. According to Ms. Gilmore, Mr. Harvell was advised to complete an “Authorization to Destroy Records” to report the destroyed records. On September 20, 2019, Mr. Harvell provided a copy of the form, dated September 19, 2019, indicating that VURs for February 2017 through December 2017 were destroyed during Hurricane Michael in October 2018.
 - VURs for January 2018 through June 2019 reflected⁶³:
 - 206 days of commuting from his Tallahassee home to Tallahassee office.
OIG Note: In July 2019 (15 days), Mr. Reddick used the vehicle only for his commute to and from work
 - 85 days that included trips to FSH, NEFSH, NFETC, or other sites, the majority of which were day trips, returning to his home the same day.
Based on the notations entered by Mr. Reddick, each round-trip commute was approximately 15 miles, totaling 3,090 miles for 17 months.
 - The Fuel Report showed that Mr. Reddick obtained fuel during visits to FSH.
- A 2015 Ford Taurus was assigned to Ms. Morgan from August 18, 2017 through March 5, 2019.

⁶² The record was obtained from a November 28, 2016 e-mail from Mr. Reddick to former Headquarters General Services Specialist Richard Sweat. Effective January 19, 2018, Mr. Sweat was no longer employed by the Department.

⁶³ It is noted that the May 2018 and June 2019 logs were not provided by Mr. Harvell.

- VURs for August 18, 2017 through April 2018 and June 2018 through March 5, 2019 reflected⁶⁴:
 - 263 days of commuting between Chattahoochee (city of residence) and Tallahassee
 - 18 days of business-related travel

Based on destination, purpose, mileage out, and mileage in notations entered by Ms. Morgan, each round-trip commute was approximately 100 to 105 miles, totaling 26,300 miles for 19 months (not including May 2018).

- The Fuel Report showed that approximately \$1,893.73 of fuel (charged at \$2.10/gallon at FSH gas pumps) was used for daily commutes.

Travel Records

Mr. Quam's Voucher for Reimbursement of Traveling Expenses (Voucher) for April 2017 showed expenses related to March 2017 travel to and from Chattahoochee and Macclenny.⁶⁵ In March 2017, Mr. Quam utilized a rental vehicle and attached gas receipts for reimbursement, one of which was for a \$32.88 purchase made in Tampa on March 19, 2017.⁶⁶

State Vehicle Purchases and Assignments

Department E-mails

An OIG review of Mr. Quam's Department e-mail account revealed the following communications concerning the purchase and assignment of new state vehicles for Mr. Quam and Dr. Drazinic and the assignment of existing fleet vehicles to Ms. Morgan and Mr. Reddick, as follows:

Date (2016)	Individual	Content
August 11	SAMH HQ Administrative Assistant II Cathy Davidson to Mr. Howard	<i>Can you give me any information on the car for Bob Quam? He is in the office today and was checking the status...</i>
August 11	Mr. Howard to Ms. Davidson	<i>We have a Chevy Impala for him to use, parked over in the garage between Buildings 2 and 3. Rick Sweat is carrying over the binder with keys, gas card, vehicle logs now. Instructions should be included in the binder. Bob will need to record his mileage for every trip on the monthly log. This along with gas receipts needs to come back to Rick by the 5th of the month following the usage. The gas card can also be used for maintenance, or Bob may wish to use the FSH auto shop.</i>
November 28	Mr. Sweat to Mr. Quam and Ms. Davidson	<i>...I have not been receiving the mileage for the Impala that Bob Quam is using, I need August and September mileage logs today if possible....</i> Mr. Quam forwarded the e-mail to Mr. Reddick.

⁶⁴ It is noted that the May 2018 log was not provided by Mr. Harvell.

⁶⁵ Macclenny is noted as the City of Residence on the Voucher.

⁶⁶ No work-related travel expenses were associated with this gas receipt. According to the calendar attached to Mr. Quam's travel records, he was on annual leave on March 17, 2017 and "Sarasota" was noted for March 18, 2017 and March 19, 2017. In a Department e-mail sent to Ms. McClellan and NEFSH Staff Assistant Roxanne Spitzer on Thursday, March 16, 2017, Mr. Quam wrote, "I will not surface until Monday at NFETC." In a March 17, 2017 response to Ms. Spitzer, Mr. Quam advised that he was going to Sarasota. Mr. Quam's People First timesheet for March 17, 2017 reflected 8.00 hours – Work Regular (Type 1000).

Date (2016)	Individual	Content
November 28	Mr. Reddick to Mr. Sweat, copy to Mr. Quam	<i>Please see attached.</i> Mr. Reddick attached the VUR for the Impala, which indicated that Mr. Quam drove the vehicle from August 12, 2016 through August 25, 2016. On August 29, 2016, the notation was "Shop," with no driver indicated. ⁶⁷ On September 28, 2016, the notation was "Hotel," with the driver indicated as "GA." Mr. Reddick noted "Hotel" on October 18, 2016 and Macclenny on October 26, 2016.
Date (2017)	Individual	Content
January 17	Former NEFSH Purchasing Agent II Donna Clemons ⁶⁸ to Garber Automall Commercial Sales/Fleet Representative Ryan Davis	Ms. Clemons inquired if they had a full-size Ford vehicle on state contract available and requested photographs to be reviewed by "our Administrator." Mr. Davis responded that they had the Ford Taurus; however, there were none in stock and would have to be factory ordered with a turnaround time of eight to twelve weeks. He provided photographs and noted the vehicle was for "our Hospital Administrator." On January 18, 2017, Ms. Gregory forwarded the e-mail to Ms. Bradley, who forwarded it to Mr. Quam, who responded, "I like." On January 18, 2017, Ms. Bradley sent an e-mail to Ms. Gregory, copied to Mr. Quam, advising that Mr. Quam liked this one and to let her know the OCO cost.
February 6	FSH Budget Shared Services Budget Analyst C Cynthia "Cyndy" Hathcock to Ms. Bradley with a copy to Headquarters Budget Analyst Amber Adkison	Ms. Hathcock inquired about Mr. Quam's travel projection, writing, "...roughly \$1500 [was] paid to Mr. Quam for mileage in January. It appears that this covered possibly 8/22/16-12/21/16 (based on dates listed for invoice # in IDS)." She noted that she thought Mr. Quam had a state vehicle so she was not sure if this travel would be the last for mileage. Ms. Bradley forwarded the e-mail to Mr. Quam,
February 6	Mr. Quam to Ms. Bradley	<i>Zeb has the vehicle I had. Not sure what FSH has to do with projection. Once I get the state car I won't be using my truck.</i>
February 16	Mr. Davis to Ms. Gregory	Mr. Davis confirmed that they had received PO-B0782E and the Malibu was ordered from the factory. Ms. Gregory forwarded the e-mail to Ms. Bradley, who in turn forwarded it to Mr. Quam.
August 18	Ms. Morgan to Mr. Quam	<i>I forgot to ask you if you've had a chance to ask John Bryant about me using a state car. I just remembered as I was getting in the car!</i>
August 18	Mr. Quam to Ms. Morgan	<i>Yes I did. Drive until I say differently. Thank you very much for your sage advice today. I think headway was made. Bob</i>
September 29	Mr. Quam exchange with Dr. Drazinic	Mr. Quam exchanged e-mails with Dr. Drazinic concerning her hiring package, responding to her questions including about a vehicle. He noted that Ms. Bradley would be obtaining a state vehicle for her use.
Date (2018)	Individual	Content
January 29	Ms. Spitzer to Dr. Drazinic	Ms. Spitzer advised that Dr. Drazinic's state vehicle was ready for pick-up at FSH.
Date (2019)	Individual	Content
February 21	Mr. Quam to Mr. Frey	<i>Marguerite's last day will be March 7th. When she turns her car into you I would like it to be transferred to me to use out of Tallahassee. Bob.</i>

⁶⁷ An OIG review of Mr. Quam's Vouchers showed that he claimed use of the Impala only for August 12, 2016 through August 18, 2016. Prior to August 12, 2016 and after August 18, 2016, Mr. Quam claimed reimbursement for mileage until receipt of the Malibu in March 2017.

⁶⁸ Effective May 31, 2019, Ms. Clemons was no longer employed by the Department.

