

DEPARTMENT OF CHILDREN AND FAMILIES
OFFICE OF INSPECTOR GENERAL



Internal Audit Work Plan
Fiscal Year 2014-15



June 25, 2014

INTRODUCTION

The Office of Inspector General (OIG) was established, within each state agency, by Florida Statute¹ in 1994. The OIG provides a central point for coordination and responsibility for activities that promote accountability, integrity, and efficiency in government. Section 20.055(5)(i), F.S., directs the inspector general to develop annual and long-term audit plans based on the findings of a risk assessment.²

The risk assessment process facilitates the identification and relative priority of audit projects to be conducted during the upcoming year.

The internal audit projects conducted by the OIG are guided by the International Standards for the Professional Practice of Internal Auditing (Standards) as promulgated by the Institute of Internal Auditors.

METHODOLOGY

Internal Audit employs a continuous risk assessment model to reflect the ever-changing Department environment to ensure the assignment and completion of high-risk projects. Project priority may be modified as Department conditions and associated risks change.

To develop our proposed work plan, we solicited input from Department leadership, regional directors and program managers. In addition, we evaluated data related to FY 2013-14 investigations, FY 2013-14 contract oversight findings, repeated findings in FY 2013-14 Auditor General reports and last year's work plan.³

Internal Audit staff interviewed Department leadership and program managers to gauge risk through the eyes of those closely involved in operations. Information gathered was further analyzed and evaluated using several risk factors. Risk factors include impact on citizens and stakeholders, management priority, operational stability, public disclosure, resources and prior audits.

As potential audit topics were examined, the impact of each of the risk factors was assessed. The calculation for each factor was aggregated resulting in an overall risk score. Those topics with the highest scores were deemed priority and are included in the current year's plan. Finally, internal auditing standards⁴ require sufficient resources

¹ Chapter 20.055(2), Florida Statutes (F.S.)

² A risk assessment is a quantification and compilation of factors that might influence the operational success of a component or activity within an organization.

³ External auditors do not publish their audit plans; this too may influence our proposed work plan as external auditors address similar topics in their audits or evaluations of the Department.

⁴ Institute of Internal Auditing Performance Standard 2030 on Resource Management states that the chief audit executive should ensure that internal audit resources are appropriate, sufficient, and effectively deployed to achieve the approved plan.

to achieve the approved plan. The proposed plan is based on 6,300⁵ direct audit hours.

ANNUAL WORK PLAN

Based on the results of our risk assessment, the following depicts our projected annual work plan for FY 2014-15. This plan incorporates management's current priorities as identified during the risk assessment process. A brief description of topics follows.⁶

WORK PLAN - ONE YEAR (6,300 AVAILABLE ANNUAL HOURS)				
RISK ID	TITLE	SCORE	EST. HOURS	PROGRAM
DCF-17	Carry-forward Projects from FY 2013-14	N/A	350	Office of Internal Audit
DCF-4	Enterprise and Consulting Resource Allocation	N/A	800	Office of Internal Audit
DCF-39	Quality Assurance in the Contracted Environment	17.14	600	Child Welfare
DCF-106	Incident Reporting Analysis System (IRAS)	15.29	400	Child Welfare
DCF-111	Child Protective Investigator Turnover	15.14	400	Child Welfare
DCF-41	Fleet Management Vehicle Usage	14.57	400	Admin - General Services
DCF-102	Post-audit Samplings of Payments	14.50	600	Admin – Financial Management
DCF-36	Customer Authentication for Public Assistance	14.43	480	ACCESS
DCF-146	Community-Based Care Lead Agency Information Technology Security Standards	14.14	400	Information Technology Services
DCF-73	Inappropriate Access to Case Files	13.57	480	ACCESS
DCF-147	Unsupported Platforms	13.43	400	Information Technology Services
DCF-18	Florida Assertive Community Treatment (FACT Teams)	13.43	600	Substance Abuse/Mental Health
DCF-163	Federal Information Security Management Act (FISMA)	13.14	300	Information Technology Services
DCF-1	ACCESS - Increase in Benefits	13.14	80	ACCESS

⁵ 1,400 direct hours = 2,080 hours per full time equivalent position minus leave, holidays, training and administrative time. Hours may fluctuate depending on available staff. Internal Audit has five authorized audit positions. One of the five positions is allocated 700 hours due to external audit activity. The two Single Audit positions are not allocated direct audit hours.

