



Department of Elder Affairs
Office of Inspector General
Memorandum

To: Michelle Branham, Secretary

From: Taroub J. Faraj, Inspector General *J.F.*

Date: July 8, 2024

Re: Annual Audit Plan for Fiscal Year 2024-25 and Long-Term Audit Plan for Fiscal Years 2025-27

I am pleased to submit for your review and approval our annual Audit Plan for Fiscal Year (FY) 2024-25 and the Long-Term Audit Plan for FYs 2025-27 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 via a survey administered through Survey Monkey 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 as well as an Enterprise Audit of the Department's Cybersecurity controls for Asset Management that is coordinated by the Chief Inspector General (CIG) in the Executive Office of the Governor. 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 may 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 CIG's Office and the State of Florida Auditor General.

Your continued support is greatly appreciated.

TJF/kj

FLORIDA DEPARTMENT OF ELDER AFFAIRS



Annual Audit Plan for Fiscal Year 2024-25 and Long-Term Audit Plan for Fiscal Years 2025-27

July 2024

Michelle Branham
Secretary

Taroub J. Faraj
Inspector General

Ron DeSantis
Governor

Melinda Miguel
Chief Inspector General

**Annual Audit Plan for Fiscal Year (FY) 2024-25 and Long-Term Audit Plan
for FYs 2025-27**

RISK ASSESSMENT

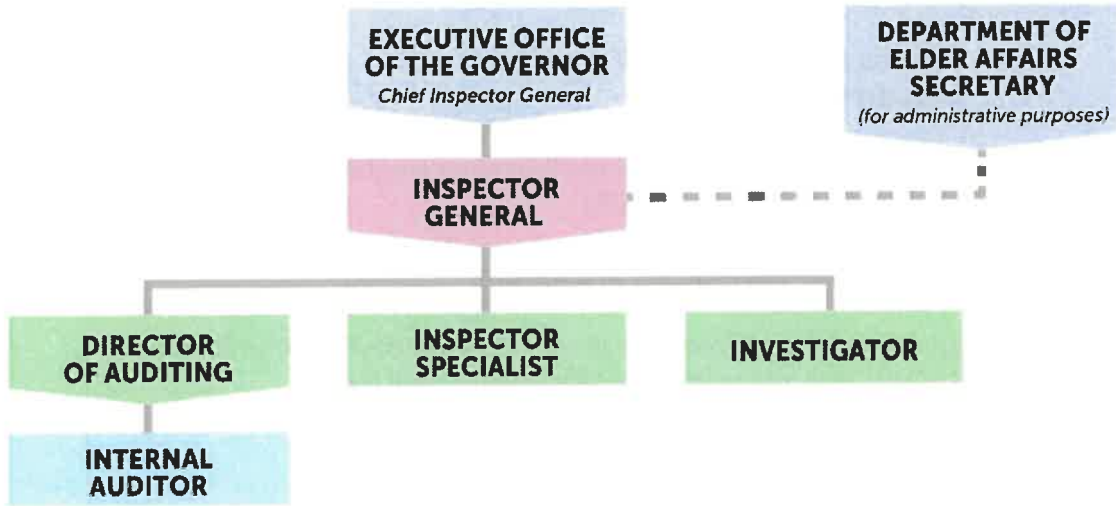
Section 20.055, Florida Statutes, requires the Inspector General to develop long-term and annual audit plans based on the findings of periodic risk assessments. In addition, Standard 9.4, Internal Audit Plan, of the Global Internal Audit Standards, published by the Institute of Internal Auditors (IIA), states the plan must be based on a documented assessment of the organization's strategies, objectives, and risks. 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 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 feedback from program-area managers through a risk assessment survey to gather perceived risks within their respective areas; and
- Conducting interviews with executive-level management to garner perceived risks that could hinder the Department's fulfillment of its mission and goals.

