



STATE OF FLORIDA

DIVISION OF EMERGENCY MANAGEMENT

Ron DeSantis
Governor

Kevin Guthrie
Director

MEMORANDUM


TO: Kevin Guthrie, Director
FROM: Susan Cureton, Inspector General
DATE: June 20, 2022
SUBJECT: Office of Inspector General
 Annual Work Plan for Fiscal Year 2022-2023

I am pleased to present for your review and approval, the Office of Inspector General (OIG) *Annual Work Plan and Long-term Audit Plan for Fiscal Year 2022-2023*.

As required by § 20.055, Florida Statutes, the plan is based upon the results of an annual risk assessment, and aims to provide the best use of OIG resources with the most effective coverage of the Division’s programs and activities. The annual and long-term audit topics included in this year’s plan reflect areas of higher risk as well as management priorities identified through our risk assessment process.

The plan is intended to be a guide to direct the activities of the OIG, and may be modified during the year to address changing conditions, priorities, or risks. Upon your approval, the plan will be distributed to the Chief Inspector General and the Auditor General.

I look forward to working with you and your team in the upcoming fiscal year. Thank you for your continued support and collaboration.

Respectfully Submitted By:	Susan Cureton, Inspector General	Digitally signed by Susan Cureton, Inspector General Date: 2022.06.20 16:06:47 -04'00'	Date: <u>06/20/2022</u>
	Susan Cureton, Inspector General		
Approved By:	 Kevin Guthrie, Director	Date: <u>6/27/22</u>	

Attachment

CC: Melinda Miguel, Chief Inspector General
 Sherrill Norman, Auditor General
 James Bujeda, Deputy Director
 Luke Strickland, Chief of Staff

Florida Division of Emergency Management
Office of Inspector General



Annual Work Plan
and Long-Term Audit Plan
For
Fiscal Year 2022-2023

June 2022



PURPOSE AND AUTHORITY

The Office of Inspector General (OIG) is established to provide direction for, supervise, and coordinate audits, investigations, and management reviews relating to the programs and operations of the state agency, pursuant to § 20.055, Florida Statutes (F.S.).

Section 20.055(6)(i), F.S., requires the Inspector General to develop annual and long-term audit plans based on the findings of periodic risk assessments. The plan shall show the individual audits to be conducted during each year and related resources to be devoted to the respective audits. The plan shall also include a specific cybersecurity audit plan. Additionally, professional auditing standards¹ require the OIG establish a risk-based plan to determine the priorities of the internal audit activity.

This report, the *OIG Annual Work Plan and Long-Term Audit Plan* (Plan), was prepared in response to those statutory requirements and professional auditing standards. The Plan demonstrates the allocation of resources for audits, investigative activities, and other accountability activities to be conducted by the OIG during the 2022-2023 Fiscal Year.

The Plan is intended to be a guide to direct the activities of the Florida Division of Emergency Management's (FDEM) OIG, and may be modified during the year to address changing conditions, priorities, and risks.

RISK ASSESSMENT

Based on statutory requirements and professional auditing standards, the OIG conducted a risk assessment to evaluate risks associated with FDEM operations, functions, and activities. The risk assessment methodology included the following:

- Reviewing FDEM program objectives, financial information, applicable laws, organizational charts, prior risk assessments, internal and external audit reports, as well as prior audit and investigative activities.
- Meeting with management to obtain their input into operations and associated risks.
- Ranking potential audit topics based on relative risk factors, including fraud potential, materiality, management interest, impact of change, and the need for audit coverage.

The annual and long-term audit engagements included in this year's Plan reflect areas of higher risk as well as management priorities identified through the risk assessment process.

¹ The *International Standards for the Professional Practice of Internal Auditing* as published by the Institute of Internal Auditors: Standard 2010 (Planning) and Standard 2020 (Communication and Approval).



ALLOCATION OF RESOURCES

The FDEM OIG team consists of four positions: Inspector General (Select Exempt Service), Auditor/Investigator (Career Service), Audit Director² (OPS³) and OIG Analyst (OPS). OIG staff members collectively carry out the audit, investigative, and other statutory responsibilities of the OIG.

