



**Executive Office of the Governor**  
Governor Ron DeSantis  
Melinda M. Miguel, Chief Inspector General

**AUDIT PLAN - FISCAL YEAR 2023-2024  
AND LONG - TERM AUDIT PLANS  
FOR FISCAL YEARS 2024-2025 AND 2025-2026**

**Statutory Requirement for Annual Audit Plan**

Section 14.32, Florida Statutes (F.S.), establishes the Office of the Chief Inspector General (OCIG) and spells out the duties and responsibilities assigned. Section 14.32(4), F.S., states that the OCIG will serve as the Inspector General for the Executive Office of the Governor (EOG), in accordance with the provisions of section 20.055, F.S.

Section 20.055(6)(i), F.S., requires the Inspector General to develop long-term and annual audit plans based on the findings of periodic risk assessments. Section 20.055(6)(a), F.S., requires that any audit of the Inspector General be conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* as published and revised by the Institute of Internal Auditors, Inc., (IIA). IIA Standard 2010 requires that risk-based plans be established to determine the priorities of the internal audit activity, consistent with the organization's goals.

This plan is in response to these requirements and shows the individual audits to be conducted and related resources. As required by section 20.055(6)(i), F.S., this plan is submitted to the Governor as the Agency Head for approval. Following approval, a copy of the approved plan is submitted to the Auditor General.

**Methodology and Restrictions**

The OCIG conducted this risk assessment for the EOG between April and May of 2023. The risk assessment methodology included:

- reviewing program objectives, financial information, applicable laws, various reports including internal and external audit reports, and other available program data;
- surveying members of management regarding the complexity of their operations and obtaining their insight into operations and associated risks;
- 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 such as policies and procedures or monitoring systems, and the last time the program was audited by the Chief Inspector General, the Auditor General, or other oversight authority;
- considering the potential for loss or theft of assets, the possibility of not meeting program objectives, and whether there were any health, safety, or welfare issues for the public, employees, clients, users, or recipients of program benefits; and

- determining processes in place for identifying, protecting, detecting, responding to, and recovering from cyber incidents.

### **Additional Considerations**

The following events and conditions affecting the operation of the OCIG were considered during the development of this audit plan.

- Section 14.32(3), F.S., requires the CIG to advise in the development of internal controls for fiscal accountability, monitor compliance with the terms and conditions of contracts, and advise in the development of performance measures related to public-private partnerships (including Enterprise Florida, Inc.). The CIG consulted with the Department of Economic Opportunity (DEO) Inspector General for this function.<sup>1</sup>
- Section 14.2016, F.S., established the Division of Emergency Management (DEM) as a unit within the EOG. A Deputy Inspector General and staff have been assigned responsibility for developing an annual audit plan and performing internal audits, reviews, investigations, audit follow-up, and coordination of external audits for that unit. For this reason, DEM is not included in this audit plan.
- Continued responsibilities across state and local government due to the CARES Act and American Rescue Plan (ARP).
- Under section 218.503, F.S., local governmental entities (LGE) become subject to review and oversight by the Governor when certain conditions occur. The Governor has designated the OCIG to receive and consider referrals of LGEs that may have met conditions that would make them subject to review and oversight.
- House Bill 1079, which passed during the 2021 legislative session, requires agency inspectors general to perform a risk-based compliance audit of all contracts executed by their agency within the last three fiscal years and requires this audit to be completed triennially.
- House Bill 1297, which also passed during the 2021 legislative session, amended section 20.055(6)(i), F.S. This legislation requires inclusion of cybersecurity engagements in agency inspectors' general audit plans. A cybersecurity project has been included in this audit plan.

### **Calculation of Available Hours**

The Director of Auditing<sup>2</sup> is the one position within the Office of the Chief Inspector General responsible for conducting audits and internal audit activities. The Director of Auditing is expected to allocate available hours to audits and internal audit activities on an annualized basis.<sup>3</sup>

Based on the results of our assessment, audit priorities for Fiscal Year 2023-2024 were identified and hours were allocated as shown in the table below.

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<sup>1</sup> The Department of Economic Opportunity (DEO) Office of Inspector General (OIG) confirmed that Enterprise Florida, Inc. (EFI) is included in its risk assessment and the DEO OIG also reviews the performance measures of EFI.

<sup>2</sup> This position may be supplemented by additional staff, if required. This position is also assigned other duties by the CIG.

<sup>3</sup> 52 weeks x 40 hours per week (1 FTE).