Purchase Orders for State Vehicles

An OIG review of MFMP revealed the following new vehicle purchases:

Purchase Order #B0782E – 2017 Chevrolet Malibu

On February 3, 2017, a PR was issued for the purchase of a 2017 Chevrolet Malibu for FSH. Ms. Clemons noted that the vehicle was requested for the CHA. On February 6, 2017, Ms. Clemons attached the following pertinent documents to the requisition:

- A February 6, 2017 memorandum to Mr. Quam from Ms. Clemons in which she requested Mr. Quam review and approve the attached DMS MP6301 to acquire the vehicle. By his signature on the memorandum, he approved the purchase.
- The DMS MP6301 “DMS Fleet Management Request for Acquisition of Motor Vehicle(s) and Mobile Equipment,” signed by Ms. Bradley on February 5, 2017, authorized the Malibu as a B-1 Limited Use Vehicle assigned to Mr. Quam for business travel, estimated to be 10,500 miles.⁶⁹ The Malibu was to replace a 1979 Ford F700. According to the form, B-1 assignment means that the employee has requirements for full time use of a vehicle during regular working hours, but the vehicle remains parked at the office overnight and when not in use. In the “Detailed Justification of Motor Vehicle(s) and Mobile Equipment” section, it was noted,

Vehicle is being purchased for Chief Hospital Administrator, required for Hospital business travel.

On February 14, 2017, PO #B0782E was subsequently issued to Garber Chevrolet Buick GMC, Inc. for purchase of the Malibu.

Purchase Order #B200F9 – 2018 Chevrolet Malibu

On October 11, 2017, PR was issued for the purchase of a 2018 Chevrolet Malibu for FSH. On October 12, 2017, FSH Purchasing Agent III Crystle Wells (FCCM) attached the following pertinent documents to the requisition:

- Department e-mail string, indicating that on October 10, 2017, Ms. Bradley approved the purchase of the vehicle for the Medical Executive Director (MED).
- A DMS MP6301, e-signed by Chaundra Ford on October 20, 2017, authorizing the 2018 Malibu as an A-1 Pool Assignment vehicle assigned to Mr. Harvell. The estimated annual miles was noted to be 12,000 miles. The 2018 Malibu was to replace a 1986 Dodge Ram Wagon B250. According to the form, A-1 assignment means pool vehicles for general use by employees that do not have a vehicle assigned to them. In the “Detailed Justification of Motor Vehicle(s) and Mobile Equipment” section, it was noted,

This 2018 Chevrolet Malibu...will be used to transport residents to doctors appointments and discharge locations encompassing the entire state. This vehicle will also be used to transport staff to related state business to include the Medical Executive Director who

⁶⁹ According to the form, projected miles less than 10,000 miles require agency head annually written justification for the need of a motor vehicle, pursuant to § 287.17, F.S.

will need to travel to all three state mental health treatment facilities...

On October 27, 2017, PO #B0782E was subsequently issued to Garber Chevrolet Buick GMC, Inc. for the Department purchase of a 2018 Chevrolet Malibu.

Fleet Inventory

According to the Fleet Inventory data provided by Department General Services, the Department has 542 fleet vehicles. The vehicles assigned to Mr. Quam, Dr. Drazinic, Mr. Reddick, and Ms. Morgan were classified A-1 Pool Vehicle. Of the 542 vehicles, all except five were coded A-1.

Perquisites

Department E-mails

An OIG review of Mr. Quam's Department e-mail account revealed the following communications concerning the purchase and assignment of new state vehicles for Mr. Quam and Dr. Drazinic and the assignment of existing fleet vehicles to Ms. Morgan and Mr. Reddick, as follows:

Date (2018)	Individual	Content
April 23 6:48 p.m.	Mr. Bryant to Mr. Quam and Ms. Bradley	<i>I spoke with Dr. D this afternoon...she advised that someone had complained about her use of the car for [sic] personal business. To the best of my knowledge, that is a prohibited use. Would you check please the states [sic] policy and advise. I recognize that this may create a hardship, but if it's unallowable, it needs to be stopped. Are there any other cases that we may be aware of where our employees may be doing this? If so that needs to cease. Thanks John</i>
April 24 3:20 p.m.	Ms. Bradley to Mr. Bryant and Mr. Quam	<i>Ms. Bradley attached a copy of CFOP 40-2, "Vehicle Management," indicating that state-owned motor vehicles shall only be used for official state business and in determining whether an employee is using the state-owned motor vehicle for official business, the following criteria shall be considered for its use: (1) ...necessary to carry out state official or employee job assignments (2) ...transporting an employee authorized by the Secretary, assistant secretary, regional director, institution superintendent or their designee for purposes of performing services for the state. (4) An emergency exists requiring the use of a vehicle for the protection of life or property.</i>
April 24 7:24 p.m.	Mr. Bryant to Mr. Quam and Ms. Bradley	<i>...Are we providing this vehicle as a perquisite, appears to me that we need to request DMS to authorize this vehicle use as a perquisite of employment, other wise [sic] the Doc is not authorized to conduct any personal activities. Bob please discuss, I'll submit to DMS for approval, if that's the route we need to take. Do not want to run afoul of rule. John</i>
April 24 9:08 p.m.	Mr. Quam to Mr. Bryant and Ms. Bradley	<i>It actually was to some degree a prerequisite [sic]. Bob</i>
April 25 10:03 p.m.	Mr. Quam to Mr. Bryant and Ms. Bradley	<i>I spoke to Carolyn today and reiterated the vehicle can ONLY be used for official business. She said she understood and was going to bring her own vehicle up to Tallahassee for personal use. Bob</i>
April 25 11:28 a.m.	Mr. Bryant to Mr. Quam and Ms. Bradley	<i>We need to go thru [sic] the DMS process. I want keep our Doc out of trouble. JB</i>

Date (2018)	Individual	Content
May 15	Mr. Howard to Mr. Quam	<i>Received a citizen complaint through DMS regarding a Facilities employee using a state vehicle after hours...</i>
May 15	Mr. Quam to Mr. Howard	<i>...I believe the complaint is in reference to Zeb Reddick because I heard today DMS was wanting his travel log for May ASAP....</i>
May 15	Mr. Howard to Mr. Quam	<i>When you are back here in Tallahassee, we can get together and I can show backup on the complaint received. Indicates weekend usage of vehicle not reflected on the log</i>
May 15	Mr. Quam to Mr. Howard	<i>Not good!</i>
May 21	Ms. Nielsen to Mr. Bryant, Ms. Morgan, Ms. Bradley, Mr. Quam, and SAMH HQ Personal Secretary I Lori Rogers	<i>...Attached is a perquisite request for Dr. Drazinic. I've also attached a blanket approval of perquisite categories from DMS. Dr. Drazinic's request falls under the blanket approval, therefore, we can approve internally. On an annual basis, I report all perquisites to DMS. I'll be sure to include this one this year, once it's signed....</i>
May 21	Mr. Quam to Ms. Nielsen	<i>What is this for?</i>
May 21	Ms. Nielsen to Mr. Quam	<i>It's for Dr. D's car. Mr. Bryant asked for a formal perquisite request that will be reported to DMS to justify her use of a state car.</i>
May 21	Mr. Quam to Ms. Nielsen	<i>Ok thanks</i>
May 22	Ms. Rogers to Ms. Bradley	<i>...John asked me to check with you on this . . do you know who has signature authority to approve this?</i>
May 22	Ms. Bradley to Ms. Rogers	<i>...John has the authority. The type of perquisite has already been approved by DMS. So now we just need the agency approval. Let me know if John needs anything else. Ms. Bradley forwarded the e-mail to Mr. Quam.</i>
June 5	Ms. Rogers to Ms. Bradley	<i>Ms. Rogers attached Dr. Drazinic's perquisite form signed by Mr. Bryant. Ms. Bradley forwarded the e-mail to Mr. Quam, noting, "This is completed! Make sure Sue keeps a copy in case anyone says something again."</i>
August 7	Ms. Nielsen to Mr. Bryant, Ms. Rogers, and Ms. Bradley	<i>...Please see the attached perquisite requests needing your approval for Mr. Quam and Zeb Reddick....</i>
August 8	Ms. Rogers to Ms. Nielsen, Mr. Bryant, and Ms. Bradley	<i>Diana, attached is the approved/signed requests. Ms. Nielsen forwarded the e-mail to Mr. Quam.</i>

Request for Approval of Perquisites or Sale of Goods and Services

Mr. Bryant signed Request for Approval of Perquisites or Sale of Goods and Services forms approving Perquisite Category Code G10 – Transportation for Dr. Drazinic, Mr. Quam, and Mr. Reddick, as follows:

- On May 29, 2018 for Dr. Drazinic, with the following quoted justification:

Dr. Drazinic is the Chief MED for all three SMHTF's [sic] under the One Hospital structure. Part of her responsibilities is to directly supervise the MEDs at each facility and also to oversee all medical operations. In order to accomplish this, Dr. Drazinic is required to make rounds at all the facilities requiring the use of a State vehicle.
- On August 8, 2018 for Mr. Quam and Mr. Reddick, with the following quoted justifications:
 - *Mr. Quam is the Chief Hospital Administrator for all three SMHTF's [sic] under the One Hospital structure. Part of his responsibilities is to directly supervise the Hospital Administrators at each facility and also, to oversee all operations.*

In order to accomplish this, Mr. Quam is required to make rounds at all the facilities requiring the use of a State vehicle.