Considering staff time allocated to professional development, management and administrative activities, vacancies, and leave/holidays, the OIG staff hours available for audit, investigative, and other statutorily required activities is estimated to be 4,520 hours.

Based on the estimated available staff hours, the following table depicts the allocation of OIG resources for the 2022-2023 FY:

Allocation of Staff Hours for FY2022-2023		
Type of Project	Description	Hours
Audit Activities	Planned Audit Engagements	1420
	CIG Enterprise Projects/Coordination	530
	Audit Follow-up	340
	Performance Measures Review	100
	Quality Assurance and Improvement Program	190
	Fraud Awareness Activities	480
	External Audit Coordination	180
Investigative Activities	Investigations and Complaints	355
	OIG Law Enforcement Accreditation	460
Recurring Projects & Other Responsibilities	Single Audit Reviews	265
	OIG Risk Assessment and Annual Plan, FY2023-2024	100
	OIG Annual Report, FY2022-2023	100
Total Hours		4,520

² Note: The OPS Audit Director position was vacant as of the date this report was published.

³ Other Personal Services (OPS) employment is a temporary employer/employee relationship used solely for accomplishing short term or intermittent tasks. OPS employees do not fill established positions, are not eligible for paid leave, but may be eligible for health insurance.



ANNUAL & LONG-TERM AUDIT PLAN

Florida Statute⁴ requires the OIG to conduct financial, compliance, electronic data processing, and performance audits of the agency and prepare audit reports of the findings. Audit engagements are conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*, as published by the Institute of Internal Auditors.

The annual and long-term audit projects in this year's Plan reflect areas of higher risk as well as management priorities identified through the risk assessment process. The objectives and scope of these engagements will be determined during the planning phase of each engagement.

Planned Audits for FY 2022-2023:

- **Property Management and Accountability Audit:** Potential focus of this engagement may include a review of internal controls over FDEM's property inventory and management process to ensure FDEM's tangible and attractive property is secured, accounted for, tracked, and disposed of in accordance with applicable statutes, rules, policies, and procedures.
- **Fleet Management Audit:** Potential focus of this engagement may include a review of internal controls over the management and administration of FDEM's fleet; to include inventory, security, utilization, operation, and maintenance activities, as well as an evaluation of compliance with applicable statutes, rules, policies, and procedures.

Long-Term Audit Plan for FYs 2023-2025:

- **Extraordinary Pay Review:** Potential focus may include a review of FDEM's financial processes related to extraordinary pay and compliance with applicable statutes, rules, policies, and procedures.
- **Purchasing Card Administration:** Potential focus may include a review of purchasing card practices and compliance with applicable statutes, rules, policies, and procedures.
- **Finance Processes:** Potential focus may include reviewing FDEM's financial processes; including payment, procurement, documentation, and retention processes.

⁴ Section 20.055(6), F.S.



CYBERSECURITY AUDIT PLAN

Newly adopted requirements from House Bill 1297 (passed during the 2021 legislative session) amended § 20.055(6)(i), F.S., to require the OIG’s annual audit plan include a specific cybersecurity audit plan.

Cybersecurity is defined in § 282.0041(8), F.S., as the protection afforded to an automated information system in order to attain the applicable objectives of preserving the confidentiality, integrity, and availability of data, information, and information technology resources. The OIG will incorporate cybersecurity accountability activities into planned audit engagements, enterprise projects, and management reviews as applicable.

