

# Agency for Persons with Disabilities Office of Inspector General

OIG Assignment No. 220317-01-OA

Annual Audit Plan for FY 2022-23 and Long-Term Plan



Approved by:

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## Introduction

The Office of Inspector General (OIG) prepared the OIG Annual Audit Plan and Long-Term Plan (Plan) pursuant to section 20.055(6)(i), Florida Statutes (F.S.), and in accordance with the Institute of Internal Auditors *International Standards for the Professional Practice of Internal Auditing (Standards)* and the Association of Inspectors General *Principles and Standards for Offices of Inspectors General*.

The Plan is based on the results of the fiscal year (FY) 2022-23 Risk Assessment, consideration of prior audits and investigations, an awareness of the issues within the Agency for Persons with Disabilities' (APD) programs and operations, input from APD management on potential engagements, and availability of audit resources. The FY 2022-23 Risk Assessment included input from APD management on APD's strategies, key business objectives, associated risks, and risk management processes.

The OIG will review and adjust the Plan, as necessary, in response to changes in APD's business, risks, operations, programs, systems, and controls. The Inspector General will communicate any significant interim changes to APD senior management. The Plan provides a guide for the internal audit activity to meet the OIG's goals and objectives and to maximize the OIG's contribution to APD's mission. The Plan benefits APD by decreasing the potential for the internal audit section to overlap the work of other entities; prevent work in areas of transition; expand our understanding of APD's operations, current issues, and events; prioritizing work on an annual basis; facilitate efficient allocation of limited resources on a risk-basis; providing a more flexible basis for managing staff for competing audit and investigative needs; and projecting an estimated timetable for initiating work for the year.

We look forward to working with APD management in meeting the challenges and opportunities that face APD. Upon approval of the Plan, the OIG will move forward with the projects and will submit a copy of the Plan to the Office of the Chief Inspector General, and the Auditor General (AG) for the State of Florida.

## Internal Audit Purpose, OIG Mission, and Goal

The purpose of the internal audit activity is to provide independent, objective assurance and consulting services designed to add value and improve the organization's operations. The internal audit activity helps the organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The mission of the OIG is to protect and promote public integrity, efficiency, and accountability within APD through audits that detect fraud, waste, and abuse, and investigations of criminal and administrative violations, and ultimately assist APD to achieve its overall mission.

The goal of the OIG is to decrease the reoccurrence of such violations through employee awareness and cooperation while providing APD with a timely, accurate, objective, and useful work product.

## Authority, Responsibility, and Independence

The authority and responsibilities of the OIG are established in section 20.055, F.S. The Inspector General reports functionally to the Chief Inspector General and administratively to the APD Director. Pursuant to Florida Statutes, the OIG has full, free, and unrestricted access to all APD activities, records, data properties, functions, and personnel necessary to effectively discharge its responsibilities.

## Available Staff Resources

The internal audit section has two professional staff positions, an Audit Director and an Auditor. The Audit Director reports to the Inspector General and the Auditor reports to the Audit Director. The internal audit section staff provide 4,176 staff hours of professional and administrative support for this upcoming year. The Audit Director and Auditor do not have the skills or experience to conduct certain cyber security audits. The OIG will communicate resource limitations to the APD Director and if needed will ask for assistance from the Chief Inspector General.

## Staff Resources Allocation

Category	Planned Hours	Percent of Time
Engagements	0	0
Management Reviews	406	10
Follow-up Activities	420	10
Carry Forward Assignments	560	13
Enterprise Projects	600	14
Assistance to Investigations	50	1
Oversight Activities	580	14
Outreach, Education, and Management Support	390	9
Indirect Activities	1,170	28
Total	4,176 Hours	100 %

## Planned Work

### Engagements

Section 20.055, F.S., requires the OIG to conduct financial, compliance, electronic data processing, and performance audits of the agency and prepare audit reports of the findings. Starting July 1, 2021, the OIG is required to include a specific cybersecurity audit plan. Starting October 1, 2021, and every three years after, the OIG is required to complete a risk-based compliance audit of all contracts executed by the agency for the preceding three fiscal years. The remaining engagements are selected based on a risk assessment performed by the OIG which included input from APD management and OIG staff. The OIG conducts audits in accordance with the *Standards*. A total of 0 staff hours are allocated to new engagements.

## Management Reviews

Management Reviews communicate through a brief report, opportunities for improvements in efficiencies, effectiveness, or controls of APD programs, operations, or financial management based on observations. An Agency management response is not required. The OIG conducts Management Reviews in accordance with the Association of Inspectors General *Principles and Standards for Offices of Inspectors General*. A total of 406 staff hours are allocated to management reviews.