- *Mr. Reddick is the Safety Administrator for all three SMHTF's [sic] under the One Hospital structure. Mr. Reddick is required to make rounds at all the facilities requiring the use of a State vehicle.*

SUBJECT TESTIMONY

Former SMHTF Chief Hospital Administrator Robert "Bob" Quam

Mr. Quam stated that the first time that he heard the term "perquisite" was from Mr. Bryant. He understood it to mean that he could use the state vehicle assigned to him as he pleased, within limits, and that is what he did. When he drove the state vehicle to his home in Titusville and now Sarasota, he parked it in the driveway and did not move it until he went back to work. He explained that when he accepted the CHA position, he understood that his work location would be in Tallahassee, although for the first year his office was at NEFSH due to a lack of office space at Headquarters. For work purposes, he leased homes in Macclenny and Tallahassee; however, he maintained a family home in Titusville until he and his wife recently bought a home in Sarasota.

Mr. Quam said that when he first was employed by the Department, the agreement was that they were going to give him a vehicle and pay his rent, but he decided not to follow through on the rent. Mr. Bryant said that he could have a state vehicle and authorized the purchase of a new state vehicle for him. He (Mr. Quam) told Ms. Bradley to order the vehicle for him. He believed that he could use the vehicle for personal use 24/7. His business use of the state vehicle was mainly to drive from his leased homes to Headquarters in Tallahassee, FSH, NEFSH, NFETC, and the south Florida facilities managed by Wellpath. Although he had on-call responsibilities, it entailed telephone calls but no after-hours travelling to a facility. When advised that he (Mr. Quam) signed the purchase approval memorandum with an attached DMS Form MP6301 that authorized the vehicle for B-1 Limited Use (i.e., vehicle parked at the worksite when not in use for business), Mr. Quam responded that Mr. Bryant told him early on that he did not have to do that and he also understood from Mr. Howard that a vehicle assigned to an individual did not have to be returned to the worksite at night. After receiving the state vehicle, he left his personal vehicle in Titusville and thought that Mr. Bryant knew that he (Mr. Quam) was driving the state vehicle to Titusville.

He agreed that he tried to include stops at NEFSH and NFETC on his trips home to Titusville and Sarasota. When asked if there was a need for the one or two-hour stops at NEFSH or NFETC on Fridays and Mondays surrounding those trips, he said there was a need for him to be there. He stated, "I make it work for me. I meet people and do things." He said that he also went to FSH to meet with people. During facility visits, he fills the state vehicle with gas from the facilities' gas pumps. If he is not using gas from the three hospitals, he uses his own money to pay for the gas. Most of his trips home included NEFSH, NFETC, or the private mental health treatment facilities in south Florida. When advised that his state vehicle logs and travel records showed approximately 60 personal trips to Titusville, Sarasota, and Okeechobee that did not include trips to the south Florida facilities, he confirmed that he made the trip weekly or every other week to Titusville and Sarasota and the trips to Okeechobee were due to a medical emergency with his brother.

He authorized Ms. Morgan to drive a state vehicle early on when she first came to Headquarters; however, he did not know what transpired after she went to work for Mr. Bryant. When reminded that he sent Ms. Morgan an e-mail noting that he spoke to Mr. Bryant and informing her she could drive the state vehicle until he (Mr. Quam) said otherwise, and advised that Ms. Morgan's VURs indicated that she drove the state vehicle mostly to commute, Mr. Quam indicated that as far as he knew that was correct.

Mr. Quam confirmed that when Mr. Reddick was first hired, he gave Mr. Reddick the state vehicle that had been assigned to him and drove his personal vehicle until he obtained the state rental vehicle and then shortly thereafter the new state vehicle. When asked about a March 2017 receipt for gas obtained in Tampa, for which he submitted for reimbursement while driving the rental vehicle, he initially responded that it would have been for a business meeting, but later checked his calendar and said that it was for personal travel to Sarasota for the St. Patrick's Day weekend.

Regarding Mr. Reddick's use of the state vehicle, Mr. Quam said that he and Mr. Reddick alternated on-call responsibilities every other week and sometimes Mr. Reddick would have to travel after hours. He did not think it was often, but he did not know how many times that occurred. When advised that the Vehicle Usage Records that were available to the OIG did not show Mr. Reddick driving after hours but did show him driving the state vehicle back and forth from home to work. Mr. Quam agreed that as far as he knew Mr. Reddick was using the vehicle to commute.

Mr. Quam said that when they hired Dr. Drazinic, she wanted a vehicle and he authorized the purchase of a new state vehicle for her. When read the DMS Form MP6301 justification for the purchase and assignment as an A-1-Pool Assignment, meaning that it is available for general use to employees who do not have a vehicle assigned to them, Mr. Quam asked if he signed the form and responded, "Thank God," when told that he did not.

Regarding the complaint about Dr. Drazinic driving her state vehicle for personal use, Mr. Quam said that was what triggered the issue of perquisites with Mr. Bryant. When reminded of April 2018 e-mails, in which he (Mr. Quam) advised Mr. Bryant that he spoke to Dr. Drazinic about her personal use of a state vehicle, and asked why he continued personal use of his state vehicle, Mr. Quam responded that Dr. Drazinic bought a home and moved to Tallahassee, but he (Mr. Quam) did not consider Tallahassee to be his home base even though he had leased the Tallahassee townhouse. He could not explain why Mr. Bryant signed perquisite forms for him and Mr. Reddick several months after he signed perquisite forms for Dr. Drazinic. It was his (Mr. Quam's) impression that Mr. Bryant knew they all were using the vehicles for personal use from the beginning, but needed to make it "legal" by completing the perquisite forms.

ADDITIONAL INFORMATION

Additional Information Issue 1 – Perquisite Approval Authority

Ms. Nielsen advised that from her research of perquisites on the DMS website and consultation with Department HR personnel concerning the perquisite process, she understood that DMS gave the Agency Head and designees authority to approve Perquisite Category Code G10 – Transportation (assignment of a state vehicle including incidental personal use) for agency employees; however, DMS Bureau Chief Cheri

Ferrell and DMS HRM HR Consultant Anthony Tipler stated that only the DMS Bureau can approve this perquisite for state employees. Ms. Ferrell stated that this perquisite has not been approved for anyone in at least five years.

Additional Information Issue 2 – Background Screening

As a vendor, Mr. Fela provided onsite services at state mental health treatment facilities from September 2016 through November 2018 without the completion of a background screening. While Ms. Bradley agreed that one was required, she opined that one had not been completed because Mr. Fela was working under a PO and there was no contract manager involved. Ms. Nielsen added that Mr. Fela had no resident contact. Mr. Fela stated that consultants visit the state mental health facilities all the time and do not complete background screenings.

Additional Information Issue 3 – Budget Entities

Ms. Bradley believed that because NEFSH, NFETC, FSH (Civil), and FSH (Forensic) had decentralized finance departments and separate budgets, POs for \$34,999.99 could be issued by each budget entity through a single source procurement for the same consultation services from Mr. Fela, even though the combined PO dollar amount was \$144,000 per year. He billed under the separate budgets, but he worked some projects for all the facilities at the same time.

