

Florida Department of Business and Professional Regulation Office of Inspector General



**Office of Inspector General
Annual Report
Fiscal Year 2021-2022
September 23, 2022**

**RON DeSANTIS
Governor
MELANIE S. GRIFFIN
Secretary
MELINDA M. MIGUEL
Chief Inspector General
RODNEY J. MacKINNON
Inspector General**

September 23, 2022

Dear Chief Inspector General Miguel,

In accordance with Section 20.055(8)(a), Florida Statutes, I am pleased to submit the Office of Inspector General's Annual Report for fiscal year 2021-2022. The report highlights our efforts and activities during the preceding fiscal year.

As this report demonstrates, our office is committed to providing leadership in the promotion of accountability, integrity, and public trust.

Thank you for all your support this year.

Sincerely,



Rodney J. MacKinnon
Inspector General



OFFICE OF INSPECTOR GENERAL Annual Report

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Accredited by the Commission for Florida Law Enforcement Accreditation since February 2020.

II. Overview of the Office of Inspector General

Section 20.055, Florida Statutes, established the Office of Inspector General (OIG) to provide a central point for coordination of and responsibility for activities that promote accountability, integrity, and efficiency within the Department of Business and Professional Regulation (DBPR). The section defines the duties and responsibilities of agency inspectors general and requires inspectors general to submit an annual report to the Chief Inspector General by September 30th of each year. The purpose of this report is to provide the Chief Inspector General, the Secretary of the department, and other interested parties with a summary of the accountability activities of the Office of Inspector General during the preceding fiscal year.

Mission Statement

The mission of the Office of Inspector General is to be a valuable partner in conducting independent and objective internal audits, reviews, and investigations of department activities and programs. Our services add value to department management by assisting the department in providing greater accountability, integrity, efficiency, and effectiveness in fulfilling the department's overall vision, mission, values, and strategic goals.

Responsibilities

Section 20.055, Florida Statutes, directs the Inspector General to accomplish the following duties and responsibilities:

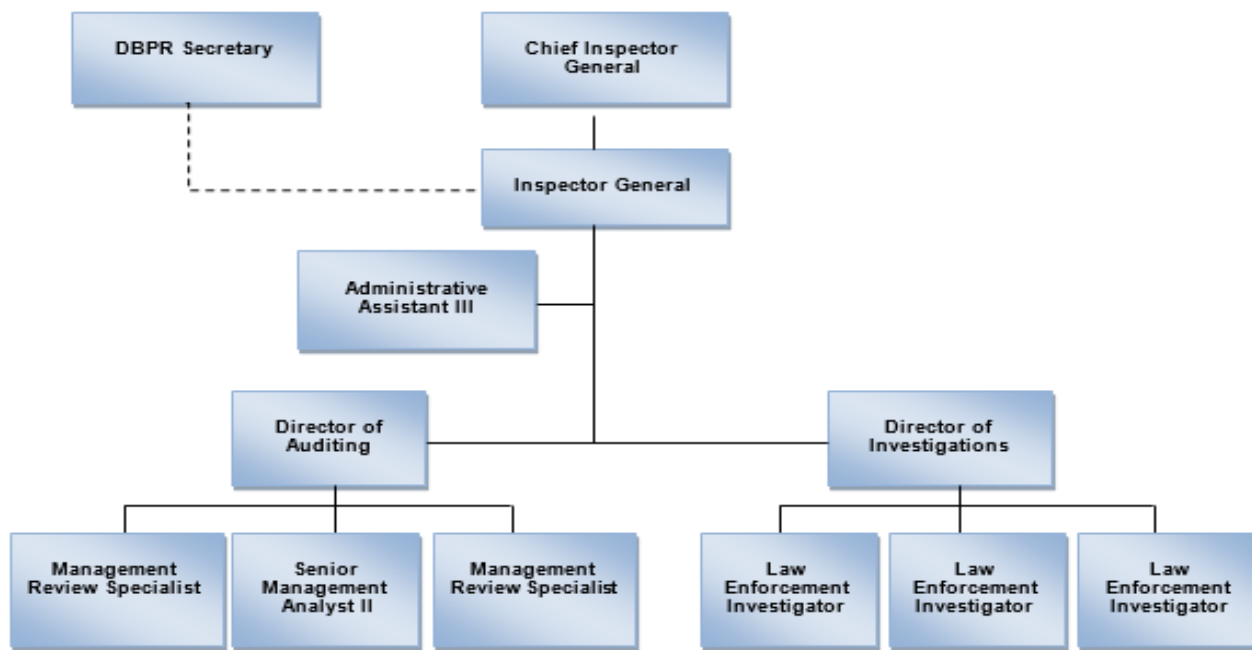
- Direct, supervise, and coordinate audits, investigations, and management reviews relating to the agency's programs and operations.
- Conduct, supervise, or coordinate other activities carried out or financed by the agency for the purpose of promoting economy and efficiency in the administration of, or preventing and detecting fraud and abuse in, agency programs and operations.
- Keep the agency head informed concerning fraud, abuses, and deficiencies relating to programs and operations administered or financed by the agency; recommend corrective action concerning fraud, abuses, and deficiencies; and report on the progress made in implementing corrective action.
- Review the actions taken by the state agency to improve program performance and meet program standards and make recommendations for improvement, if necessary.
- Advise in the development of performance measures, standards, and procedures for the evaluation of agency programs; assess the reliability and validity of the information provided by the agency on performance measures and standards and make recommendations for improvement, if necessary.
- Ensure effective coordination and cooperation between the Office of the Auditor General, federal auditors, and other governmental bodies with a view toward avoiding duplication.

- Maintain an appropriate balance between audit, investigative, and other accountability activities.
- Comply with the *General Principles and Standards for Offices of Inspector General*, as published and revised by the Association of Inspectors General.
- Initiate, conduct, supervise, and coordinate investigations designed to detect, deter, prevent, and eradicate fraud, waste, mismanagement, misconduct, and other abuses in state government.
- Receive complaints and coordinate all activities of the department as required by the Whistle-blower's Act pursuant to Sections 112.3187 - 112.31895, Florida Statutes.
- Receive and consider the complaints that do not meet the criteria for an investigation under the Whistle-blower's Act and conduct such inquiries, investigations, or reviews, as the Inspector General deems appropriate.
- Conduct investigations and other inquiries free of actual or perceived impairment to the independence of the Inspector General's office. This shall include freedom from any interference with investigations and timely access to records and other sources of information.

