

DEPARTMENT OF CHILDREN AND FAMILIES
OFFICE OF INSPECTOR GENERAL



Annual Audit Plan
Fiscal Year 2025-2026



July 21, 2025

INTRODUCTION

The Office of Inspector General (OIG) was established, within each state agency, by Florida Statute¹ in 1994. The Department of Children and Families (Department) OIG provides a central point for coordination of and responsibility for activities that promote accountability, integrity, and efficiency in government. Section 20.055(6)(i), F.S., directs the inspector general to develop annual and long-term audit plans based on the findings of periodic risk assessments.² The audit plan shall show the individual audits to be conducted during each year and include a specific cybersecurity audit plan.³

The risk assessment process facilitates the identification and relative priority of audit projects to be conducted during the upcoming fiscal year. OIG internal audit projects are conducted in accordance with the *International Professional Practices Framework* (Standards), as promulgated by the Institute of Internal Auditors, Inc. (IIA).

METHODOLOGY

The Internal Audit Section employs a continuous risk assessment model to reflect the ever-changing Department environment to ensure the assignment and completion of high-risk projects. Project priority may be modified as Department conditions and associated risks change.

To develop our proposed audit plan, we solicited input from Department leadership and management to gauge risk through the perspective of those closely involved in operations. Information obtained was further analyzed and evaluated using several risk factors, including impact on citizens and stakeholders, internal controls, potential fraud, management priority, and prior audits. As potential audit topics were examined, the impact of each risk factor was assessed. The calculation for each risk factor was aggregated, resulting in an overall score. Those topics with the highest scores were deemed priority and are included in the current fiscal year audit plan. Standards⁴ require sufficient resources to achieve the approved audit plan. The proposed audit plan is based on 9,940⁵ direct audit hours.

ANNUAL AUDIT PLAN – PROJECT HOURS

Based on the results of our risk assessment, the following table depicts our projected audit plan for fiscal year (FY) 2025-2026, as well as our long-term plans for FY 2026-2027 and FY 2027-2028. This audit plan incorporates current priorities of management

¹ Section 20.055(2), Florida Statutes (F.S.).

² A risk assessment is a quantification and compilation of factors that might influence the operational success of a component or activity within an organization.

³ Section 20.055(6)(i), F.S.

⁴ According to Standard 8.2, Resources, the chief audit executive must evaluate whether internal audit resources are sufficient to fulfill the internal audit mandate and achieve the internal audit plan. If not, the chief audit executive must develop a strategy to obtain sufficient resources and inform the board about the impact of insufficient resources and how any resource shortfalls will be addressed (*International Professional Practices Framework*, Revised Standards, Published January 9, 2024, Effective January 9, 2025).

⁵ The Internal Audit Section has seven auditor positions. Annual and sick leave, holidays, training, and administrative time are taken into consideration in calculating available staff hours. Hours may fluctuate depending on available staff.

as identified during the risk assessment process. A brief description of topics follows.⁶

FY 2025-2026 Projects	Estimated Hours
<i>Audit Projects for FY 2025-2026</i>	
Carry Forward Projects	1,950
Follow-up Reviews ⁷	450
Enterprise Cybersecurity – Data Protection and Security	1,300
Internal Control and Data Security ⁸	650
Single Audit Report Submission – Compliance and Enforcement	650
Total Hours for Audit Projects	5,000
<i>Other Activities</i>	
Annual Report	100
Annual Risk Assessment and Audit Plan	300
External Audit Coordination	1,000
External Quality Assurance Peer Review ⁹	1,000
IIA Global Audit Standards and Topical Requirements	440
Reserve Hours for Enterprise Projects	300
Reserve Hours for Management Requests / Special Projects	300
Single Audit Reviews	1,500
Total Hours for Other Activities	4,940
TOTAL HOURS	9,940

Long-Term Audit Plan for FY 2026-2027 and FY 2027-2028
Enterprise Cybersecurity
Agency Performance Measures / Long Range Program Plan
Department Purchase Orders
Fleet Inventory Increases
Behavioral Health Managing Entity Requirements
Office of Economic Self-Sufficiency – Specialized Medicaid Center of Excellence
Post Audit Sampling – Travel Reimbursement

⁶ Project scope and audit objectives will be finalized during the preliminary survey phase of each project, where an expanded control assessment will be conducted. This expanded control assessment will determine the highest risk areas within the proposed topic that might affect the mission of the Department.