Additional Information Issue 4 – Missing Vehicle Usage Records (VURs)

When the OIG Investigator requested work orders for Mr. Quam's state rental vehicle (March 2017) and state vehicle (July 2017), none were available. Similarly, Aramark's response to an OIG request for VURs for state vehicles assigned to Ms. Morgan, Mr. Quam, and Mr. Reddick was incomplete, with missing records for each vehicle. Aramark Administrative Clerk for Transportation Macey Searcy, who is responsible for collecting the VURs, said that there is a problem with staff turning in the records and when there were late submissions, errors, etc., they were stored in a miscellaneous box. When the OIG requested the records, they realized the box had possibly been destroyed by water damage during Hurricane Michael (October 2018) and the destruction had not been reported.

Additional Information Issue 5 – Vehicle Control Policies

Neither FSH nor General Services had a complete record set for Mr. Reddick's assigned vehicle. According to Mr. Shirah and Ms. Gilmore, when a state vehicle is assigned to an employee, the employee should not allow another employee to use the vehicle, as in the case of Mr. Quam giving his assigned vehicle to Mr. Reddick, without formally making the exchange through the General Services fleet coordinator. They added that state vehicle accidents should be reported to the Department, regardless of who was at fault. Mr. Shirah did not believe that CFOP 40-2 included these issues and added that each Region and the facilities have their own policies for vehicle control.

Additional Information Issue 6 – Non-Compliance with CFOP 180-4

According to Department e-mails, citizen complaints of personal use of state vehicles were reported in April 2018, regarding Dr. Drazinic, and May 2018, possibly regarding Mr. Reddick. These complaints were not forwarded to the OIG for review.

In addition, Mr. Fela completed an internal investigation, assigned to him by Mr. Quam and Mr. Bailey, of alleged misconduct by a NEFSH employee, prior to the OIG becoming aware of the matter. When advised of such, Mr. Bryant said he was not

aware of the assignment to Mr. Fela and it would not have been within Mr. Fela's scope of work.

Additional Information Issue 7 – Purchase Orders to Dr. Drazinic

MFMP and DFS Vendor/Payee Payments records show that on November 14, 2017, a PO⁷⁰ in the amount of \$34,999 and on February 2, 2018, a warrant in that same amount, was issued to Dr. Drazinic. The PO deliverables stated:

The [Department] shall provide compensation...in the fixed fee amount of \$34999 issued in the form of a purchase order. The fixed fee shall be billable by the Consultant at the rate of \$7000 per month. All expenses including travel costs...The term or period of services under this agreement shall be September 1 2017 through January 31 2018. [sic]

An OIG review of Department e-mail revealed the following pertinent information:

- On June 8, 2017, Mr. Quam wrote to Dr. Drazinic, "...Are you still needing to give six months notice, if so I guess we are looking at January for a potential start date..."
- On June 10, 2017, Dr. Drazinic sent an e-mail to Mr. Quam regarding her original salary request. She suggested, "There may be some other creative way to do this without going the contract route...i.e. signing bonus, etc..."
- On August 30, 2017, Mr. Fela sent an e-mail to Dr. Drazinic advising her to register as a vendor in MFMP for the Department "to cut a purchase order" for \$35,000 lump sum, billable at \$7,000 per month, for September 1, 2017 through January 31, 2018. He advised her that she would receive a PO and to submit a monthly invoice for \$7,000 to have a check sent to her. Dr. Drazinic responded that she would complete the process but needed a formal contract.
- On September 13, 2017, Mr. Fela forwarded an agreement to Dr. Drazinic for her signature, which she signed and returned the same day, with a copy to Mr. Quam and Ms. Bradley.
- On September 18, 2017, Mr. Fela sent an e-mail to Dr. Drazinic, Mr. Quam, and Ms. Bradley with an updated copy of the agreement. He noted that his only concern was her start date, as he did not want the PO, which he advised was already in process, to overlap the hire date.

Additional Information Issue 8 – Reddick On-Call Hours Claimed

According to People First records, Mr. Quam hired Mr. Reddick as a Career Service Operations Review Specialist on October 10, 2016. Beginning on June 30, 2017, Mr. Reddick began to claim On-Call hours (Type 1002), for which he is financially compensated at \$1.00 per hour on weekdays and \$4.92 per hour on weekends and holidays. Since August 21, 2018, Mr. Reddick has claimed 256 hours on-call per pay period, which in combination with a 40-hour work week equals 24/7 work hours. From June 30, 2017 through August 8, 2019, Mr. Reddick claimed the following hours:

Hours Type	Description	Hours Claimed
0034	Admin – Death in Family	16.00
0040	Admin-Discretionary	8.00
0051	Leave – Annual	80.00
0052	Leave – Sick	32.00

⁷⁰ PO #B22308.

Hours Type	Description	Hours Claimed
0094	Leave – SC Closures	16.00
1000	Work – Regular	4,080.00
1002	On-Call	11,359.00
1005	Holiday-State Paid	152.00
1006	Work-Ess Svc/Ofc Closures	16.00
1016	Work – CS Extraordinary Pay	96.00

OIG Note: Mr. Reddick did not claim call-back hours at any time, which is consistent with his VURs.

SUMMARY

The allegation that State Mental Health Treatment Facilities Chief Hospital Administrator Robert “Bob” Quam created a conflict of interest and failed to safeguard his ability to make objective, fair, and impartial decisions in conjunction with Department contracting actions with Aramark Healthcare Support Services, LLC (Aramark) is **supported**. The finding is based on the following:

- In a December 18, 2018 memorandum to former Assistant Secretary for SAMH John Bryant, Mr. Quam wrote that he went on a trip to Africa from July 27, 2018 to August 9, 2018 at the same time as Aramark General Manager Richard Frey, they each paid for their own expenses, and there was no bid in place for food services at FSH at the time.
- Mr. Bryant testified that Mr. Quam and Mr. Frey had a “developing friendship,” and he told Mr. Quam to make his own travel arrangements and document payment of his own expenses for the Africa trip to avoid any appearance of a conflict of interest.
- Mr. Frey testified that he socialized with Mr. Quam, whom he considered a good friend, and Mr. Quam accompanied him on an African hunting trip in 2018, for which he (Mr. Frey) made the arrangements. Mr. Frey testified that they each were invoiced and paid separately, but Mr. Quam used one of his (Mr. Frey’s) guns on one safari. Mr. Frey testified that Mr. Quam reimbursed him via check for some expenses incurred for the Africa trip, including airline tickets.
- Mr. Frey testified that he oversees Aramark housekeeping and maintenance services at FSH and had no involvement with food service other than providing information about FSH and the account to Aramark.
- Department e-mails reflect that on August 1, 2016, former NEFSH Purchasing Agent III Angela Gregory indicated that she spoke to Mr. Frey, who said that “NFETC is too small for [Aramark] to even bid and...[t]hey would only consider it if we included NEFSH. They like to do a packaged deal like they have at FSH where they can include maintenance or another service along with cleaning.” Ms. Gregory’s e-mail was forwarded to Mr. Quam.
- MFMP VBS reflected that an ITB for Environmental housekeeping services at NEFSH was advertised in April 2018 and an ITB for Janitorial Services at NFETC was advertised in May 2018, but both were withdrawn in June 2018. In September 2018, an RFP for both contracts together was advertised and subsequently awarded to Aramark.

- Mr. Quam admitted that his relationship with Mr. Frey was both “business” and “friends,” and he socialized with Mr. Frey; however, he stated they did not talk about the Aramark contracts.
- Mr. Quam testified that he traveled to Africa with Mr. Frey and they were invoiced for and paid their expenses separately, except for shipping of their animal trophies, which were shipped to Mr. Frey’s home.
- Mr. Quam admitted that while in Africa, he was a “tag-along” on a safari for which he (Mr. Quam) did not pay and received a helicopter ride and professional photographs with the rhinoceros shot by Mr. Frey.
- In response to an OIG request for a legal opinion as to whether the friendship between and activities conducted by Mr. Quam and Mr. Frey presented a conflict of interest, the Office of General Counsel responded, “...there is great potential to find ethically problematic behavior...”