Staffing

The Inspector General is appointed by the Chief Inspector General and is under the general supervision of Secretary of DBPR for administrative purposes. The Office of Inspector General (OIG) is organized as shown on the following chart:

ORGANIZATIONAL CHART



Collectively, OIG staff possessed and maintained the following professional designations and certifications during Fiscal Year 2021-2022:

- Certified Inspector General (1)
- Certified Fraud Examiner (2)
- Florida Certified Contract Manager (4)
- Certified Law Enforcement Officer (3)
- Notaries Public (2)
- Member of the Florida Bar (1)

Professional Affiliations

OIG staff members belong to a variety of professional associations to maintain professional competence, establish and advance professional networks, and participate in professional community activities. OIG staff members are affiliated with the following professional organizations:

- Association of Inspectors General (AIG)
- Association of Certified Fraud Examiners (ACFE)
- Florida Chapter of the AIG (FCAIG)
- The Institute of Internal Auditors (IIA)
- Tallahassee Chapter of the IIA (TCIIA)
- Association of Government Accountants (AGA)
- Commission for Florida Law Enforcement Accreditation (CFA)

II. Internal Audit Section Overview

The primary goal of the Internal Audit Section (IAS) is to bring a systematic, disciplined, approach to evaluating and improving the adequacy and effectiveness of the Department's governance, risk management, and internal control processes. To accomplish this goal, the IAS conducts internal audits of department programs, activities, and functions. These audits evaluate the Department's exposure to fraud, risk, and the adequacy and effectiveness of internal controls established to:

- Achieve the Department's strategic objectives
- Maintain the reliability and integrity of financial and operational data and information
- Optimize operational effectiveness and efficiency
- Safeguard assets, including information and information technology resources
- Ensure compliance with laws, rules, regulations, policies, procedures, and contracts

The IAS also conducts consulting engagements at management's request and provides advisory/technical assistance services to management on issues that do not require more extensive audit or consulting services. Additionally, the IAS serves as the liaison between the Department and external review entities and monitors and reports to the Secretary,

via the Inspector General, on the status of actions taken to correct deficiencies reported in external and internal audits.

The IAS carries out the OIG's statutory responsibilities regarding performance measure development and assessment and provides technical assistance and administrative guidance on state single audit act matters.

The IAS also performs audits and consulting engagements in conformance with the *International Standards for the Professional Practice of Internal Auditing (Standards)*, as published by The Institute of Internal Auditors, Inc.

Follow-up reviews, management advisory services, and other projects are conducted in accordance with the *Standards* or other applicable professional internal auditing standards. These standards provide a framework for ensuring independence, objectivity, and due professional care in the performance of internal audit work.

III. Summaries of Internal Audit Work Completed in 2021-2022

**Audit of Public Records, Office of the General Counsel, Office of Open Government
Internal Audit Report Number A-1920BPR-027. Published October 5, 2021.**

Description and Scope

The Agency's public records unit, Office of Open Government, is contained within the Office of the General Counsel. The audit evaluated the sufficiency and effectiveness of internal controls established by the Office of Open Government (OOG) to ensure appropriate measures are in place for the dissemination of requested documentation to the public. Special attention was directed to the administration and oversight of the public records request process. Staff reviewed compliance with applicable statutes, rules, policies, and procedures governing public records requests and tested internal controls based on the established procedures set forth. The review encompassed records, transactions, and documentation for the period of July 1, 2018 through June 30, 2019 and related activities through the conclusion of audit fieldwork.

Results

Audit testing identified the following internal control issues surrounding the dissemination of records:

- In some instances, delays that exceeded a 15-day response time did not have an approval in place or immediate notification submitted to the requestor with a status update as required by the procedural controls.
- There was no approval process for delayed public records requests handled by the Public Records Coordinator for the Office of the General Counsel.
- The "close date" and the "days open" for public records requests were inaccurately represented in GovQA.

- There was an instance where an invoice was generated and documents were released, but payment was not received for a request that met the threshold for payment.
- Payments were received but not captured in GovQA as required in Section IV of the DBPR Public Records Manual.
- OOG does not charge for research fees as mandated by the DBPR Public Records Manual.

Recommendations

The OIG recommended the following:

- Develop and implement an approval process for the Public Records Coordinator for delays that exceed 15 days or more.
- Periodically monitor requests that exceed the 15-day response time to ensure that requests are processed in a reasonable time. This monitoring should begin once GovQA has issued the 15-day notice.
- Ensure the requestor is immediately notified in writing of any delays as required by Section IV of the Manual.
- Ensure OOG staff adheres to the requirements of Section VII of the DBPR Public Records Manual regarding closing out completed public records requests. This will ensure the accuracy of the final release date and the “days open” count in GovQA.
- Adhere to the policies and procedures in the DBPR Public Records Manual for invoicing and processing payments.
- Improve internal controls for reviewing and ensuring all payments received are captured in GovQA.
- Periodically compare the payments received against the totals in GovQA to ensure payment information is accurately and timely entered and all fees collected are accounted for.
- Begin utilizing the FOIA Time and Fees tabs in GovQA to assist with the charging of fees and collection of payments. This will assist in tracking costs, ensuring the accountability of all funds received, ensuring costs and staff time are properly allocated and captured, and ensuring reports that present information on the Office of Open Government are accurate.

Management's Response

The Office of the General Counsel concurred with all audit findings and recommendations and have implemented or is in process of implementing the following controls in place to address the audit findings:

- Securing appropriate storage for checks and money orders received.
- Safeguarding confidential data or materials.
- Utilizing the Service Level Agreement Report for responses that exceed 15 days.
- Following the Public Records Manual for invoicing and processing payments.