⁶ The specific scope of each proposed project will be determined during the preliminary survey phase of the project where an expanded control assessment will be conducted identifying the highest risk areas within the proposed topic that might affect the Department's mission.

Description of Topics

Carry-forward Projects

The following projects were in progress at the end of FY 2013-14.

Landline Reconciliation and Payment

This audit is in the report writing phase and the anticipated issue date is late August 2014. It focuses on controls over the billing process and the issues associated with the transition from Centrex to Voice over Internet Protocol telecommunication services.

Monitoring of Fair Labor Standards Act (FLSA) Compliance

The OIG was named Ombudsman for a three-year period to ensure the Department's compliance with a FLSA Agreement signed on March 2, 2012 by the Department and the United States Department of Labor.

Enterprise and Other Projects Resource Allocation

In an effort to leverage audit resources for the enterprise, each Governor's agency will allocate direct audit hours for participation in several enterprise projects. The Enterprise Audit Team is working to identify topics and proposed scopes.

Current Year Plans

Quality Assurance (QA) in the Contracted Environment

The purpose of this audit will be to assess the Quality Assurance (QA) Activity implemented by contractors and the effectiveness of the Department's oversight processes in assuring that the children are being well-served under outsourcing.

Incident Reporting Analysis System (IRAS) – Communication

The Incident Reporting Analysis System (IRAS) was developed to facilitate timely communication of critical incidents across the organization, provide details of an incident and allow for immediate actions. Management has questioned the ability to track and analyze incident-related data and if IRAS is being used as designed.

Child Protective Investigator Turnover

Turnover of child protective investigators (CPIs) is an on-going concern. This project would attempt to identify root causes of the high CPI turnover rate and provide definitive answers to improve CPI retention. We will interview recent "former" CPIs, review CPI retention data from prior and current years in Florida and other states, and determine whether Sheriff Offices have the same problems.

Fleet Management Vehicle Usage

Management has expressed concern about the age, maintenance, and safety of the Department's fleet of vehicles especially when they are used to transport children. This project will examine the condition, usage, and safety of the Department's vehicles for employee and client transportation.

Post-audit Samplings of Payments

Section 20.055(5)(i), Florida Statutes states the following: "The [annual audit] plan, where appropriate, should include post-audit samplings of payments and accounts."

To comply with this requirement, several projects will be conducted examining disbursements common to most geographical areas of the agency. Examples would include travel expense, mileage reimbursement, and other general administrative type of expenditures. The scope of these compliance projects would be limited by geographical area, type of disbursement, and timeframe.

Customer Authentication for Public Assistance

The Food Assistance Program has an expedited process where eligible households may receive food assistance within seven days. These applicants may receive a waiver to postpone the mandatory interview. Concern has been expressed that benefits may be provided without proper authenticating. This audit would be to explore whether expedited applicants are interviewed as required and whether customer authentication is effectively used in the application process.

Community-Based Care (CBC) Lead Agency Information Technology (IT) Security Standards

The CBC Information Systems Requirements contain certain IT security policies that lead agencies must follow to ensure that client information remain confidential. This audit would examine and evaluate the information security that CBC lead agencies maintain over the Department's client data and information.

Inappropriate Access to Case Files

Department managers that are responsible for Economic Self-Sufficiency and FLORIDA have expressed a concern related to the increase of the number of employees accessing case information without proper authority. This project will identify the effectiveness of the internal controls in place for this activity.

Unsupported Platforms

Information Technology Services management and outside security assessments have identified a number of operating systems and databases no longer supported by the vendor. Unsupported systems and databases do not receive security updates to help protect from malware, or software patches which improve reliability and fix known errors.

The purpose of this project is to determine the inventory of systems that are unsupported and attempt to quantify the risk this represents to the Department, and determine per the Service Level Agreements who is responsible for upgrading the systems to supported platforms.