The allegation that State Mental Health Treatment Facilities Chief Hospital Administrator Robert “Bob” Quam misused state resources by having Aramark staff perform repairs on a state rental vehicle is **supported**.

The allegation that State Mental Health Treatment Facilities Chief Hospital Administrator Robert “Bob” Quam misused state resources by having Aramark staff return a state rental vehicle to the originating Enterprise rental location on his behalf is **supported**.

The findings are based on the following:

- In a December 18, 2018 memorandum to former Assistant Secretary for SAMH John Bryant, Mr. Quam wrote that “FSH Transportation staff” completed minor repairs to a rental vehicle and “Aramark staff agreed to deliver the state rental car back to the rental location in Jacksonville, Florida.”
- Enterprise Rental Agreement #72JTV7 reflects that Mr. Quam rented a gray Dodge Journey on February 25, 2017 and it was returned to the Orange Park Enterprise location on March 31, 2017 at 11:39 a.m.
- Mr. Bryant opined that it could be viewed as inappropriate use of state personnel for Aramark staff to repair and return a state rental vehicle.
- Mr. Harvell testified that about two years prior, Aramark staff (Mr. Searcy) buffed out scrapes on Mr. Quam’s state vehicle, but was not aware of work on a rental vehicle.
- Mr. Harvell testified that Mr. Elliott or Mr. Frey would have had to authorize Aramark staff to return a rental vehicle; however, neither Mr. Elliott nor Mr. Frey recalled authorizing such.
- Mr. Searcy did not recall completing any body work for Mr. Quam on the Malibu or on a rental vehicle.
- When asked if it was justifiable for Aramark staff to return a rental vehicle for Mr. Quam, Mr. Frey stated, “I would have a hard time seeing how it could be. I mean, it’s possible it could be, but I would think it’s not a justifiable thing...”
- Department e-mails exchanged between Mr. Quam and Ms. McClellan on March 30, 2017 reflect that Ms. McClellan asked Mr. Quam for “rental paperwork to be turned in with the rental when it is returned to Orange Park tomorrow? Guys in Transportation are asking...” Mr. Quam responded that he did not have it and

“hope[d] they can turn in without it...,” Mr. Harvell and Mr. Elliott were copied on Ms. McClellan’s response stating, “...our guys are planning on leaving real early in the morning...,” and Mr. Quam responded that per Mr. Harvell, Enterprise would e-mail the paperwork when “they” return the vehicle.

- Mr. Quam testified that Transportation staff repaired two vehicles for him; a rental vehicle and his state vehicle.
 - The rental vehicle was damaged when he drove across the narrow bridge to the cove. A few days later, Mr. Harvell saw the damage and offered to buff it out.
 - His state vehicle sustained “crash” damage to the fender and door when another driver moved into his lane on I-95.
- Mr. Quam initially thought he returned the rental vehicle to Orange Park himself, but opined that his written statement to Mr. Bryant in December 2018 was accurate because it was closer to the date of the incident.
- When asked if the return of the rental vehicle was included in the Department contract with Aramark, Mr. Quam responded, “I doubt it.”

The additional finding that State Mental Health Treatment Facilities Chief Hospital Administrator Robert “Bob” Quam created a conflict of interest and failed to safeguard his ability to make objective, fair, and impartial decisions in conjunction with Department contracting actions with Frank Fela is **supported**. The finding is based on the following:

Issue 1 – Procurement Requirements

- From September 20, 2016 through June 30, 2019, 18 purchase orders (POs) were issued for Mr. Fela’s services, directly to him or through Quarry Group, totaling \$401,845.94, under which he invoiced for and was paid \$375,580.19.
 - Fifteen of the purchase orders were “Single Source”
 - Three of the purchase orders were “Informally quotes purchase not exceeding \$35,000”
 - There were two POs issued on December 9, 2016 for \$4,500 each; one for NFETC and one for NEFSH
 - There were two POs issued on August 1, 2017 for \$34,999 each; one for NFETC and one for NEFSH
- Procurement of services in excess of \$35,000 is required to be completed via competitive solicitation process as set forth in § 287.057, F.S.
- Ms. Nielsen testified that because Mr. Quam wanted to use Mr. Fela, they did not obtain quotes and went straight to POs. She further testified that Ms. Gregory advised that they could use \$34,999 POs from all four facility budgets to not have to go to another type of procurement, she mentioned to Mr. Quam a few times that they needed to go to a contract, and admitted that they should have gone to a contract sooner.
- Ms. Nielsen and Ms. Bradley each testified that they had no documentation to support the invoices submitted by Mr. Fela for payment and relied on verification from Mr. Quam that Mr. Fela provided the deliverables.
- Ms. Bradley testified that Mr. Quam told her to get Mr. Fela on board, they did not solicit other vendors, she did not know if another vendor could have met the deliverables provided by Mr. Fela, and at the time Mr. Quam brought on Mr. Fela,

there was already a vendor (Public Consulting Group) in place to assist with revenue.

- Ms. Bradley opined that Mr. Quam was aware of the \$34,999 threshold; however, he wanted the POs in order to continue using Mr. Fela. She further testified that she and her staff repeatedly spoke to Mr. Quam about purchasing requirements and she also expressed her concerns to Mr. Bryant.
- Mr. Bryant testified that it was common to use POs for the type of service provided by Mr. Fela, but agreed that the multiple POs for \$34,999 looked suspicious.
- Mr. Fela testified that he contacted Mr. Quam in 2016 looking for contract opportunities, Mr. Quam offered him work, and Mr. Quam gives him his work assignments.
- Mr. Fela testified that he was paid by a “rolling PO process” where POs were issued quarterly and if money was running out, he told Ms. Bradley. He further testified that he billed for hours and completed invoices as a contemporaneous record every two weeks and had no calendar or activity log.
- In an August 1, 2016 e-mail, when Mr. Quam asked whether \$35,000 was a monthly cost, Mr. Gibson responded that anything over that amount would require at least two bids unless it was a single source vendor.
- Mr. Fela’s on-site consultation services began on September 12, 2016, prior to the issuance of the first PO.
- DFS Division of Accounting and Auditing Assistant Director Mark Merry opined that there was a “systemic level of negligence” regarding the POs and there appeared to be a concerted effort to get money to Mr. Fela. Mr. Merry expressed concern that FCCMs were not following statutory requirements.
- Mr. Quam testified that he has known Mr. Fela for about 20 years and Mr. Fela had expertise relative to development of information technology systems, radios for staff, and cameras for the hospitals.
- Mr. Quam claimed to have no knowledge of procurement requirements for the various threshold levels.
- In response to an OIG request for a legal opinion as to whether the history of purchase orders and payments to Mr. Fela presented a conflict of interest, the Office of General Counsel responded, “...there may be ethically problematic behavior...” and that the matter “also raises an issue under procurement law...”

Issue 2 – Mr. Fela Working for Providers under Contract with the Department

- Mr. Fela testified that while working with the Department, all of his Wellpath assignments, with the exception of one post-Hurricane Irma incident in September 2017, were out of state, and Mr. Quam was aware of that work.
- Ms. Smyly testified that SFETC requested a Level 2 background screening for Mr. Fela on October 10, 2017 and he was eligible for employment.
- AHCA Clearinghouse background screen reflects Mr. Fela’s fingerprints were obtained on October 6, 2017.
- Mr. Bryant opined that if Mr. Fela were working for Wellpath in Florida facilities with which the Department has contracts, it would be inappropriate. If he worked in other states, it would not necessarily be a conflict; however, it would warrant a

conversation between Mr. Quam and Mr. Fela to have a good understanding of what Mr. Fela was doing through the other contracts.

- Mr. Fela submitted invoices claiming onsite services for NEFSH or NFETC on:
 - September 14, 15, 18, 19, 20, and 21, 2017 (48 hours)
 - October 2, 3, 4, 9, 10, 11, 12, and 13, 2017 (64 hours)and offsite services for NEFSH or NFETC on:
 - September 1, 2017 through September 13, 2017 (16 hours)
 - September 22, 2017 through September 30, 2017 (16 hours)
 - October 1, 2017 through October 15, 2017 (7 hours)
- Mr. Quam testified that Mr. Fela has done work for Wellpath in other states but not Florida, was working with Wellpath before the Department and continued to do so, and he (Mr. Quam) was certain that Mr. Fela was not working in Florida for any contracted provider.