- Capturing payments in the GovQA system.
- Training the Agency's attorneys and public records liaisons on the public records processes and procedures.
- Utilizing an automatic email to submit to the requestor for responses that exceed 15 days.
- Updating the processes and procedures in the Public Records Manual.
- Changes involving invoicing and processing of payments.
- Changes to the calculation of OOG staff hours.

Audit of Internal Controls over Driver and Vehicle Information Database (DAVID), Division of Alcoholic Beverages and Tobacco, Bureau of Law Enforcement. Internal Audit Report Number A-2122BPR-005. Published January 2, 2022.

Description and Scope

Pursuant to the Memorandum of Understanding (MOU), prior to the third anniversary of the agreement, the Division must submit an Attestation Statement signed by the Secretary and the Inspector General asserting that the Division's internal controls over the personal data accessed through the database have been evaluated by the OIG and are adequate in material aspects to protect the personal data from unauthorized access, distribution, use, modification, or disclosure. Any deficiencies or issues identified during the audit must also have been corrected and measures implemented to prevent recurrence.

The purpose of this audit was to evaluate whether the Bureau's internal controls over the personal data accessed through the DAVID system are adequate to protect the data from unauthorized access, distribution, use, modification, or disclosure. In reviewing internal controls, audit staff assessed authorized bureau personnel's compliance with provisions of the MOU related to database access, safeguarding of information, and usage of DAVID. The audit also examined the Bureau's compliance with the terms of the MOU. The scope of the audit included a review of the Division's operations, policies, procedures, records, and activities with respect to the DAVID system for the period of January 1, 2020, through the conclusion of audit fieldwork.

Results

Audit testing conducted by the Office of Inspector General in November 2021, and the bureau through quarterly quality control reviews, found no instances of unauthorized access, distribution, use, modification, or disclosure of data from the DAVID system. However, the review identified the following internal control issues:

- Division internal operating procedures need to be revised to reflect compliance and control measures noted in the MOU.
- Quarterly quality control reviews were not completed in a timely manner. The Bureau also did not comply with the use of the Quarterly Quality Control Review Report (QQCRR) (Attachment II) for the monitoring of user activity.

- Users did not complete the training requirements as prescribed in the MOU.
- User access permissions were not timely inactivated or updated upon termination from DAVID.

Recommendations

The OIG recommended the following:

- The Division revise its existing CJIS Policy, with respect to the DAVID system, to be consistent with the guidelines set forth in the MOU.
- The Division utilize Policy 2.4 to assist in the revision of its CJIS Policy.
- The Bureau revise its operational procedure and its processes to ensure that quarterly quality control reviews are being conducted and completed within 10 days following the end of each quarter (as currently configured by the bureau).
- The Bureau use the DHSMV's QQCR, which was referenced in the MOU, to document the results of the quarterly quality control reviews.
- The Bureau perform a more stringent review of active DAVID users, who have a period of inactivity in the system to ensure that active DAVID users meet the annual training requirement.
- To avoid loss of time in completing bureau tasks that require DAVID access, the Bureau should identify, as part of their internal control process, active users of DAVID who have not been trained in the specified period and provide notification that training must be completed on an annual basis in order to gain access to the DAVID system.
- The Bureau enhance its administrative and internal controls to ensure that user access is inactivated immediately upon termination or misuse and within five (5) working days upon reassignment. This inactivation process should be included in the Bureau's internal operating procedures.

Management's Response

The Division concurred with the audit findings and recommendations and noted that they look forward to implementing the improvements.

Audit of Department Executed Contracts, Division of Administration, Bureau of Agency Services.

Internal Audit Report Number A-2122BPR-024. Published April 5, 2022.

Description and Scope

This audit satisfied the requirements of House Bill 1079, passed during the 2020-2021 Legislative Session, which amended section 287.136, Florida Statutes. The purpose of this audit was to conduct a risk-based compliance audit of contracts procured under Chapter 287, Florida Statutes, and executed by the Department during the 2018-2019 through 2020-2021 fiscal years. In accordance with section 287.136(2), F.S., the audit must include an evaluation and identification of any trends in vendor preferences.

Results

Our office found no instances of trends in vendor preference by the Department during the period of review. Furthermore, our office concluded that the procurement function has implemented internal control procedures and processes to ensure compliance with state purchasing laws and found no instances of noncompliance of procurement laws for the period reviewed

Audit of Cybersecurity Controls – Security Continuous Monitoring, Division of Technology.

Internal Audit Report Number A-2122BPR-025. Published June 21, 2022.

Description and Scope

The objectives of this audit were to assess the Department's cybersecurity practices in the following areas:

- Monitoring the network to detect potential cybersecurity events.
- Monitoring the physical environment to detect potential cybersecurity threats.
- Monitoring user activity to detect potential cybersecurity events.
- Monitoring for malicious code.
- Monitoring for unauthorized mobile code.
- Monitoring for unauthorized personnel, connections, devices, and software.
- Monitoring for external service provider activity to detect potential cybersecurity events.
- Performing vulnerability scans which is part of the System Development Life Cycle.

This audit is confidential pursuant to Section 282.318, Florida Statutes. The results of this audit are confidential and exempt from the provisions of Section 119.07(1), Florida Statutes, and are not available for public distribution.

IV. Summaries of Florida Single Audit Act Activities Completed in 2021-2022

The Florida Single Audit Act, Section 215.97, Florida Statutes, establishes state audit and accountability requirements for state financial assistance provided to non-state entities. The OIG's Internal Audit Section has various responsibilities with respect to department Single Audit Act activities as outlined below.

2021-22 Florida Single Audit Act Certifications.

Project Number S-2122BPR-015. Completed August 2021.

Rule 69I-5.005(4), Florida Administrative Code, requires state agencies to annually certify the accuracy and completeness of their state projects included in the Catalog of State Financial Assistance. Agencies must complete the Catalog of State Financial

Assistance Certification Form and identify any applicable additions, deletions, or changes.

Between July 2021 and August 2021, OIG staff submitted the relevant certifications for all five current DBPR Florida Single Audit Act projects. This information was timely disseminated to the Department of Financial Services (DFS) in accordance with the relevant DFS instructions.

Florida Engineers Management Corporation (FEMC) Single Audit Act Financial Reporting Package Review.

