



DEPARTMENT OF MILITARY AFFAIRS

Office of Inspector General

Audit Plan **For The Period July 1, 2023, Through June 30, 2024**

Introduction:

Section 20.055(6)(i), Florida Statutes, requires that the Inspector General develop long-term and annual audit plans based on the findings of periodic risk assessments. Standard 2010, International Professional Practices Framework, published by The Institute of Internal Auditors, Inc. (IIA Standards), requires that risk-based plans be established to determine the priorities of the internal audit activity, consistent with the organization's goals. The plan will show the individual audits to be conducted during each year and related resources to be devoted to the respective audits. By statute, the plan is submitted to the agency head for approval with copies submitted to the Governor's Chief Inspector General and the Auditor General.

Mission Statement:

The mission of the Office of the Inspector General is to ensure that the Department of Military Affairs and its employees maintain the highest level of accountability, integrity, efficiency, and compliance within programs and activities.

Risk Assessment Methodology Used to Determine Areas Selected for Audit:

The Office of the Inspector General conducted a risk assessment that included all programs with the Department of Military Affairs (Department). The risk assessment process is used to evaluate potential work based upon the knowledge of the current events and accumulated knowledge of senior staff to ensure that we meet the Office of Inspector General mission of promoting accountability, integrity, efficiency and compliance within the Department's programs and activities. Our risk assessment methodology included:

- Reviewing program objectives, financial information, applicable laws, various reports including internal and external audit reports, and other available program data.
- Inquiring with directorates and key employees regarding the complexity of their operations and obtaining their insight into operations and associated risks.
- Considering the potential for loss or theft of assets, possibility of not meeting program objectives, and whether or not there were any health, safety or welfare issues for the public, employees, clients, users, or recipient of program benefits.
- Ranking the information based on the unit's relative risk factors such as: size of budget and flow of funds; complexity and decentralization of operations; existence of certain internal control elements (i.e., policies and procedures, monitoring systems); experience of management; and the last time the program was audited by the Office of Inspector General, the Auditor General, or other oversight authority.



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Enterprise Audit:

Section 14.32(2)(a) and (2)(c), Florida Statutes, provides that the Governor's Chief Inspector General (CIG) shall initiate and coordinate activities designed to deter, detect, prevent, and eradicate fraud, waste, abuse, and mismanagement in government. Additionally, the CIG shall request such assistance as may be necessary to perform the duties of the CIG. At the direction of the Governor's CIG, approximately 20% of our available time has been allocated to enterprise audit projects.

Enterprise-wide Cybersecurity Audit of Incident Response, Reporting and Recovery

The purpose of this audit is to evaluate Department controls and compliance with incident response, reporting, and recovery requirements contained in the Florida Cybersecurity Standards (Rules 60GG-2.001 through 60GG-2.006, F.A.C.).

NOTE: The Florida Cybersecurity Standards establish cybersecurity standards that state agencies must comply with in the management and operation of state information technology (IT) resources. The rules are modeled after the National Institute of Standards and Technology (NIST) Framework for Improving Critical Infrastructure Cybersecurity. (See Rule 60 GG-2.001(1)(b), F.A.C., for additional information.)

Planned Audits:

State Active Duty

The purpose of this audit will be to review the spending activities of state funds during emergency operations. This will include a review of policies and procedures, state expenditures and FEMA reimbursements. A judgmental selection of invoices, contracts, payments, and reimbursements will be chosen for review.

State Travel

The purpose of this audit will be to review the spending activities of state funds on travel. This will include a review of policies and procedures, state expenditures and reimbursements. A judgmental selection of invoices, payments and reimbursements will be chosen for review.

Carryforward Audit:

Cooperative Agreement Federal Reimbursements

The purpose of this audit will be to determine the efficiency and effectiveness of Federal reimbursements to the State under applicable cooperative agreements (i.e., Federal reimbursement for a percentage of State bills that are covered by a cooperative agreement). In addition, we will include a review on Federal damage reimbursement for cooperative agreement employees.



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Recurring Projects:

Quality Assurance Review

Preparation of all required documents for a Quality Assurance Review. This is a self assessment to ensure the Office of Inspector General at the Department of Military Affairs is in compliance with all International Standards for the Professional Practice of Internal Auditors. This self assessment will be used by the State Auditor General during their Quality Assurance Review of the Office of Inspector General every three years.

Family Readiness Program

Section 250.5206, Florida Statutes, requires the Office of Inspector General to conduct a semiannual review and an annual audit of the Family Readiness Program.

Performance Measure Assessment

Section 20.055(2), Florida Statutes, requires each state agency's Office of Inspector General to advise in the development of performance measures, standards, and procedures for the evaluation of state agency programs. Further, the Office of Inspector General is to assess the reliability and validity of their agency's performance measures, and make recommendations for improvement, if necessary.

Audit Follow-Up

Section 20.055(8)(c)4, Florida Statutes, requires the identification of each significant recommendation described in previous annual reports on which corrective action has not been completed. This office will conduct follow-up assessments of outstanding significant recommendations at six-month intervals until all corrective actions have been completed.



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Calculation of Available Hours:

Based on the current audit staff within the Office of Inspector General, for the twelve month period ending June 30, 2024, there is potentially approximately 4,100 hours available for all activities and projects, including audits, investigations, administration, leave and holidays. Based on the results of our assessment and audit priorities, the following represents the time allocation per current State position:

Total hours for twelve-months (2 position x 52 weeks x 40 hours adj. for alternate work schedule)	4,160
Less: Estimated annual leave	(240)
Estimated sick leave	(160)
Training	(80)
Estimated personal leave	(18)
Holidays	(156)
	<u>(654)</u>

Estimated available work hours 3,506

Hours available for audits (80%):

Audits: State Active Duty	600
State Travel	600
Enterprise Cybersecurity	560
Cooperative Agreement Federal Reimbursements	600
Recurring Projects:	
Quality Assurance Review	216
Family Readiness Program	10
Long Range Program Plan and Performance Measures	80
Prior Audit Follow-Up	<u>140</u>

Total audit hours 2,806

Hours available for non audit services (20%):

Investigations/complaints	200
Consultation with management	200
Administrative	<u>300</u>
Total non audit hours	700

TOTAL HOURS 3,506



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Long-Term Plan:

For the fiscal years 2024-2025 and 2025-2026, we plan to ensure the services of the Office of the Inspector General provide the most benefit to the Department and provide coverage for those areas identified as the highest risks. Our goal is to achieve and maintain an appropriate balance between audit, investigative, and other accountability services. Based on our estimation, the following represents the time allocation per current State position:

Total hours for a two year period (2 position x 104 weeks x 40 hours)	8,320
Audit/Program evaluation and management assistance	3,984
Enterprise audits	400
Investigation activities (10%)	832
Administrative (10%)	832
Office management (10%)	832
Training (2 position x 40hrs/year)	160
Holidays and leave	<u>1,280</u>
Total available hours	8,320

The long-term plans are subject to change based on the results of the periodic risk assessment conducted in accordance with Section 20.055, Florida Statutes, and any requests made by the Governor and Chief Inspector General to evaluate particular programs.

Audit Plan Approval

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Submitted by Jennifer L. Ranick, State Inspector General/Date

17 July 2023

Approved by Major General John D. Haas, The Adjutant General/Date