Issue 3 – Personal Relationship

- Mr. Fela testified that he has known Mr. Quam for 20 years, they are good friends, and, after Mr. Quam invited him to stay, he made arrangements with Mrs. Quam to contribute \$500 per month toward Mr. Quam's rent and stays with Mr. Quam when in town.
- Ms. Bradley testified that she had many conversations with Mr. Quam about how the state did things differently than the private sector and quoted policies to him that he, as a state employee, must follow, pointing out that separations were needed.
- Ms. Morgan testified that when she heard that Mr. Fela was staying with Mr. Quam, she informed Mr. Bryant.
- Mr. Fela provided copies of cleared checks that he wrote to Mrs. Quam reflecting \$500 per month payments for October 2017, November 2017, January 2018, February 2018, March 2018, April 2018, May 2018, and June 2018.
- MFMP Vendor Information Portal and Sunbiz reflect one of Mr. Fela's addresses as 1530 Kay Avenue, Apartment A, Tallahassee, which is Mr. Quam's Tallahassee address.
- In a September 16, 2019 e-mail to Mr. Fela, Mr. Quam requested that, because of the OIG investigation, Mr. Fela discuss the rent with Mrs. Quam.
- Mr. Quam confirmed that he and Mr. Fela are friends and that Mr. Fela rents a room from him through an arrangement with Mrs. Quam.

The additional finding that State Mental Health Treatment Facilities Chief Hospital Administrator Robert "Bob" Quam did not follow required procedures for reporting an accident with an Enterprise rental vehicle is **supported**. The finding is based on the following:

- Via e-mail, Enterprise Representative Mr. Grosenbaugh indicated that he saw no damage report for the rental vehicle.
- Mr. Quam admitted that he did not inform Enterprise of the damage to the rental vehicle and said he was unaware that it was his responsibility to report any damage to Enterprise.

The additional finding that State Mental Health Treatment Facilities Chief Hospital Administrator Robert “Bob” Quam misused Department fleet vehicles by allowing personal use for himself and staff is **supported**. The finding is based on the following:

- Rule 60B-1.008, F.A.C., specifies that “Special assignment” state vehicles may only be driven home by the assignee when certain conditions are met or approved by DMS.
- Ms. Morgan testified that she was assigned a state vehicle, which she used to commute from home to work. She further testified that Ms. Barnes, Ms. Bradley, Mr. Reddick, and Dr. Drazinic were also assigned state vehicles.
- Ms. Bradley testified that Mr. Quam, Dr. Drazinic, Mr. Reddick, and Ms. Barnes were assigned state vehicles and that DMS had to approve assignments of fleet vehicles to employees for exclusive use.
- Ms. Nielsen testified that she helped prepare Request for Approval of Perquisites forms to authorize Category G10 – Transportation (exclusive use of a vehicle) for Mr. Bryant to sign for Dr. Drazinic, Mr. Reddick, and Mr. Quam.
- Mr. Bryant testified that DMS must approve personal use of a state vehicle and he remembered submitting DMS paperwork for Dr. Drazinic, but not for Mr. Quam. Mr. Bryant opined that Mr. Quam would not be allowed to drive his state vehicle home if not approved by DMS.
- Department e-mails reflect that Mr. Quam approved Ms. Morgan to use a state vehicle from February 21, 2019 through March 7, 2019.
- Department e-mails reflect that in April 2018, Mr. Bryant wrote to Mr. Quam and Ms. Bradley regarding Dr. Drazinic’s personal use of a state vehicle, “that is a prohibited use,” and that Mr. Quam notified Mr. Bryant and Ms. Bradley that he spoke to Dr. Drazinic “and reiterated the vehicle can ONLY be used for official business.”
- Department e-mails reflect that in May 2018, Ms. Nielsen informed Mr. Quam and others that perquisite G10 – Transportation can be approved internally and Ms. Bradley informed Mr. Quam that Mr. Bryant had the authority to give that approval.
- Request for Approval of Perquisites or Sale of Goods and Services forms were signed by Mr. Bryant for Dr. Drazinic on May 29, 2018 and for Mr. Quam and Mr. Reddick on August 8, 2018.
- Mr. Quam testified that he believed he could use the state vehicle for personal use and used it to drive to and from the facilities and his residences.
- Mr. Quam admitted that he authorized Ms. Morgan to drive a state vehicle, he gave Mr. Reddick the state vehicle that had been assigned to him, he knew Mr. Reddick was using the state vehicle to commute, and he authorized the purchase of a vehicle for Dr. Drazinic to use.
- When asked why he thought he was allowed to drive a state vehicle for personal use after discussing with Dr. Drazinic her personal use of a state vehicle, Mr. Quam responded that he did not consider Tallahassee to be his home base.

RECOMMENDATIONS AND ACTIONS

The OIG recommends that the Assistant Secretary for Substance Abuse and Mental Health take the following corrective action:

- Review this report and ensure Mr. Quam's personnel file is updated to reflect the findings of this investigation.
- Ensure that all State Mental Health Treatment Facilities (SMHTF) staff acting in the capacity of a contract manager or purchasing agent receive additional training regarding statutory and Department purchasing requirements.
- Review all vehicle assignments and use to ensure compliance with Rule 60B-1.008, F.A.C.
- Consider an amendment to Contract #B1201 between the Department and Aramark to clarify the expectations and deliverables regarding FSH Transportation Department scope of service, vehicle repairs, documentation and recordkeeping, record retention, and adherence to DMS fleet vehicle requirements.
- Consider training facility staff on permissible use of FSH Transportation Department resources, to include vehicles, vehicle repairs, and fuel.
- Based on the Additional Information that background screening was not completed on Mr. Fela for more than two years after beginning consultant work for the Department, ensure that background screenings are conducted on all contractors or anyone working under a purchase order, including consultants, prior to the individuals conducting any work on SMHTF grounds.

The OIG also recommends that the Assistant Secretary for Administration take the following corrective action:

- Consider implementing a classroom leadership-level Ethics training for Senior Management Service (SMS) employees at initial hire into an SMS position with the Department and at periodic intervals thereafter.
- Conduct a statewide review of all purchase orders to a single vendor in amounts slightly below the Level Two threshold (\$34,999.99 and below), where there is more than one in or near that amount to that vendor per fiscal year or the purchase order is for consultation services.
- Based on both testimony and Additional Information reflecting a general lack of clarity as to the perquisite approval process, consider revising CFOP 40-2 to detail the process for obtaining perquisite approval from DMS.
- Based on the Additional Information regarding Mr. Reddick's claimed on-call hours, determine whether his position classification should be eligible for on-call and conduct an audit of his hours submitted to ensure they were appropriate.

The OIG also recommends that the Assistant Secretary for Administration, in coordination with the Assistant Secretary for Substance Abuse and Mental Health, take the following corrective action:

- Based on testimony that state rental vehicles are being filled with gas from facility gas pumps, consider revising CFOP 40-2 to include controls that will ensure appropriate use of facility fuel resources.

- Based on the Additional Information that citizen complaints regarding incidents reportable under CFOP 180-4, received by General Services and SAMH, were not forwarded to the OIG, remind General Services and SAMH staff of their obligation to ensure incidents reportable under CFOP 180-4 are reported to the OIG.
- Review the current contract between the Department and Quarry Group, LLC, to determine whether it is necessary and appropriate and, if so, that deliverables are clearly defined.

POST-INVESTIGATIVE ACTIVITIES

In accordance with § 20.055(7)(c), Florida Statutes (F.S.), on October 9, 2019, this investigation was coordinated with the Florida Department of Law Enforcement (FDLE) for a possible violation of § 812.014(1)(b), F.S. (Theft). On October 9, 2019, FDLE advised that they would not initiate a criminal investigation.

This investigation has been conducted in accordance with the ASSOCIATION OF INSPECTORS GENERAL Principles & Quality Standards for Investigations.

REFERENCES**CONTRACT INFORMATION**

Through Contract #BI201 (effective July 1, 2012 through June 30, 2017) and renewal Amendment 2 (effective July 1, 2017 through June 30, 2022), the Department contracts with Aramark Healthcare Support Services, LLC (Aramark), to provide environmental services (housekeeping, janitorial functions, and trash removal) and have total operating, maintenance, and repair responsibility for the Florida State Hospital facilities.

