



Department of Elder Affairs
Office of Inspector General

MEMORANDUM

To: Michelle Branham, Secretary

From: Taroub J. Faraj, Inspector General

T.J.F.

Date: June 28, 2023

Re: Annual Audit Plan for Fiscal Year 2023-24 and Long-Term Audit Plan for Fiscal Years 2024-26

I am pleased to submit for your review and approval our annual Audit Plan for Fiscal Year (FY) 2023-24 and the Long-Term Audit Plan for FYs 2024-26 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 to identify areas of risks that could prevent the Department from achieving its mission and goals, and input from key operational management to assess the perceived risks in their respective program areas.

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 in the Executive Office of the Governor 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 2023-24 and Long-Term Audit Plan for Fiscal Years 2024-26

July 2023

Michelle Branham
Secretary

Taroub J. Faraj
Inspector General

Ron DeSantis
Governor

Melinda Miguel
Chief Inspector General

**Annual Audit Plan for Fiscal Year (FY) 2023-24 and Long-Term Audit Plan
for FYs 2024-26**

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 (IIA), 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 statutes, 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 risk that could potentially prevent the Department of Elder Affairs (Department/DOEA) from achieving its mission and goals. The risk assessment process is used to identify, select, and plan potential work engagements 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:

- Soliciting program-area managers' input using a Risk Assessment form, containing eight risk factors, to assess the perceived risks in their respective areas; and
- Interviewing executive-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 2023-24

The OIG's Internal Audit (IA) section is comprised of two positions: a Director of Internal Audits and an Internal Auditor. IA staff provide 4,160¹ hours available for OIG activities, including audits, management reviews, follow-ups, administrative activities, training, leave, and holidays. Per our calculation, approximately 2,660 hours are available for direct audit activities.

The plan is a guide for IA 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 engagements carried forward from FY 2022-23 and the planned engagements for FY 2023-24. It also provides an estimate of staff resources that will be allocated to each project. However, the plan is subject to modification based on changes in the Department's risk environment.

Internal Audit Engagements	Hours
<u>Carry Forward Engagements from FY 2022-23:</u>	
<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 	120
<ul style="list-style-type: none"> • Audit of the Office of Public and Professional Guardians' Performance Measure: <i>Number of judicially approved guardianship plans including new orders</i> 	100
<u>Planned Engagements for FY 2023-24:</u>	
<ul style="list-style-type: none"> • Audit of DOEA's Bureau of Community & Support Services' Contract Management Activities performed in collaboration with DOEA's Monitoring & Quality Assurance (MQA) Unit 	540
<ul style="list-style-type: none"> • CIG's Enterprise Audit of DOEA's Cybersecurity Incident Response and Handling 	600
<ul style="list-style-type: none"> • Florida Accounting Information Resource Subsystem (FLAIR) Access Controls 	300
<ul style="list-style-type: none"> • OIG's Internal Quality Assurance Review 	300
<ul style="list-style-type: none"> • Review of DOEA's Strategies for Succession Planning/Staffing/Retention 	300

¹ Total number of full-time audit staff (2) multiplied by the total number of FTE contracted hours for Fiscal Year 2023-24 (2,080).

• *Audit of DOEA's Long-Range Program Plan (LRPP) Performance Measure(s)	400
Subtotal	2660
Indirect Activities/Leave/Holidays	Hours
Administrative Duties (Staff meetings, Public Records Requests, Personnel administration)	200
Annual leave	352
Sick leave	208
Holidays (9 paid, 1 personal)	160
Training (40 hours minimum)	80
Subtotal	1,000
External Coordination/Oversight Activities/Direct Projects	Hours
Includes External Liaison/Audit Coordination/Annual Attestation/Schedule IX/etc.:	
Follow-up Activities	100
Annual Risk Assessment/Audit Plan/Annual Report	200
Management Requests and Special Projects	200
Subtotal	500
Total Hours Available	4,160

*Engagement may include multiple audits.

Overview of Engagements

- ***Audit of DOEA's Bureau of Community & Support Services' Contract Management Activities performed in collaboration with DOEA's MQA Unit:*** The preliminary objective is to evaluate the effectiveness of the internal controls in the Bureau of Community & Support Services' Contract Management Activities performed in collaboration with the MQA Unit.
- ***CIG's Enterprise Audit of DOEA's Cybersecurity Incident Response and Handling:*** In accordance with the provisions set forth in Section 20.055(6)(i), Florida Statutes, long-term and annual audit plans shall include a specific cybersecurity audit plan. This audit will be conducted as coordinated by the Chief Inspector General.
- ***Florida Accounting Information Resource Subsystem (FLAIR) Access Controls:*** The preliminary objective is to determine whether FLAIR access privileges were authorized, appropriately assigned, periodically reviewed, and timely deactivated.
- ***OIG's Internal Quality Assurance Review:*** The preliminary objective is to evaluate the OIG's Internal Audit activity's compliance with the IIA Standards and Chapter 20.055, Florida Statutes.
- ***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.

- o **Review of DOEA’s Strategies for Succession Planning/Staffing/Retention** – Consulting engagement to assess DOEA’s strategies for succession planning, staffing, and retention for fostering an environment that includes knowledge transfer as well as coaching, career development, and retention of staff.

Long-Term Audit Plan for FYs 2024-26



For FYs 2024-25 and 2025-26, 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 2023-24 annual plan, approximately 4,160 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 2024-26. These projects will be reassessed each year during the annual risk assessment.

Potential Audit Engagements	Hours
Audit of DOEA’s Emergency Home Energy Assistance for the Elderly (EHEAP)	500
CIG’s Enterprise Cybersecurity Audit	700
*Audit of DOEA’s LRPP Performance Measure(s)	400
Audit of Contract Compliance	460
*DOEA IT Systems Access Controls – Specific system is to be determined	600
Subtotal	2,660
Indirect Activities/Leave/External Coordination/Oversight activities	1,500
Total Available Hours	4,160

*Engagements may include multiple audits.

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: 6/8/2023
Audit Plan Approved by:		Date: 6/25/23