Florida Assertive Community Treatment (FACT Teams)

Management expressed interest in the effectiveness and accountability of FACT Team operations that were transferred to Substance Abuse & Mental Health managing entities in FY 2012-13. This audit would attempt to determine if the services are effective and efficient.

Federal Information Security Management Act (FISMA) Compliance Advisory

The Federal Information Security Management Act of 2002 (FISMA), is a federal law which mandates security controls and periodic audits with affiliated parties. FISMA applies to federal agencies and other organizations that possess and utilize federal information on behalf of a federal agency. The Department's Information Security Manager has requested assistance with determining how that definition applies to the Department and its systems.

Correlation – Supplemental Nutrition Assistance Program (SNAP) and Jobless Rate

Department Management noted the increase in the total dollar amount dispersed for the Supplemental Nutrition Assistance Program (SNAP). It appears unusual that the SNAP amount was increasing while the economy and jobless rate has improved. This project would be a very limited inquiry into the calculation of the SNAP totals, source of the information and reliability of the information.

WORK PLAN APPROVAL

Please indicate approval of the Fiscal Year 2014-15 Internal Audit Work Plan for the Office of Inspector General below.

Concur



Do Not Concur

Comments:

6/25/14

Date



Secretary

Attachment A

WORK PLAN - AFTER ONE YEAR				
RISK ID	TITLE	SCORE	EST. HOURS	PROGRAM
DCF-170	Mental Health Treatment Facilities - Electronic Health Records	13.00	400	Substance Abuse/Mental Health
DCF-159	HIPAA - Health Insurance Portability and Accountability Act Risk Analysis Follow-up	12.86	400	Information Technology Services
DCF-76	Department Pays Benefits to Ineligible Individuals	12.29	200	Refugee Services
DCF-53	Unlicensed/Unregistered homes	12.29	300	Child Care Services
DCF-144	Disaster Recovery Testing	12.29	320	Northwood Shared Resource Center
DCF-158	Technology Procurement and Payment	12.29	600	Information Technology Services
DCF-183	Contract Procurement and Compliance	12.00	600	Florida Abuse Hotline
DCF-145	State Hospitals - Disaster Recovery	11.86	500	Information Technology Services
DCF-152	Vulnerability Scanning and Remediation - Northwood Shared Resource Center	11.57	400	Information Technology Services
DCF-25	Rollout of Safety Framework and 2013 Safety Decision Model	11.43	200	Child Welfare
DCF-140	Memorandums of Agreement/Memorandums of Understanding	11.43	250	Admin - Contracted Client Services
DCF-83	Repeat finding - Incorrect Benefit Payment & Untimely Data Exchanges	11.43	400	ACCESS-Automated Community Connection to Economic Self-Sufficiency
DCF-169	Substance Abuse/Mental Health Treatment Facilities: Untimely Pick-up of Patients	11.29	400	Substance Abuse/Mental Health
DCF-16	Grant Oversight and Monitoring	10.86	400	Homelessness
DCF-180	Welfare Trust Funds	10.57	400	Substance Abuse/Mental Health
DCF-143	Software Inventory - Internet Activity	10.29	320	Information Technology Services
DCF-3	Employee Travel	10.29	500	Admin - Financial Management
DCF-38	Purchasing Cards	9.86	400	Admin - General Services
DCF-119	Statewide Leasing Data	9.43	400	Admin - General Services
DCF-182	Excessive Use of Settlement Agreements	9.43	400	Admin - Admin Services Support and Contracted Client Services
DCF-100	Child Welfare - Performance Measures	9.29	400	Family Safety and Community Services
DCF-22	Substance Abuse Licensing and Regulation	9.14	400	Substance Abuse/Mental Health

RISK ID	TITLE	SCORE	EST. HOURS	PROGRAM
DCF-172	ACCESS - Document Imaging/Eligibility Documentation	9.00	400	ACCESS
DCF-160	Executive Direction and Support - Personally Identifiable Information (PII)	8.14	500	Information Technology Services
DCF-9	Rapid Safety Feedback: Child Protection Investigation Services Provided by Sheriffs Offices	8.00	600	Child Welfare
DCF-113	Client Trust Funds/Fee Collections	7.29	800	Admin - Financial Management
DCF-142	Expenditure Refunds	7.14	400	Admin - Financial Management