### Planned Management Reviews –

- Family Care Council (FCC) Expenditures – Required by section 393.502(9), F.S., the OIG reviews the expenditures of FCCs on a three-year cycle, thus FCCs in two of the six regions are scheduled for review each year. The review will consider all state-funded expenditures at the councils. For FY 2022-23, the OIG selected the FCC in the Northwest region (Areas 1 & 2).
- State of Florida Office of the Governor Executive Order No. 20-44 – APD is required to meet the criteria listed in the executive order. The OIG will perform a management review to determine if APD is complying with the executive order.
- Client Data Management System (iConnect) – APD continues to implement iConnect system functionality. The OIG will continue to participate in the executive steering committee meetings.
- Agency Long Range Program Plan Performance Measures – Required by section 20.055, F.S., the OIG assesses the reliability and validity of the information provided by APD on performance measures and standards and makes recommendations for improvement, if necessary.

## Follow-up Activities

Section 20.055(6)(h), F.S., requires the OIG no later than six months after the AG or the Office of Program Policy Analysis and Government Accountability publishes a report on APD, to provide a written response to the APD Director and the Chief Inspector General (CIG) on the status of APD's corrective actions taken. Section 20.055(1)(f), F.S., requires the OIG to report to the APD Director and CIG, APD's progress made in implementing corrective action to deficiencies identified in OIG internal audit reports. A total of 420 staff hours are allocated to follow-up activities.

### Planned Follow-up Activities –

- AG Report No. 2022-189 State of Florida - Compliance and Internal Controls Over Financial Reporting and Federal Awards. The OIG will follow-up on the status of outstanding external recommendations.
- OIG Internal Audit Report No. 210819-01-IA Contract Compliance Audit. The OIG will follow-up on the status of outstanding internal recommendations.
- OIG Internal Audit Report No. 211012-01-IA Security Continuous Monitoring Audit. The OIG will follow-up on the status of outstanding internal recommendations.

## Carry Forward Assignments

The OIG will have three carry forward assignments. A total of 560 staff hours are allocated to complete these engagements.

- Family Care Council Expenditures - Required by section 393.502(9), F.S., the OIG reviews the expenditures of FCCs. The audits will consider all state-funded expenditures at the councils. The OIG selected the FCCs in the Northeast region (Areas 3, 4, and 12) and the Family Care Council Florida.
- Security Continuous Monitoring Audit. The OIG will complete steps to close the project.

## Enterprise Projects

The Chief Inspector General requests the OIG to reserve plan hours for enterprise projects. The topic is cybersecurity related and will meet the requirements of section 20.055(6)(i), F.S. A total of 600 staff hours are allocated to enterprise projects.

## Assistance to Investigations

The internal audit section will assist the investigations staff by researching information relating to complaints or investigations and processing Office of Human Resources requests for OIG reference checks. A total of 50 staff hours are allocated to assist investigations.

## Oversight Activities

Oversight activities include the following: Annual risk assessment and audit plan, OIG annual report, Legislative Budget Request Schedule IX: Major Audit Finding and Recommendations, Computer Security Incident Response Team, public records requests, annual quality assurance of the internal audit activity, OIG process improvements, CIG Support, Internal/External assistance, Catalog of State Financial Assistance Project Reviews, and external audit coordination. A total of 580 staff hours are allocated to oversight activities.

## Outreach, Education, and Management Support

Outreach, education, and management support include the following: OIG staff meetings and internal audit section staff meetings, APD meetings, internal audit outreach and education, and new employee training. A total of 390 staff hours are allocated to outreach, education, and management support.

## Indirect Activities

Indirect activities include the following: annual leave, sick leave, state holidays, continuing professional education, performance expectations and evaluations, and administrative tasks that do not relate directly to specific assignments. Examples of administrative tasks include timekeeping, personnel administration, training that is not considered continuing professional education, and purchasing activities. A total of 1,170 staff hours are allocated to indirect activities.

## Long-Term Projects

Long-term projects are subject to change, based on the results of the periodic risk assessment and to be responsive to the APD Director and CIG. Topics identified during this year's risk assessment for the two subsequent fiscal years include:

### FY 2023-24 –

- Data Storage and Retention (Audit)
- Physical Security Controls Over Agency Data (Management Review)
- Regional Office Monitoring of Client Funds (Audit)
- Significant Additional Needs Requests (Audit)

### FY 2024-25 –

- Individual Family Supports Program Billing and Payment Process (Audit)
- Regional Office Monitoring of Client Safety (Audit)
- Tier I Help Desk Handling of Confidential Information (Management Review)