Internal Project Number K-2122BPR-019. Completed October 25, 2021.

The Fiscal Year 2020-2021 FEMC financial reporting package was completed on August 27, 2021, and forwarded to our office on September 7, 2021. FEMC expended \$750,000 or more in state financial assistance for Fiscal Year 2020-2021. Therefore, we reviewed the package in accordance with our Office of Inspector General Checklist and other contract management principles. Our office noted no findings on the financial reporting checklist directed to FEMC.

Florida Council on Compulsive Gambling, Inc. Single Audit Act Financial Reporting Package Review.

Internal Project Number K-2122BPR-029. Completed February 11, 2022.

The Fiscal Year 2020-2021 Florida Council on Compulsive Gambling (FCCG) financial reporting package was completed on December 7, 2021, and forwarded to our office on December 9, 2021. Our office determined FCCG expended \$750,000 or more in state financial assistance for Fiscal Year 2020-2021 and reviewed the package in accordance with the Office of Inspector General Checklist and other contract management principles. Our office noted no findings on the financial reporting checklist directed to FCCG.

Building A Safer Florida, Inc. (BASF) Single Audit Act Financial Reporting Package Review.

Internal Project Number K-2122BPR-031. Completed February 11, 2022.

The Fiscal Year 2020-2021 BASF financial reporting package was completed on January 27, 2022, and forwarded to the OIG on January 31, 2022. Our office determined that for Fiscal Year 2020-2021, BASF did not expend \$750,000 or more in federal or state financial assistance. As such, a single audit was not required. However, since a financial reporting package was prepared, our office reviewed this package in accordance with our OIG Checklist and other contract management principles. Our office noted no findings on the financial reporting checklist directed to BASF.

V. Other IAS Activities

External Audits Coordinated

The OIG's Internal Audit Section serves as the central point of contact and coordination between the Department and external agencies engaged in audits of department operations. This liaison role helps ensure effective coordination and cooperation between the Department and state (e.g., the Auditor General's office) and federal review entities and minimizes duplication of audit efforts. Internal audit staff coordinates information requests and responses, facilitates the scheduling of meetings, and coordinates the Department's responses to preliminary and tentative findings issued by the Auditor General and other oversight agencies.

In Fiscal Year 2021-2022, internal audit staff provided liaison and coordination services for the following external reviews:

Auditor General Quality Assessment Review of the Department of Business and Professional Regulation Office of Inspector General's Internal Audit Section. Project Number E-2122BPR-016. Completed October 2021.

Pursuant to Section 11.45(2)(i), Florida Statutes, the Auditor General conducts quality assessment reviews of the state agencies' OIG internal audit activities. During the reviews, the Auditor General evaluates the design of the OIG's quality assurance program related to the internal audit activity and whether the program provides reasonable assurance of conformance with applicable professional auditing standards. They also evaluate OIG compliance with those provisions of Section 20.055, Florida Statutes, governing the operation of the state agency's OIG internal audit activity.

The Quality Assessment Review of the IAS focused on the quality assurance and improvement program for the period July 2020 through June 2021. The AG's office also reviewed compliance with specific provisions of Section 20.055, Florida Statutes, governing the operation of state agencies' offices of inspectors general internal audit activities.

The Auditor General found that the quality assurance and improvement program related to the IAS was adequately designed and implemented to provide reasonable assurance of conformance with applicable professional auditing standards and the Code of Ethics issued by the Institute of Internal Auditors. The review further found that the OIG generally complied with those provisions of Section 20.055, Florida Statutes, governing the operation of state agencies' offices of inspectors general internal audit activities.

2021-2022 Auditor General Statewide Financial Statement Audit, Division of Financial Management and Office of the General Counsel. Project Number E-2122BPR-018. March 2022.

The Auditor General conducts financial audits of the accounts and records of state agencies, state universities, state colleges, district school boards, and, as directed by the Joint Legislative Auditing Committee, local governments. The OIG facilitated the department's responses as part of the Auditor General Statewide Financial Statement

Audit for the fiscal year ended June 30, 2021. The audit determined the State of Florida's Comprehensive Annual Financial Report was fairly presented in all material respects. No findings were directed to the department.

Significant Audit Findings and Recommendations Reported in Prior Annual Reports

The Internal Audit Section actively monitors management's actions to correct deficiencies cited in internal audit reports and in reports issued by external review entities. In accordance with state law and internal auditing standards, the Inspector General provides the department's Secretary with a written report on the status of corrective action. In Fiscal Year 2021-2022, the Internal Audit Section conducted one follow-up review of an internal audit and one follow-up review of an external audit.

Initial Follow-up Review: Audit on Purchasing Card Program, Division of Administration, Bureau of Agency Services. Internal Report Number F-2021BPR-041. Completed August 10, 2021.

The objectives of this review were to determine whether corrective actions had been taken to mitigate the risks identified in our initial audit. Our initial follow-up review noted that the Division of Administration included in its purchasing card training program guidance for the redaction of cardholders' purchasing card account numbers.

Based on our review of the responses provided by the division, our office determined that sufficient corrective actions had been taken to close all audit findings and recommendations prior to the end of Fiscal Year 2021-2022.

Six-Month Follow-up Review to Department of Management Services Audit of DBPR's Compliance with Florida Retirement System (FRS) and Applicable Rules, Division of Administration, Bureau of Human Resources. Internal Report Number G-2122BPR-014. Completed September 16, 2021.

Our follow-up review determined that the Division of Administration has implemented the necessary procedural controls. Specifically, as noted in the Bureau of Human Resources Procedures Manual, effective April 1, 2021, *Procedure 7.01-Retiree Reemployment and Termination Requirements* ensures the Department's compliance with the FRS rules governing reemployment and termination requirements.

Procedure 7.00-Retirement Adjustments established procedures for the reporting of workers' compensation wages for the purpose of employee retirement service credits. Furthermore, the Division completed the required retirement adjustments for employee wages noted in the sampled records within the DMS audit report and completed a thorough review of employee personnel files from July 2015 to present identifying any further retirement adjustments needed.