Wellpath Recovery Solutions, LLC has contracts with the Department to operate the Florida Civil Commitment Center [Contract #LI702 for \$25,868,880 (effective April 1, 2009 through June 30, 2024)], South Florida Evaluation and Treatment Center [Contract #LI807 for \$28,510,005 (effective January 1, 2011 through December 31, 2020)], Treasure Coast Forensic Treatment Center [Contract #LI808 for \$26,321,453 (effective April 1, 2018 through March 31, 2023)], and South Florida State Hospital [Contract #LI809 for \$37,027,444 (effective July 1, 2018 through June 30, 2023)].

Through State Term Contract #78111808-15-1 between the Florida Department of Management Services and EAN Services, LLC (effective September 30, 2015 through September 29, 2020), Enterprise and National provide rental vehicles to state employees according to the requirements of the contract.

EXPLANATION OF TERMS

AHCA Clearinghouse	The purpose of the Agency for Health Care Administration (AHCA) Clearinghouse is to provide a single data source for background screening results of persons required to be screened by law for employment in positions that provide services to children, the elderly, and disabled individuals, which is shared among specified agencies when a person has applied to volunteer, be employed, be licensed, or enter into a contract that requires a state and national fingerprint-based criminal history check (§ 435.12, F.S.).
Contract	A contract is a mutually binding legal relationship evidenced by a written agreement obligating a contractor to furnish commodities or contractual services to the Department, an agency, an eligible user, or another state. A contract requires signatures of all parties.
Energy Management Services	A broad range of comprehensive energy solutions including, but not limited to, designs and implementation of energy savings projects, energy conservation, energy infrastructure outsourcing, power generation and energy supply, and risk management.
Environmental Services	All functions related to housekeeping, janitorial functions, and trash removal inside the buildings, including the provision of all necessary staff, equipment, and cleaning supplies.

Facility Maintenance Operations	The total operating, maintenance, and repair responsibility for the facilities that including building systems (structural and non-structural), interior and exterior repairs, cleaning, trash collection outside of buildings and removal from dumpsters, pest control, grounds maintenance, and oversight of all vendor contracts.
Perquisite	Merriam-Webster defines a perquisite as “a privilege, gain, or profit incidental to regular salary or wages.”
PO	A Purchase Order (PO) is a written agreement formalizing the terms and conditions under which a vendor furnishes commodities or contractual services to the Department or an agency.
P-card	The State of Florida Purchasing Card (P-card) is a restricted use, non-revolving credit card issued to state agency employees for official use only.
Playbook	The Department of Children and Families Procurement and Contracting Playbook (Playbook) is the primary source for procedure and policy for the procurement and contract management process and takes precedence over CFOP 75-02 in the event of a conflict. The objective of the Playbook is to provide instructions for any Department employee involved in the procurement process or management of contracts.
Vendor	A vendor is a person or entity that may provide or is providing commodities or contractual services under a PO or contract.

GOVERNING DIRECTIVES
Case Number: 2019-0001

I. *The Florida Statutes (F.S.) contain the following information in pertinent parts:*

§ 112.313 Standards of conduct for public officers, employees of agencies, and local government attorneys.

(6) Misuse of Public Position--No public officer, employee of an agency, or local government attorney shall corruptly use or attempt to use his or her official position or any property or resource which may be within his or her trust, or perform his or her official duties, to secure a special privilege, benefit, or exemption for himself, herself, or others. This section shall not be construed to conflict with s. 104.31.

§ 812.014 Theft

(1) A person commits theft if he or she knowingly obtains or uses, or endeavors to obtain or to use, the property of another with intent to, either temporarily or permanently:

(b) Appropriate the property to his or her own use or to the use of any person not entitled to the use of the property.

II. *The Florida Administrative Code (F.A.C.) contains the following information in pertinent parts:*

Rule 60B-1.005 Vehicle Assignment Policy.

(1) All state-owned or leased vehicles shall be assigned to and operated in conformance with the regulations pertaining to one of the following classes of assignment:

Class A – Pool assignment

Class B – Limited use assignment

Class C – Special assignment

Exceptions to this policy may be granted by the Division of Motor Pool on a case by case basis when justified by an agency to be in the best interest of the state.

(2) Codes are used to describe the provisions of the assignment in each class. These usage codes will be used to maintain records on vehicle assignment. Records will include the description of vehicle, class assignment of vehicle and agency or individual to whom vehicle is assigned.

(3) Except when otherwise specifically authorized by law, all state-owned vehicles shall carry an official state license

Rule 60B-1.008 Special Assignment.

(1) Special assignment vehicles are state-owned or leased vehicles which are: 1) officially authorized as a prerequisite by the Department of Management

Services, 2) required by an employee after normal duty hours to perform duties of the position to which he is assigned, or 3) assigned to an employee whose home is his official base of operation.

(2) Vehicles in this classification assignment may be driven to and from an employee's home when used for the purpose or under the conditions stated below:

Use Code C-1: Perquisite – Employee is entitled to use of vehicle by virtue of his position and is so approved and authorized as a prerequisite by the Department of Management Services.

Use Code C-2: Law enforcement – Employee is subject to special emergency calls from his residence for law enforcement.

Use Code C-3: Emergency service – Employee is subject to emergency calls from his residence for the protection of life or property.

Use Code C-4: Employee's home is office – Employee's home is his official base of operation and vehicle is parked at home when not in use.

Rule 60L-36.005 Disciplinary Standards.

(1) This rule sets forth the minimal standards of conduct that apply to all employees in the State Personnel System, violation of which may result in dismissal

(3) Employees outside the permanent career service may be dismissed at will. Permanent career service employees may be suspended or dismissed only for cause, which shall include, but not be limited to, the following. Examples under the categories listed below are not exhaustive.

(b) Negligence. Employees shall exercise due care and reasonable diligence in the performance of job duties.

(e) Violation of law or agency rules. Employees shall abide by the law and applicable rules and policies and procedures, including those of the employing agency and the rules of the State Personnel System. All employees are subject to Part III of Chapter 112, Florida Statutes, governing standards of conduct, which agencies shall make available to employees. An agency may determine that an employee has violated the law even if the violation has not resulted in arrest or conviction. Employees shall abide by both the criminal law, for example, drug laws, and the civil law, for example, laws prohibiting sexual harassment and employment discrimination.

(f) Conduct unbecoming a public employee. Employees shall conduct themselves, on and off the job, in a manner that will not bring discredit or embarrassment to the state.

2. Employees shall maintain high standards of honesty, integrity, and impartiality. Employees shall place the interests of the public ahead of

personal interests. Employees shall not use, or attempt to use, their official position for personal gain or confidential information for personal advantage.

3. Employees shall protect state property from loss or abuse, and they shall use state property, equipment and personnel only in a manner beneficial to the agency.

(g) Misconduct. Employees shall refrain from conduct which, though not illegal or inappropriate for a state employee generally, is inappropriate for a person in the employee's particular position. For example, cowardice may be dishonorable in people generally, but it may be entirely unacceptable in law enforcement officers. By way of further example, people are generally free to relate with others, but it may be entirely unacceptable for certain employees to enter into certain relations with others, such as correctional officers with inmates.

III. *The Children and Families Operating Procedures (CFOP) contain the following information in pertinent parts:*

CFOP 40-2, Vehicle Management

7.c. Accidents involving Rental Cars. DMS's Division of Fleet Management, Federal Property Assistance and Correctional Privatization maintains a rental car contract with a commercial rental car company. The contract provides for full collision damage coverage as a part of the rental rate. This enables state employees to avoid payment of the premium which rental agencies charge to cover the collision damage deductible portion of the standard rental contract.

(2) Employees involved in an accident must report any accident involving a rental car to the proper law enforcement agency and the rental agent. They must cooperate with both agencies in providing information or completing reports relative to the accident. Any questions must be directed to the Division of Fleet Management, Federal Property Assistance and Correctional Privatization in Tallahassee at (850) 488-4290.