Organizational Structure



OIG STAFFING RESOURCES AND PLANNED ENGAGEMENTS FOR FY 2024-25

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, administrative activities, training, leave, and holidays. Per our calculation, approximately 2,256 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 2023-24 and the planned engagements for FY 2024-25. 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.

| FY 2024-25 Engagements | Estimated Hours |
|---|-----------------|
| <u>Carry-forward Engagements from FY 2023-24:</u> | |
| <ul style="list-style-type: none"> Audit of the Division of Statewide Community Based Services Performance Measure: Number of congregate meals provided | 300 |
| <u>Planned Engagement for FY 2024-25:</u> | |
| <ul style="list-style-type: none"> Audit of the Department of Elder Affairs’ (DOEA) access controls to the Florida Accounting and Information Resource (FLAIR) Subsystem | 300 |

¹ Total number of full-time audit staff (2) multiplied by the total number of FTE contracted hours for Fiscal Year 2024-25 (2,088).

| | |
|---|-------------|
| <ul style="list-style-type: none"> • Triennial Enterprise Contract Audit (HB 1079) | 400 |
| <ul style="list-style-type: none"> • *Enterprise Audit of DOEA's Cybersecurity Controls for Asset Management | 600 |
| <ul style="list-style-type: none"> • ^Audit of DOEA's Long-Range Program Plan (LRPP) Performance Measure(s) (300 hrs. per audit) | 600 |
| <ul style="list-style-type: none"> • Audit Follow-ups (Internal & External) | 56 |
| <p>*This engagement satisfies the requirement of section 20.055(6)(i), Florida Statutes, requiring the annual audit plan to include a cybersecurity audit plan.</p> <p>^ This engagement may include multiple audits.</p> | |
| Subtotal Hours for Audit Projects | 2,256 |
| Indirect Activities/Administrative Activities/Leave/Holidays/Training | |
| Administrative Duties (Staff meetings, Public Records Requests, Personnel administration) | 200 |
| Annual leave (176 hrs. x 2) | 352 |
| Sick leave (104 hrs. x 2) | 208 |
| Holidays (9 paid, 1 personal) (80 hrs. x 2) | 160 |
| Training (40 hrs. min. x 2) | 80 |
| Subtotal Hours for Indirect Activities | 1,000 |
| Statutory and Other Required Activities | |
| External Liaison/Audit Coordination | 90 |
| Annual and on-going Risk Assessment | 120 |
| Audit Plan | 90 |
| Annual Report | 120 |
| Annual Attestation/Schedule IX/Management Requests and Special Projects | 500 |
| Subtotal Hours for Other Activities | 920 |
| Total Contracted Hours for Fiscal Year | 4176 |

Overview of Engagements

- *Audit of DOEA's Division of Statewide Community-Based Services' Performance Measure: Number of congregate meals provided* - The objectives are to determine whether management and internal controls over the performance measure are adequate to ensure the integrity of the results reported, and the data collection and reporting mechanisms in place are sufficient to ensure the reliability and validity of the reported metric.

- ***Audit of DOEA’s access controls to the Florida Accounting and Information Resource Subsystem (FLAIR)*** - The preliminary objective is to determine whether FLAIR access privileges were authorized, appropriately assigned, periodically reviewed, and timely deactivated.
- ***Triennial Enterprise Contract Audit (HB 1079)***: The preliminary objective is to determine whether contracts are in compliance with applicable laws and rules related to the procurement of commodities and contract services; and perform an evaluation of, and identify any trend in vendor preference.
- ***Enterprise Audit of DOEA’s Cybersecurity Controls for Asset Management***: The preliminary objective is to evaluate agency controls and compliance with Asset Management requirements contained in the Florida Cybersecurity Standards (Rules 60GG-2.001 through 60GG-2.006, Florida Administrative Code (F.A.C.)), specifically, 60GG-2.002(1).
- ***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 2025-27

For FYs 2025-26 and 2026-27, 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 2024-25 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 FYs 2025-27. These projects will be reassessed each year during the annual risk assessment.

| Long-Term Audit Plan for FY 2025-26 and FY 2026-27 | Hours |
|---|--------------|
| Audit of DOEA’s Emergency Home Energy Assistance for the Elderly (EHEAP) | 400 |
| CIG’s Enterprise Cybersecurity Audit (To be determined) | 600 |
| *Audit of DOEA’s LRPP Performance Measure(s) (300 hrs. per audit) | 600 |
| *DOEA IT Systems Access Controls – Specific systems/applications are to be determined | 600 |

| | |
|---|--------------|
| Audit Follow-ups (Internal & External) | 56 |
| Indirect Activities/Leave/External Coordination/Oversight activities | 1,920 |
| Total Available Hours | 4,176 |

***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: *Tarek Faraj* Date: 7/8/24

Audit Plan Approved by: *Michelle Brankin* Date: July 8, 2024