Based on our review of information and supporting documentation provided by the Division of Administration, our office has concluded that management has taken sufficient corrective actions to close DMS audit findings and recommendations.

Other IAS Activities

- The IAS prepared the *Schedule IX: Major Audit Findings and Recommendations* for the Department's Legislative Budget Request, which is required on an annual basis.
- The *Schedule IX* informs decision-makers about major findings and recommendations made in Auditor General and OIG audit reports issued during the current and previous fiscal years.
- The *Schedule IX* also provides information on the status of action taken to correct reported deficiencies and is cross-referenced to any legislative budget requests to help implement audit findings and recommendations.
- The IAS updated the Integrated Internal Audit Management System templates for the OIG's annual risk assessment and audit projects.
- Staff represented the OIG and participated in the training of new department employees.
- The IAS reviewed information submitted by the Division of Technology regarding the 2022 Auditor General IT Survey.
- Staff monitored the DAVID quarterly quality control reviews conducted by the Division of Alcoholic Beverages and Tobacco.
- Staff monitored the Quarterly Contractor Access Reviews for contracted entities for Versa: Regulation conducted by the Division of Technology.
- Staff provided updates to executive management regarding all internal and external audit engagements.
- Staff monitored compliance with Executive Order 20-44 regarding sole-source, public-private agreements, and other specific contracts and agreements.

VI. Overview of the Investigations Section

Internal investigations help identify deficiencies in policies and procedures, other internal controls, or business processes that caused or contributed to the situation necessitating investigation. By reporting these deficiencies to management, the department has the opportunity to address them and thereby reduce the likelihood of future occurrences of fraud, waste, mismanagement, misconduct, or other abuses. OIG findings are reported to the Department's Secretary, Chief of Staff, Deputy Secretaries, Chief of Human Resources, and, as appropriate, to the respective division directors, and the Office of the General Counsel. Recommendations for improved processes, policies, or procedures are made when warranted by the findings.

The Investigations Section of the OIG is comprised of an investigations director and three sworn investigators who are lieutenants. Staff within this section are primarily responsible for conducting internal investigations and inquiries into allegations of employee misconduct and allegations that department employees have violated law, rule, policy, procedure, or regulation, as well as Whistle-blower Act complaints. This unit accomplishes its mission through both reactive and proactive investigative efforts based on the authority specified in Section 20.055, Florida Statutes, and in accordance with the

Commission for Florida Law Enforcement Accreditation's standards for OIG's and the Association of Inspectors General's Principles and Standards for Offices of Inspector General (the "Green Book"). Pursuant to Section 20.055(7)(b), Florida Statutes, the Inspector General has the authority and discretion to conduct investigations and inquiries as the Inspector General deems appropriate with the exception of Whistle-blower Act investigations, which are subject to additional requirements.

Accreditation

On February 20, 2020, the Commission for Florida Law Enforcement Accreditation accredited the Investigations Section of the OIG based on a determination that the OIG had met all of the required accreditation standards applicable to OIGs in order to attain accredited status. This accreditation remains in effect for three years at which time the OIG will go through the reaccreditation process. The Commission commended the OIG for its continued diligence, professionalism, and commitment in maintaining this highest recognition among Florida's law enforcement community.

The OIG is currently working to maintain, update, and record the required standards in preparation for its 3-year reaccreditation review that will be accessed in December 2022. Investigative staff also accomplished the following during fiscal year 2021-2022:

- Submitted the annual report to the CFA
- Participated in several CFA-OIG Roundtables
- Participated in the annual OIG Accreditation Meeting

VII. Complaint Intake

The majority of complaints referred to the Investigations Section are received via the OIG's online complaint reporting process. Complaints are also forwarded to the OIG by the Chief Inspector General's office, the Attorney General's Office, and other state agencies. A majority of the complaints reported to the OIG are referred to the department's various division directors, since the complaints are more appropriate for management review and response rather than OIG investigation or inquiry.

Recognizing that not all citizens have access to electronic communication, the Office of Inspector General maintains multi-portal intake capabilities. Citizens may file a complaint by telephone, standard mail, electronic mail, in person, or through the department's website. These reporting options ensure that no complainant is deterred from voicing their concerns.

Each complaint is thoroughly reviewed and vetted by the Inspector General and/or Director of Investigations to identify allegations of misconduct, waste, fraud, or abuse by department staff. Each complaint is also analyzed to determine if the complaint describes activities as defined in Section 112.3187, Florida Statutes, also known as the "Whistle-blower's Act." Capturing and classifying each complaint enables the OIG to analyze and

provide feedback to management when consistent public miscommunication, policy failure, or poor performance may exist within a division.

Case Classifications

Backgrounds - Investigations and criminal history reviews of individuals who are being considered to fill positions within the department designated as sensitive. This includes Career Service, Senior Management, Selected Exempt Service, and Other Personal Services positions.

Information – Information cases are completed in order to document information and/or actions that otherwise do not meet the criteria for investigative inquiries, investigations, or management referrals.

Investigative Inquiries - Informal reviews conducted to determine the validity of a complaint prior to the initiation of an internal investigation. The determination as to whether the review remains an inquiry, is upgraded, or closed out is dependent on the evidence obtained during the course of the informal review.

Internal Investigations - Investigations conducted by the Office of Inspector General in response to a complaint of serious employee misconduct received by the office, and sometimes from the evidence obtained during an inquiry, that warrants a full and formal investigation into the facts surrounding the allegation(s).

Referrals – The forwarding of complaints, typically of minor misconduct, poor customer service, dissatisfaction with divisions’ resolution of complaints, the correctness of legal decisions or interpretations, or poor staff performance, to the appropriate division within the department or to the applicable external department for review and response to the complainant.

Cases Closed in FY 21-22 (191)
Backgrounds - 3
Information - 13
Investigative Inquiries - 7
Internal Investigations - 4
Referrals - 134
Proactive Reviews - 2
Management Review - 0
Whistle-blower Analyses - 2
Inspector General Reviews - 2
No Jurisdiction - 21
Law Enforcement Referral - 1
Use of Force Review - 1

Proactive Reviews – Reviews initiated by the Office of Inspector General as mandated by statute and the Chief Inspector General to eradicate waste, fraud, and abuse, as well as other concerns, in state government. While limited in scope, each review is tailored to encompass a majority of the agency’s employees within a program, whose responsibilities require independent accountability in accurately reporting time, purchasing card activities, mileage, onsite inspections, and approved outside employment. The

findings are reported in writing to management for corrective action, policy changes, or discipline. These reviews are one of several fraud detection and deterrence activities engaged in by the Office of Inspector General.