OTHER OIG RESPONSIBILITIES

In addition to the planned audits, the OIG has allocated resources to the following statutory responsibilities, recurring projects, and other accountability activities:

Other OIG Responsibilities	
Project Type	Description
Investigations and Complaints (§ 20.055(7), F.S.)	The OIG shall initiate, conduct, supervise, and coordinate investigations designed to detect, deter, prevent, and eradicate fraud, waste, mismanagement, misconduct, and other abuses in state government. The OIG investigative function receives complaints and coordinates activities required by the Florida Whistle-blower’s Act (§§ 112.3187-112.31895, F.S.).
OIG Law Enforcement Accreditation	The OIG investigative function is accredited by the Commission for Florida Law Enforcement Accreditation. Being accredited means the investigative work products of the OIG meet or exceed the highest professional standards. The OIG must continually monitor investigative activities to ensure compliance with accreditation standards and must undergo a reaccreditation assessment every three years. The OIG will go through its second re-accreditation assessment during the 2022-2023 FY.
Chief Inspector General Enterprise Projects	At the request of the Governor’s Chief Inspector General (CIG), a portion of our resources will be allocated to statewide enterprise priorities as directed by the CIG in consultation with agency inspectors general.

**Florida Division of Emergency Management
Office of Inspector General
Annual Work Plan & Long-Term Audit Plan
Fiscal Year 2022-2023**



Project Type	Description
Risk Assessment and Annual Work Plan for FY 2023-2024 (§ 20.055(6)(i), F.S.)	Pursuant to statute, the Inspector General shall develop long-term and annual audit plans based on the findings of periodic risk assessments.
OIG Annual Report For FY 2021-2022 (§ 20.055(8), F.S.)	Pursuant to statute, the OIG must prepare an annual report summarizing the activities of the office during the immediately preceding state fiscal year. This report is due September 30 each year.
Follow-up of Prior Audit Findings (§ 20.055(6)(h) and § 20.055(2)(c), F.S.)	Pursuant to statute, the Inspector General shall monitor the implementation of FDEM's response to any report on FDEM issued by the Auditor General or by the Office of Program Policy Analysis and Government Accountability. Additionally, the OIG shall review the actions taken by FDEM to improve program performance and meet program standards and make recommendations for improvement if necessary.
Performance Measures Review (§ 20.055(2), F.S.)	Pursuant to statute, the OIG is responsible for advising in the development of performance measures, standards, and procedures for the evaluation of agency programs; and assessing the reliability and validity of the information provided on performance measures and standards; making recommendations for improvement, as necessary.
External Audit Coordination (§ 20.055(2)(g), F.S.)	Pursuant to statute, the OIG will continue to ensure effective coordination and cooperation between the Auditor General, federal auditors, and other governmental bodies, with a view toward avoiding duplication.
Chief Inspector General Enterprise Projects	At the request of the Governor's Chief Inspector General (CIG), a portion of our resources will be allocated to statewide enterprise priorities as directed by the CIG in consultation with agency inspectors general.
Management Requests and Special Projects	The OIG may allocate time for management requests and special projects, as deemed appropriate.
Single Audit Reviews (Federal and State)	On behalf of FDEM, the OIG reviews single audit reports received from FDEM subrecipients. The OIG's review is limited to identifying any audit findings related to funding awarded by FDEM. When a finding is identified, the OIG notifies FDEM management so that they may take appropriate action.



DISTRIBUTION & STATEMENT OF ACCORDANCE

Internal Distribution

Kevin Guthrie, Director
James Bujeda, Deputy Director
Luke Strickland, Chief of Staff

External Distribution

Melinda Miguel, Chief Inspector General
Sherrill Norman, Auditor General

Statement of Accordance

The Mission of the OIG is to promote integrity and efficiency through independent and objective assessments of FDEM's programs and operations.

This report was conducted pursuant to § 20.055, Florida Statutes, and in conformance with the *Principles and Standards for Offices of Inspectors General* as published by the Association of Inspectors General, and the *International Standards for the Professional Practice of Internal Auditing*, as published by the Institute of Internal Auditors, Inc.

This report and other reports prepared by the OIG can be obtained by contacting:

Florida Division of Emergency Management
Public Records Requests
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399
Records@em.myflorida.com

Executive Office of the Governor
Florida Division of Emergency Management

Office of Inspector General
2555 Shumard Oak Boulevard
Tallahassee, FL 32399



OIG **HOTLINE**
REPORT FRAUD

Report Fraud, Waste, Abuse, or Misconduct

FDEM OIG: 1-850-815-4151
Complaint@em.MyFlorida.com

Susan Cureton, CIA, CFE, CIG
Inspector General