



Department of Elder Affairs
Office of Inspector General

MEMORANDUM

To: Michelle Branham, Secretary

From: Taroub J. Faraj, Inspector General

T.J.F.

Date: July 8, 2022

Re: Annual Audit Plan for Fiscal Year 2022-23 and Long-Term Audit Plan for Fiscal Years 2023-25

I am pleased to submit for your review and approval our annual Audit Plan for Fiscal Year (FY) 2022-23 and the Long-Term Audit Plan for FYs 2023-25 pursuant to Section 20.055(6)(i), Florida Statutes.

Our plans are risk-based to provide effective coverage of the Department of Elder Affairs' (Department) programs, activities, and functions. This year's risk analysis was based on responses to a Risk Assessment Questionnaire administered to executive-level management and input from key operational management to identify areas of risks that could prevent the Department from achieving its mission and goals.

The proposed plan addresses areas with higher risk exposures identified in the risk assessment process. It is intended to respond to changing conditions and priorities and will be modified in accordance with management's concerns and our on-going assessment of circumstances and events that impact the Department's operations.

With your concurrence and approval, we will proceed with the planned engagements and submit a copy of the approved plan to the Chief Inspector General's Office and the State of Florida Auditor General.

Your continued support is greatly appreciated.

TJF/kj

Attachment

FLORIDA DEPARTMENT OF ELDER AFFAIRS



Annual Audit Plan for Fiscal Year 2022-23 and Long-Term Audit Plan for Fiscal Years 2023-25

July 2022

Michelle Branham
Secretary

Taroub J. Faraj
Inspector General

Ron DeSantis
Governor

Melinda Miguel
Chief Inspector General

**Annual Audit Plan for Fiscal Year (FY) 2022-23 and Long-Term Audit Plan
for FYs 2023-25**

RISK ASSESSMENT

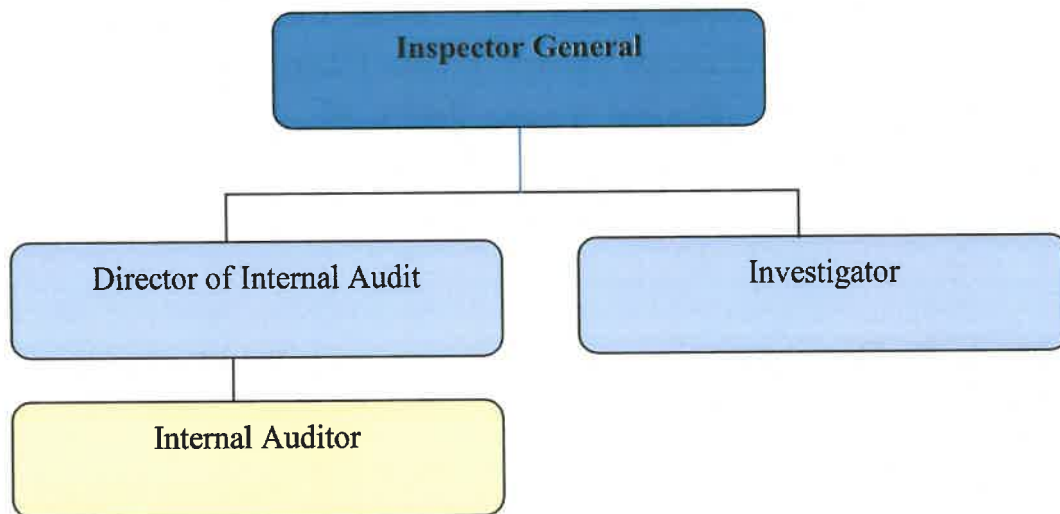
Section 20.055, Florida Statutes, requires the Inspector General to develop long-term and annual audit plans based on the findings of periodic risk assessments. In addition, Standard 2010, of the International Standard for the Professional Practices of Internal Auditing (Standards), published by the Institute of Internal Auditors, requires 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 Chief Inspector General (CIG) and the Auditor General (AG).

Overview of Methodology Used to Determine Areas Selected for Audit

The Office of Inspector General (OIG) conducts a risk assessment to identify areas of risks that could prevent the Department of Elder Affairs (Department/DOEA) from achieving its mission and goals. The risk assessment process is used to evaluate potential work based upon the knowledge of current events and accumulated knowledge of senior staff to ensure the OIG meets its mission of promoting accountability, integrity, efficiency, and compliance within the Department's programs and activities. Our risk assessment methodology included:

- Interviewing executive-level and key operational-level management to identify risks that could prevent the Department from achieving its mission and goals.

Organizational Structure



OIG STAFFING RESOURCES AND PLANNED ENGAGEMENTS
FOR FY 2022-23

The OIG's Internal Audit (IA) section is comprised of two positions: a Director of Internal Audits and an Internal Auditor. IA staff provide 4,176¹ hours available for OIG activities, including audits, management reviews, follow-ups, required administrative activities, training, and holidays. Per our calculation approximately 2,950 hours are available for direct audit activities.