Management Reviews – Similar to Proactive Reviews, these reviews are requested by a DBPR Division Director and involve an area or possible area of concern that has been identified by the division. Any findings are reported in writing to management for corrective action, policy changes, and/or discipline. These reviews are one of several fraud detection and deterrence activities engaged in by the Office of Inspector General.

Whistle-blower Analyses – Receipt and review of complaints filed by a state agency employee/contractor, former state agency employee/contractor, or applicant for state agency/contractor employment, containing serious allegations of wrongdoing on the part of a public employer or independent contractor and coordination of all activities of the agency as required by the Whistle-blower’s Act pursuant to Sections 112.3187-112.31895, Florida Statutes. The primary purpose of the analysis is to determine the appropriateness of awarding whistle-blower status to the complainant.

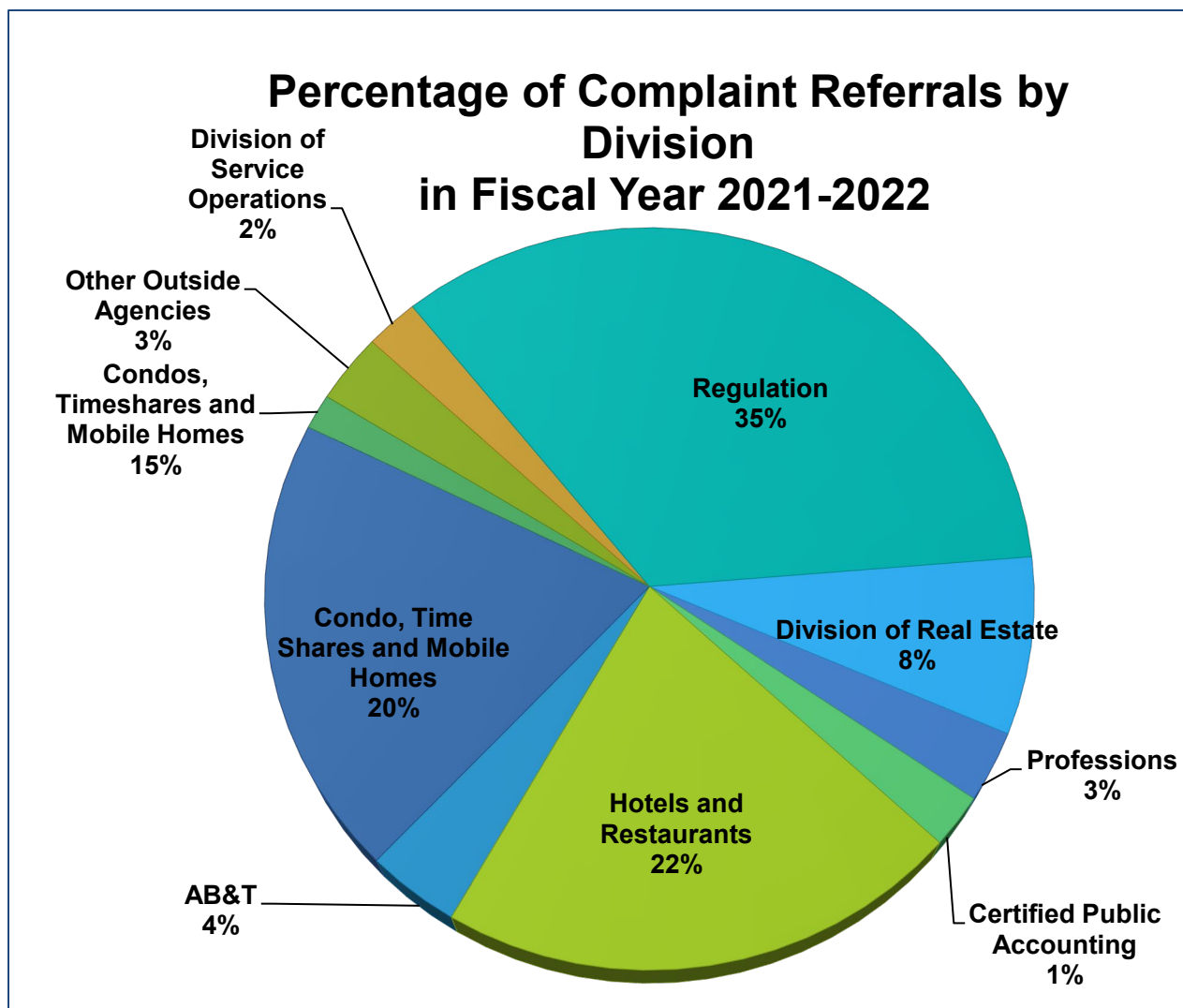
Inspector General Reviews – Special complaint reviews conducted by the Inspector General or Director of Investigations to assess and address the issues and to either provide final resolution to the complainant or determine whether further management

action is required. The majority of Inspector General Reviews are initiated in response to requests made by the Chief Inspector General's office.