Allocation of Staff Hours for Fiscal Year 2023-2024		
<b>Hours Available:</b>	52 weeks x 40 hours per week x 1 position (1 Full-time Equivalent (FTE)).	<b>100%</b>
<b>Estimated Distribution of Available Hours</b>		
<b>Internal Audits, Enterprise Projects, and Other Assurance Activities</b>	Hours available for internal audits, enterprise-wide audits, consulting services, and management reviews. Including Internal Quality Assurance Review of the Executive Office of the Governor, Office of Inspector General's internal audit activity.	30%
<b>Audit Follow-up</b>	As required in section 20.055(6)(h), F.S., and Standard 2500, IIA Standards.	1%
<b>Liaison Activities to Coordinate External Audits</b>	As required by section 20.055(2)(g), F.S. <ul style="list-style-type: none"> <li>Office of Program Policy Analysis and Government Accountability's Audits</li> <li>Auditor General's Statewide Financial, Operational, and Federal Awards Audits</li> <li>Auditor General's Quality Assurance Reviews at Selected Agency OIGs.</li> </ul>	2%
<b>Technical Assistance</b>	Hours to assist other offices as directed by the CIG.	35%
<b>Financial Emergency Activities</b>	Hours for monitoring and liaison activities associated with Financial Emergencies.	10%
<b>Recurring Projects</b>	<ul style="list-style-type: none"> <li>Risk Assessment</li> <li>Annual Work Plan and Annual Report</li> <li>Preparation of Schedule IX</li> </ul>	2%
<b>Indirect Hours</b>	Hours for administrative activities including training, leave, state holidays, and other.	20%
<b>% of Total Hours</b>		<b>100%</b>

Of the available staff hours for Fiscal Year 2023-2024, the OCIG estimates that it will initiate the following assurance activities based on the periodic risk assessment.

Planned Projects		
Category	Description	Hours
<b>Internal Audits</b>	Executive Office of the Governor – Division of Administration Personnel Practices	300
<b>Cyber Enterprise Project*</b>	Enterprise Project for Fiscal Year 2023-2024 is scheduled to be Cybersecurity Incident Response and Handling.	300
<b>Management Requests or Other Assurance Activities</b>	A portion of our planned engagements has been reserved for management requests that may occur during the fiscal year. These requests may be for assurance or consulting services.	As needed
<b>Total Hours</b>		<b>600</b>

\*We consider this Cyber Enterprise Project to also satisfy the requirements of section 20.055(6)(i), F.S., requiring that the annual audit plan include a specific cybersecurity audit plan.

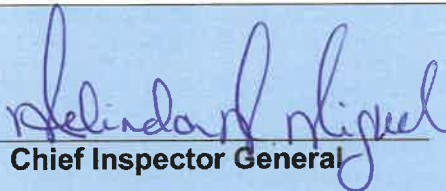
## Long-Term Audit Plans for Fiscal Years 2024-2025 and 2025-2026

For Fiscal Years 2024-2025 and 2025-2026, we plan to allocate direct hours each year to audit activities that will include the following:

- House Bill 1297, which passed during the 2021 legislative session, amended section 20.055(6)(i), F.S., and requires an annual specific cybersecurity audit plan. An enterprise cybersecurity risk assessment will be conducted to determine the Cyber Enterprise Project topics for Fiscal Years 2024-2025 and 2025-2026.
- House Bill 1079, which passed during the 2021 legislative session, amended section 287.136, F.S., to require agency inspectors general to perform a risk-based compliance audit of all contracts executed by their agency within the last three fiscal years and an identification of any trends in vendor preference. Engagements are required beginning October 1, 2021, and every 3 years thereafter. As such, the next engagement for this topic will begin in Fiscal Year 2024-2025.
- Assurance engagements of the EOG's Appointments Office and Information Systems, Enterprise Audits, Other Assurance Activities, Audit Follow-Up, and Liaison Activities to coordinate External Audits.
- Continuation of Financial Emergency Activities monitoring.
- Provision of technical assistance to other OIGs and perform other related duties.
- Review of federal pandemic funding.

The long-term audit plans are subject to change based on the results of the periodic risk assessment conducted in accordance with section 20.055, F.S., and requests received from management. The scope of these projects will be determined during the planning phase of these engagements. These plans are also subject to unexpected investigative activity and other requests made by the Governor in accordance with section 14.32(2)(k), F.S.

Respectfully Submitted by:

  
Chief Inspector General

Date:

6/23/23

Audit Plan Approved by:

  
Governor Ron DeSantis

Date:

6/23/23