The plan is a guide for the OIG to meet the goals and objectives of the office and to maximize its contribution to the Department's mission. Based on the results of our risk assessment, the following table lists the activities planned for FY 2022-23 and provides an estimate of staff resources that will be allocated to each project. However, it is subject to modification based on changes in the Department's risk environment.

Internal Audit Engagements	Hours
<u>Carry Forward Engagements from FY 2021-22:</u>	
<ul style="list-style-type: none"> • Audit of the Division of Statewide Community-Based Services' Performance Measure: <i>Percent of new service recipients whose Instrumental Activities of Daily Living (IADL) assessment score has been maintained or improved</i> 	80
<u>Planned Engagements for FY 2022-23:</u>	
<ul style="list-style-type: none"> • Audit of DOEA's Bureau of Human Resources' On-Boarding & Off-Boarding Processes for Hiring and Terminating Employees 	600
<ul style="list-style-type: none"> • Audit of DOEA's Information Security Governance related to Third-Party Providers' access to the Client Information and Registration Tracking System 	800
<ul style="list-style-type: none"> • Audit of DOEA's Bureau of Long-Term Care & Support operations related to the Statewide Medicaid Managed Care Long-Term Care Program 	480
<ul style="list-style-type: none"> • *Audit of DOEA Long-Range Program Plan Performance Measure(s) 	400
<ul style="list-style-type: none"> • Reserved for CIG Enterprise Projects 	590
Subtotal	2950
<u>Indirect Activities/Leave/Holidays</u>	
Administrative Duties (Staff meetings, Public Records Requests, Personnel administration)	Hours
	200

¹ Total number of full-time audit staff (2) multiplied by the total number of FTE contracted hours for Calendar Year 2022 (2,088).

Annual leave	352
Sick leave	208
Holidays (10 paid, 1 personal)	176
Training	90
Subtotal	1,026
External Coordination/Oversight Activities/Direct Projects	Hours
External Liaison/Audit Coordination/Schedule IX/Annual Attestation related to Executive Order No. 20-44	20
Follow-up Activities	20
Annual Risk Assessment/Audit Plan/Annual Report	100
Management Requests and Special Projects	60
Subtotal	200
Total Hours Available	4,176

*Project may include multiple individual measures.

Overview of Engagements

- ***Audit of DOEA's Bureau of Human Resources' On-Boarding/Off-Boarding Processes for Hiring and Terminating Employees:*** To evaluate the efficiency and effectiveness of internal controls in the On-Boarding & Off-Boarding Processes for hiring and terminating employees.
- ***Audit of DOEA's Information Security (IS) Governance related to Third-Party Providers' access to the Client Information and Registration Tracking System (CIRTS):*** To evaluate the Department's IS governance related to third-party providers' security activities for the protection of information assets when granting and terminating their employees' access to CIRTS.
- ***Audit of DOEA's Bureau of Long-Term Care & Support (LTC) operations related to the Statewide Medicaid Managed Care Long-Term Program:*** To evaluate the efficiency and effectiveness of LTC operations for the coordination of client enrollment and activities of managed care plans.
- ***Audit of DOEA's Long-Range Program Plan Performance Measure(s):*** Section 20.055(2)(b), Florida Statutes, requires the OIG to assess the reliability and validity of the information provided by the Department on performance measures and standards and to make recommendations for improvement, if necessary.

Long-Term Audit Plan for FYs 2023-25

For FYs 2023-24 and 2024-25, we plan to ensure the services of the OIG provide the most benefit to the Department. Our goal is to achieve and maintain an appropriate balance between audit, investigative, and other accountability activities.

Based on the FY 2022-23 annual plan, approximately 4,176 hours will be available to OIG staff. The OIG expects to expend the estimated number of hours outlined below for each activity and potential project during FY 2023-25. These projects will be reassessed each year during the annual risk assessment.

Potential Audit Engagements	Hours
Audit of DOEA's Background Screening Process	460
Cybersecurity Audit	500
OIG Internal Self-Assessment	300
Audit of DOEA's Monitoring of Covid-Related Grant Awards	700
*Audit of LRPP Performance Measure(s)	*400
Enterprise Project initiated by the CIG	590
Subtotal	2950
Indirect Activities/Leave/External Coordination/Oversight activities	1226
Total Available Hours	4,176

*Project may include multiple individual measures.

Disclaimer: The planned and potential audit engagements are subject to change based on the results of the periodic risk assessment and responsiveness to the Secretary and CIG.

Respectfully Submitted by:		Date:	<u>06/30/2022</u>
Audit Plan Approved by:		Date:	<u>7/12/22</u>