⁷ According to Standard 15.2, Confirming the Implementation of Recommendations or Action Plans, internal auditors must confirm that management has implemented internal audit recommendations or management action plans following an established methodology, which includes: inquiring about progress on the implementation, performing follow-up assessments using a risk-based approach, and updating the status of management actions in a tracking system. The extent of these procedures must consider the significance of the finding.

⁸ Memorandum of Understanding (MOU) [Department of Highway Safety and Motor Vehicles (HSMV)]-0227-25.

⁹ According to Standard 8.4, External Quality Assessment, the chief audit executive must develop a plan for an external quality assessment and discuss the plan with the board. The external assessment must be performed at least once every five years by a qualified, independent assessor or assessment team.

ANNUAL AUDIT PLAN – DESCRIPTION

Projects in Progress at the End of FY 2024-2025

Internal Quality Assurance Review

Periodic self-assessments of the Internal Audit function are required by Standard 12.1, Internal Quality Assessment.

Enterprise Cybersecurity – Asset Management

The objective of this audit is to evaluate Department controls and compliance with asset management requirements contained in the Florida Cybersecurity Standards (Rules 60GG-2.001 through 60GG-2.006, Florida Administrative Code).

Foster Care, Adoption Assistance, and Guardianship Assistance Eligibility Quality Assurance Process

The objective of this consulting review is to determine whether the Department and Community-Based Care lead agencies have controls and processes in place that effectively ensure Foster Care, Adoption Assistance, and Guardianship Assistance payments are made on behalf of eligible children and are in accordance with applicable laws, rules, and policies.

New Projects for FY 2025-2026

Enterprise Cybersecurity – Data Protection and Security

The objective of this audit is to evaluate Department controls and compliance with data protection requirements contained in the Florida Cybersecurity Standards (Rules 60GG-2.001 through 60GG-2.006, Florida Administrative Code).

Internal Control and Data Security – MOU HSMV-0227-25

Effective October 4, 2024, MOU HSMV-0227-25 between the Department and HSMV provides Department access to driver license and motor vehicle information. As a condition of this MOU, we will perform an internal control and data security audit. This audit will include a review of internal controls governing data use and dissemination and an evaluation of the adequacy of controls to protect data from unauthorized access, distribution, use, modification, or disclosure. The audit will also certify whether any deficiencies or issues found during the audit were corrected and measures enacted to prevent recurrence. The scope of this audit will include activity under this MOU from its effective date through the end of audit fieldwork.

Single Audit Report Submission – Compliance and Enforcement

Section 215.97, F.S., establishes state audit and accountability requirements for state financial assistance provided to nonstate entities. Service providers that contract with the Department and receive federal awards or state financial assistance may be required to

submit a Single Audit Package. These reporting packages must be completed by a Certified Public Accountant and contain specific reports and financial information established by federal and state rule. This audit will focus on compliance and enforcement procedures for past due single audit reports.

Follow-up Reviews for FY 2025-2026

Single Audit Compliance by Contracted Service Organizations

Allowable Costs in Fixed Price Contracts

Disaster Recovery (Cybersecurity)

AUDIT PLAN APPROVAL

The FY 2025-2026 Audit Plan is respectfully submitted by:



Keith R. Parks, Inspector General

7-21-25

Date

Approved by:



Taylor N. Hatch, Secretary

8/1/25

Date