BCC Emergency Medical Services Controlled Substances Inventory Audit

Inspector General Department

Gary J. Cooney, Clerk of the Circuit Court & Comptroller

Audit Report

Terri W. Freeman, CPA, CIA, CISA, CRMA
Inspector General

Audit Conducted by:

Velia Muruaga
Inspector General Manager

Outsourced Auditors from CLA (CliftonLarsonAllen LLP)

Report No. BCC – 248
October 16, 2026

Inspector General Department
Office of Gary J. Cooney
Clerk of the Circuit Court and Comptroller
550 West Main Street, Post Office Box 7800
Tavares, Florida 32778-7800
Phone: (352) 253-4930 Fax: (352) 742-4534

Date: October 16, 2026

To: Board of County Commissioners

Subject: Audit of Emergency Management Services (EMS) Controlled Substances Inventory

Board of County Commissioners,

The audit of the EMS controlled substances inventory, as scheduled in the Clerk's Annual Inspector General Audit plan, is complete.

Overall, controls are functioning well. A few opportunities identified in the report will further strengthen the control environment.

We appreciate the cooperation and invaluable assistance provided by David Kilbury, Director; Christopher Smith, Battalion Chief, Quality; Jason White, Battalion Chief; and Dr. Alicia Buck, Medical Director.

Respectfully submitted,

Terri W. Freeman
Inspector General

cc: Gary J. Cooney, Clerk of the Circuit Court & Comptroller
Denise Bell, Chief Deputy Clerk
Jennifer Barker, County Manager
Thomas Carpenter, Assistant County Manager
David Kilbury, Director, Public Safety Directory
John Simpson, Deputy EMS Chief
Christopher Smith, EMS Battalion Chief – Quality
Jason White, EMS Battalion Chief
Dr. Alicia Buck, Medical Director

Background

The EMS (Emergency Medical Services) department maintains supplies of controlled substances because they are critical for providing immediate, lifesaving care in the field. These medications are used to manage pain, sedate patients, support cardiac care, and treat medical emergencies such as seizures.

The U.S. Drug Enforcement Administration (DEA) regulates the handling of controlled substances under the Controlled Substances Act and implementing regulations. These requirements govern the procurement, storage, administration, inventory, documentation, and disposal of controlled substances to prevent diversion and ensure accountability. Each DEA registration identifies a DEA Registrant responsible for compliance with applicable federal controlled-substance requirements.

The DEA registration for Lake County BOCC is administered under the Primary Medical Director. This position is a contracted physician through the University of Florida. While specific operational duties are delegated to authorized personnel within the EMS department through a Power of Attorney, the DEA Registrant retains overall responsibility for regulatory compliance, including maintaining effective controls to prevent diversion and ensuring that required records and inventories are complete and accurate.

Operational Strengths

Lake County contracts with the University of Florida for medical director services that provide independent oversight of controlled-substance use. After administering a controlled substance, paramedics submit a Patient Care Report documenting the medication, dosage, and incident details. The Medical Director reviews each report to confirm appropriate use and investigates any discrepancies or concerns.

Audit testing confirmed that EMS personnel with access to controlled substances possess the appropriate EMT or Paramedic certification required for their respective positions.

Objective: To evaluate the design and implementation of internal controls governing the management of controlled substances, including processes related to procurement, storage, inventory, administration, documentation, reconciliation, and disposal, and assess whether those controls are operating in compliance with:

- Fla. Stat. § 499.0121, which covers storage and handling of prescription drugs.
- DEA 21 CFR Part 1304, which outlines mandatory recordkeeping and reporting requirements.
- Fla. Stat. § 893.07 identifies a 2-year retention requirement for records of controlled substances.
- Fla. Admin. Code r. 64J-1.004, which covers medical direction and supervision.

Scope: July 2024 to August 2026

The audit was conducted in accordance with the Institute of Internal Auditors Global Internal Audit Standards, which require sufficient and appropriate evidence to support audit conclusions. To meet this requirement, we interviewed key personnel, reviewed relevant policies and records, tested transactions and controls, verified supporting documentation, and observed processes in operation where appropriate.

Also, our office was able to rely on the results of the Florida Department of Health (DOH) inspection reports for certain control objectives and compliance areas within their scope. The EMS department is inspected biennially by the DOH to evaluate compliance with applicable provisions of Fla. Stat. §§ 401, 499, and 893, and Fla. Admin. Code r. 64J-1. According to the DOH EMS Statewide Inspections program, inspections are performed by experienced compliance officers. They are designed to evaluate personnel records, service records, facilities, vehicle and equipment standards, patient care documentation, and corrective action processes.

Conclusion

Overall, the controls are functioning well. Opportunities are identified at the end of the report that will further strengthen the control environment.

Opportunities to Strengthen the Control Environment

1. There is a segregation of duties concern because the first custodian of controlled substances bulk storage is responsible for ordering, approving, receiving, and recording the delivery of drugs and, in addition, has unlimited access to them in storage. Management has implemented a compensating control to mitigate related risks: a second custodian performs a monthly physical count of the drugs and compares it to the inventory log. However, the following issues were identified with the compensating control:

   - The inventory log that the physical count is compared to is prepared by the first custodian. The second custodian does not independently validate the quantities on the log against what was actually ordered and received in vendor documents (e.g., invoices, shipping & receiving documents).
   - Audit testing identified that the physical count was only performed in 7 of the 12 months selected for testing.

   Allowing one person to control ordering, approval, receiving, recording, and storage creates a heightened risk of undetected errors or fraud due to the absence of independent validation.

   Agreed Upon Action Plan:
   EMS Management will be working with the Medical Director to implement the recommendation within the goal of the next 6 months.

2. Section 4.16.2 of the Medical Director Agreement requires the Director to formulate and ensure adherence to detailed written procedures governing the purchase, storage, use, and accountability of controlled substances used by EMS personnel, in accordance with Chapters 499 and 893, Florida Statutes, and Rule 64J-1.021, Florida Administrative Code. However, written policies governing controlled substances have not been formally updated since 2011, several years before EMS operations moved to the County.

   Agreed Upon Action Plan:
   Management will be working with the Medical Director to implement the recommendation within the goal of the next 6 months.