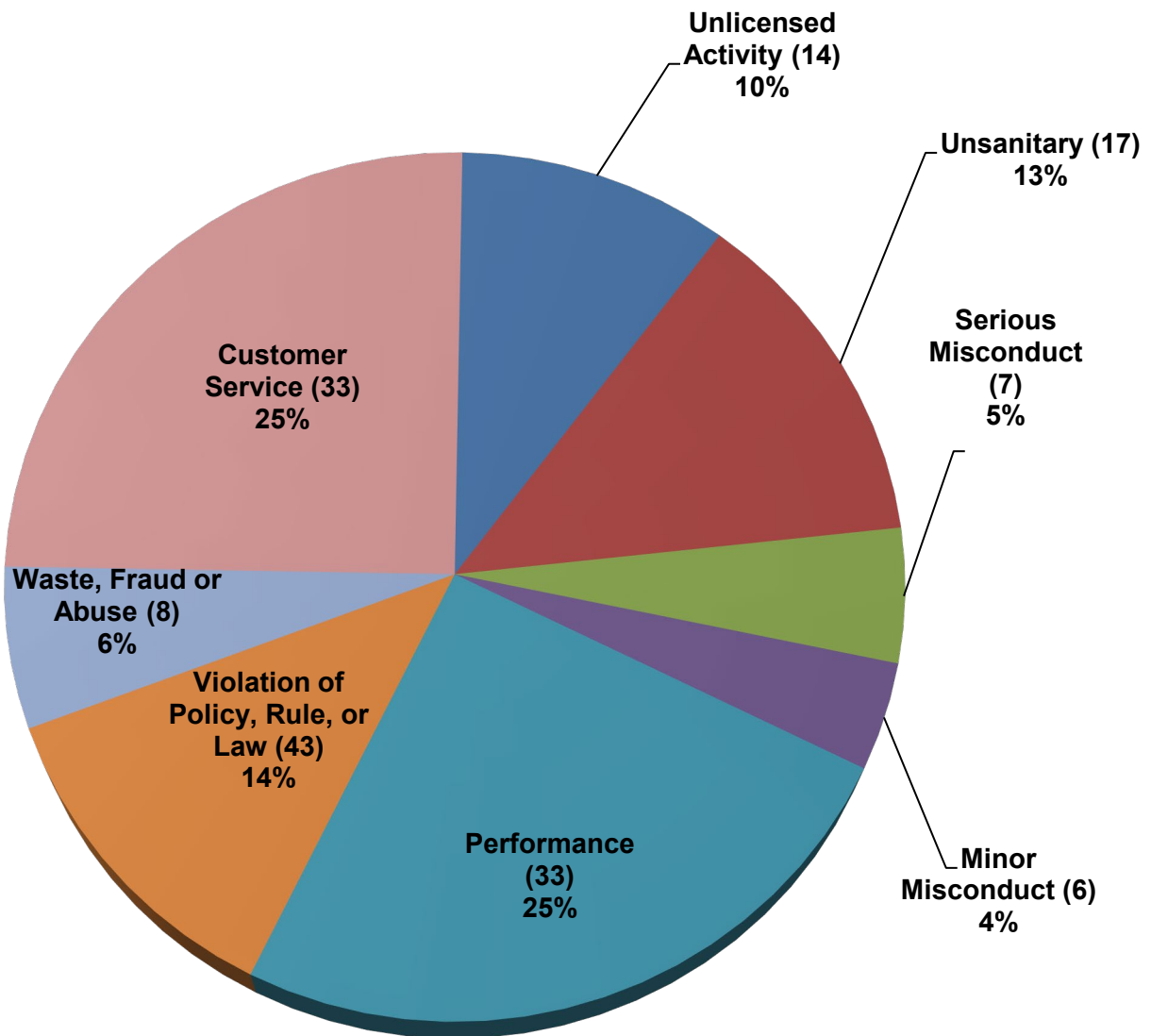
No Jurisdiction – Complaints involving entities or businesses that DBPR does not license, have authority over, regulate, or oversee. The OIG will often help the complainant with information, if known, for the proper Federal, State or Local agency that might assist the complainant when possible and appropriate.

Law Enforcement Referral – Complaints that involve the Department or personnel this office has authority over but are criminal in nature. Criminal Complaints cannot be investigated by this office and are referred to the proper law enforcement authorities. These complaints might be from internal or external complainants.

Use of Force Review – The Office of Inspector General independent review of a “Use of Force” by a Division of Alcoholic Beverage and Tobacco, Bureau of Law Enforcement, Sworn Employee during the course of their duties.



Percentage of Complaint Referrals By Type in Fiscal Year 2021-2022



VIII. Investigative Inquiries (INQ) and Internal Investigations (II)

Case Number 2021-117-II

This investigation was referred from the Division of Alcoholic Beverages and Tobacco (ABT). The complaint allegations of misconduct and issues with work performance involving division supervisor and specifically alleged that the supervisor provided their WORKS login and password information to the complainant, so the complainant could approve/process Department of Business and Professional Regulation (DBPR) P-Card purchases made by the supervisor, and his staff.

Based on the testimony and admission by the complainant, the OIG sustained that the subject did provide their WORKS login and password information to the complainant, so the complainant could approve/process Department of Business and Professional Regulation (DBPR) P-Card purchases made by the supervisor, and his staff.

Case Number 2021-218-INQ

This inquiry was based on a complaint mailed to the Division of Regulation and referred to the OIG. The complaint contained an allegation that \$2,500 was taken by an unknown DBPR employee to issue a license to an unqualified person. Based on the analysis of the information and facts related to this complaint, this inquiry revealed no substantial, corroborating evidence suggesting employee misconduct, criminal predicate, or non-conformance with agency practice, policy, rule, or regulation. This inquiry was closed with no further action required.

Case Number 2021-225-INQ

This inquiry was based on a complaint that was emailed on October 21, 2021, to the OIG from a Division of Hotels and Restaurants employee. The email forwarded allegations made by a licensee, that a division employee sent an inappropriate text message regarding his business to an uninvolved third party. The Licensee also made allegations of hearing rumors that the employee was taking envelopes (money) for favorable reviews and performance issues regarding the employee's work. Based on the analysis of the information and facts obtained related to this complaint, this inquiry did not reveal sufficient or corroborating evidence suggesting employee misconduct, criminal predicate, or non-conformance with agency practice, policy, rule, or regulation. This inquiry was closed with no further action required and matters of performance were referred to the division handling deemed appropriate.

Case Number 2021-231-INQ

This inquiry was based on a complaint that was emailed to the OIG. The complaint alleged that a supervisor in the Division of Hotels and Restaurants was told by one of their employees that the employee's parent, who worked for ABT, often took home alcohol for personal use that had been seized during the course of their duties.