CFOP 60-5, Chapter 5, Code of Ethics for Public Officers and Employees

5-4. Principles.

a. As stewards of the public trust, department employees shall use the powers and resources of the department to further the public interest and not for any financial or personal benefit or privilege.

c. Department employees shall safeguard their ability to make objective, fair and impartial decisions by not accepting any gift, benefit or privilege that might appear to influence or reward a specific or future decision. Employees should avoid any conduct (whether in the context of business, financial or social relationships) that might undermine the public trust, whether that conduct is unethical or lends itself to the appearance of ethical impropriety.

5-5. Prohibited Actions or Conduct.

- a. Employees shall not accept a gift valued at over \$25.00, or from prohibited sources.
- b. Employees as defined in paragraphs 5-3m and 5-3o of this operating procedure may not accept any gift from a non-lobbyist, regardless of value.
- c. No employee may accept a gift unless the employee can answer “no” to each of the following questions:
 - (1) Is this gift given or accepted with the intent to influence the employee’s official action or judgment?
 - (2) Does the employee know, or with the exercise of reasonable care should know, that the intent of the gift is to influence official action?
 - (3) Is the value of this gift more than \$25? (Employees defined in paragraphs 5-3m and 5-3o may not accept any gift from a non-lobbyist, regardless of value.)
 - (4) Has the employee accepted multiple, repeated gifts (even if nominal in value) from the same source, such that the gifts taken in the aggregate lend themselves to the appearance that they circumvent the prohibition against gifts?
- d. The following are exceptions to the prohibitions on the acceptance of gifts provided in paragraphs 5a and 5b above:
 - (2) Gifts (including but not limited to birthday and/or anniversary gifts and gifts of hospitality) received from personal friends in the ordinary course of friendship, regardless of value, provided any such personal friend is not:
 - (d) A person who (either individually or through a corporation) provides goods or services to the State under contract or agreement; or,
 - (e) A person who (either individually or through a corporation or organization) is seeking such business with the State.
 - (3) On site consumption of food and refreshment at receptions and/or other events (even if value is over \$25.00), provided the employee’s attendance at such event is an appropriate exercise of the employee’s official duties, and the funding of such food and refreshment is not provided, directly or indirectly, by a lobbyist or principal of a lobbyist.

NOTE: These five limited exceptions permitting the acceptance of certain gifts valued at over \$25.00 do not, and are not intended to, permit the acceptance of any gift that is otherwise prohibited by Chapter 112, Florida Statutes.
- e. Employees shall not solicit or accept anything of value, such as a gift, loan, reward, promise of future employment, favor, or service, that is based on an understanding that their official action or judgment would be influenced by such gift.
- f. No employee, their spouse or minor child(ren) may accept any compensation, payment, or thing of value when they know, or with the exercise of reasonable care should know, that it is given to influence the employee’s official action (s. 112.313(4), F.S.).

- g. Employees are prohibited from using or attempting to use their official positions to obtain a special privilege for themselves or others (s. 112.313(6), F.S.).
- h. Employees are prohibited from disclosing or using information not available to the public and obtained by reason of their public positions for the personal benefit of themselves or others (s. 112.313(3), F.S.).
- j. No employee of the department acting in his or her official capacity as purchasing agent, or public officer acting in his or her official capacity, shall either directly or indirectly purchase, rent or lease any realty, goods, or services for the department from any business entity in which the officer or employee or the officer's or employee's spouse, child, or other relative is an officer, partner, director, or proprietor or in which such officer or employee or the officer's or employee's spouse, child, or other relative, or any combination of them, has a material interest. Nor shall a public officer or employee, acting in a private capacity, rent, lease or sell any realty, goods, or services to the department, or to any political subdivision of any state agency.
- k. An employee who participates in the decision-making process involving a purchase request, who influences the content of any specification or procurement standard, or who renders advice, investigation, or auditing, regarding the department's contract for services, is prohibited from being employed by a person holding such a contract with the department.
- p. Employees offered gifts from prohibited sources should decline the offers. If that would publicly embarrass the giver, the gift should be returned or the giver reimbursed for the cost as soon as possible.
- q. Any gift that could not be received directly may not be received indirectly. Thus, a prohibited gift cannot be accepted by the spouse of the employee for his/her benefit.
- r. No employee shall have any outside employment or hold any contractual relationship with any business entity or any agency which is subject to regulation by, or is doing business with the Department of Children and Families. (See also CFOP 60-5, Chapter 11, paragraph 11-5.)
- s. Questions regarding the applicability of this operating procedure to specific situations should be sent by the appropriate regional managing director, deputy secretary or assistant secretary to the department's designated Ethics Officer.
- t. Employees may sometimes be required to travel on State business, requiring them to spend evenings and weekends away from their homes and families. Per diem reimbursements often do not fully reimburse the employee for out-of-pocket travel expenses. As a matter of general policy, any frequent-flyer miles and/or bonus miles awarded to an employee as a result of State-reimbursed travel may be used for personal use by the employee.

Chapter 60-5, Chapter 11, Employee Relationships with Regulated Entities

11-6. Employee Responsibilities

- d. In accordance with subsection 112.313(2), F.S., no employee who exercises regulatory responsibility shall solicit, accept, or agree to accept **any** gift from an entity or potential entity.

CFOP 60-55, Chapter 3, Standards of Conduct and Standards for Disciplinary Action for Department Employees

1-8. Standards of Conduct.

- c. The following are the minimal Standards of Conduct that apply to all employees in the Department, violation of which may result in discipline up to and including dismissal. (NOTE: Examples under the categories listed below are not exhaustive.)

- (2) Negligence. Employees shall exercise due care and reasonable diligence in the performance of job duties.

- (5) Violation of Law or Agency Rules. Employees shall abide by the law and applicable rules and policies and procedures, including those of the employing agency and the rules of the State Personnel System. All employees are subject to Part III of Chapter 112, F.S., and governing Standards of Conduct, which the Department shall make available to employees. The Department may determine that an employee has violated the law even if the violation has not resulted in arrest or conviction. Employees shall abide by both the criminal laws, for example, drug laws, and the civil law, for example, laws prohibiting sexual harassment and employment discrimination.

- (6) Conduct Unbecoming a Public Employee. Employees shall conduct themselves, on and off the job, in a manner that will not bring discredit or embarrassment to the state.

- (b) Employees shall maintain high standards of honesty, integrity, and impartiality. Employees shall place the interests of the public ahead of personal interests. Employees shall not use, or attempt to use, their official position for personal gain or confidential information for personal advantage.

- (c) Employees shall protect state property from loss or abuse, and they shall use state property, equipment and personnel only in a manner beneficial to the agency.

IV. Contract #B1201 between the Department of Children and Families and Aramark Healthcare Support Services, LLC (Aramark) contains the following information in pertinent parts:

Attachment I

A.2.d. Scope of Service. The provider shall manage and provide EVS and FM to the Department at the Facilities. The provider shall assume managerial responsibility for the operation of the Department's existing Environmental Services and Facility Maintenance Operations departments, hire and supervise staff to provide services in those departments, and apply the provider's programs and expertise as appropriate.

B.1.b. Facility Maintenance Operations (FM). The provider shall provide all physical plant operations and maintenance associated with FM. These services shall include, but not be limited to; *[sic]*...

In addition, the provider shall provide Grounds Maintenance, maintenance and repair of all facility infrastructure, transportation equipment, and utilities equipment, and continuation/implementation of energy conservation programs.

k. Extra Services. The scope of EVS and FM is limited to the description in Section B; however, the provider may offer to schedule and provide other services as "Extra Services" at the Department's request, for an additional fee (on which both Parties will agree). Any recurring Extra Services may be added to this Contract via a purchase order, which will be limited in time and place.

Exhibit E Equipment and Systems Included in FM

...Florida State Hospital Vehicles...

NOTE: ANY EQUIPMENT OR SYSTEMS NOT LISTED ABOVE ARE EXCLUDED FROM THE FM PROGRAM.

IV. Contract #78111808-15-1 between the Department of Management Services and EAN Services, LLC contains the following information in pertinent parts:

Exhibit 6 Rental Vehicles Statement of Work
Section 7 Vehicle Accidents

Renters will notify Contractor of all accidents involving any rental vehicle in the Renters' possession and will provide information and documentation concerning the accident, as requested by Contractor. Renters will reasonably cooperate with Contractor in the investigation of accident claims and demands and in the recovery of damages from liable third persons.