Based on the analysis of the information and facts obtained related to this complaint, this inquiry did not reveal sufficient or corroborating evidence suggesting employee misconduct, criminal predicate, or non-conformance with agency practice, policy, rule, or

regulation. This inquiry was closed. It should be noted that the complaint was initially referred by the OIG to the Florida Department of Law Enforcement but they declined to investigate.

Case Number 2022-004-INQ

This investigation was conducted based on a complaint that was provided to the Office of inspector General by ABT. An ABT employee provided a complaint written by a DPBR Licensee dated August 28, 2019; however, it was not submitted to ABT by the complainant until January 3, 2022. The complaint contained an allegation that an ABT employee conducted themselves in an unprofessional manner while conducting an inspection of the business owned by the licensee.

The OIG determined there was enough information and evidence to move forward with and investigation. Inquiry 2022-004-INQ was closed and Investigative Inquiry 2022-014-II was opened to investigate further.

Case Number 2022-011-INQ

This inquiry was conducted based on a mailed anonymous complaint and supporting documentation sent to ABT. ABT referred the complaint to the OIG for review. The anonymous complaint contained numerous allegations involving various employees and former employees from an ABT District Office. These allegations included issues related to performance, failure to follow policies and procedures, hostile work environment, sexual harassment, racism, sexism, and bullying. The complaint contained a letter outlining the allegations, printed photographs relating to some of the allegations, and a flash drive containing a video relating to an allegation listed in the complaint.

Some issues such as sexual harassment, bullying, and racism were referred to DBPR Human Resources for review and handling deemed appropriate. Some issues in the complaint were performance related and referred back to the division for handling deemed appropriate. Issues involving alleged policy and procedure violations were reviewed by the OIG. The inquiry did not reveal sufficient or corroborating evidence suggesting employee misconduct, criminal predicate, or non-conformance with agency practice, policy, rule, or regulation.

Case Number 2022-014-II

This investigation was conducted based on a complaint that was provided to the OIG by a DBPR Supervisor (2022-004-INQ). This investigation was conducted based on a complaint that was provided to the Office of inspector General by ABT. An ABT employee provided a complaint written by a DPBR Licensee dated August 28, 2019; however, it was not submitted to ABT by the complainant until January 3, 2022. The complaint contained an allegation that an ABT employee conducted themselves in an unprofessional manner while conducting an inspection of the business owned by the licensee.

Based on the testimony and other evidence gathered in this investigation, the OIG did not sustain that the employee conducted their self in an unprofessional manner while conducting and inspection of the licensee business.

Case Number 2022-064-II

This investigation was conducted based on information provided during a whistle-blower complaint and the related determination whistle-blower complaint interview conducted with an ABT employee.

This investigation focused on allegations made by the complainant that a senior manager for ABT made inappropriate comments and actions to a subordinate employee during division related dinner and at a voluntary after hours gathering of division staff at a hotel where staff was staying. This complaint was not made by the alleged “victim” but rather by the third-party reporting complainant.

Based on the testimony and other evidence gathered in this investigation, the OIG did not sustain that the employee conducted themselves in an unprofessional manner. All witnesses interviewed, including the named “victim”, testified that the subject did not act inappropriately and the alleged actions did not occur.

Case Number 2022-068-INQ

This complaint was provide to the Office of Inspector General (OIG) by ABT. The complaint alleged that an ABT employee violated policy regarding their agency assigned vehicle, made unauthorized purchases with their state issued WEX Card, and made unauthorized additions to the vehicle. The OIG determined there was enough information and evidence to move forward with and investigation. Inquiry 2022-068-INQ was closed and Internal Investigation 2022-099-II was opened to investigate further.

Case Number 2022-070-INQ

This complaint was provided to the Office of Inspector General (OIG) by ABT. The complaint alleged that an ABT employee violated policy regarding secondary employment. It also alleged possible policy violations with regard to driving distance, mileage reporting and mileage reimbursement during use of an agency assigned vehicle for secondary employment and possibly outfitted a personal vehicle with unauthorized equipment for use during secondary employment. The OIG determined there was enough information and evidence to move forward with and investigation. Inquiry 2022-070-INQ was closed and Internal Investigation 2022-098-II was opened to investigate further. This investigation closed in fiscal year 2022-2023.

Case Number 2022-099-II

An inquiry was conducted (2022-068-INQ) regarding allegations that a division employee violated policy regarding their agency assigned vehicle, made unauthorized purchases with their state issued WEX Card, and made unauthorized additions to the vehicle.

Following an analysis of the information contained in the complaint, as well as additional information and documentation provided by ABT at the request of the OIG, the OIG determined there was sufficient evidence to conduct an internal investigation.

Before any additional information could be gathered or interviews conducted the subject employee was terminated. The case was closed.

IX. Non-Investigative Activities

Case Number 2021-215-PR

This proactive review was initiated to examine traffic accident data and adherence to DBPR Policy 11.1 related to accidents involving the Department of Business and Professional Regulation's fleet vehicles. The Office of Inspector General presented its findings and made recommendations to the department.

Case Number 2022-042-PR

The Office of Inspector General procured, at no cost to the Department, ten Automatic External Defibrillators (AEDs) from the Florida Department of Health to use at the main DBPR office building located at 2601 S. Blair Stone Road. The OIG will retained one in their office suite and can respond to assist with any emergencies as needed. The remaining devices were given to Agency Services for implementation as deemed appropriate.

Additional Assistance to the Agency in 2021-2022

The Inspector General and Director of Investigations participated in recurring biweekly meetings with representatives of the Office of the General Counsel and Bureau of Human Resources. These meetings helped eliminate duplicative efforts by the two offices and ensured all significant investigative, legal, or employment matters were addressed by the appropriate parties.

Investigative staff co-presented monthly with members of the internal audit team during new employee orientation sessions for Department employees. The investigative staff, through the use of a PowerPoint presentation, educated new employees on the role of the Inspector General, the laws governing the Office of Inspector General, fraud detection and deterrence, the types of complaints accepted by the office, and how to file complaints with the OIG.

Sworn OIG staff members assisted as needed with overall building security, serving as standbys or escorts in situations involving potentially disruptive or threatening staff or citizens, and other issues requiring law enforcement intervention or guidance.