RON DESANTIS
Governor

FLORIDA Lottery

REGINALD D. DIXON
Acting Secretary

June 8, 2026

Reginald D. Dixon, Acting Secretary
Department of the Lottery
250 Marriott Drive
Tallahassee, FL 32301

Subject: OIG Audit Plan for Fiscal Year 2026-27

Dear Mr. Dixon:

Pursuant to Rule 53-1.007, Florida Administrative Code, and section 20.055, Florida Statutes, I am submitting for your approval the annual audit plan for the Office of Inspector General. The audit plan includes our projects for fiscal year 2026-27 and anticipated projects for the two subsequent fiscal years. The audit plan is based on a risk assessment to provide the most effective coverage of the Lottery's programs, systems, and processes.

The audit plan will guide our activities throughout the year but will be adjusted to meet management needs as other priorities are identified. We look forward to working with you in meeting the challenges and opportunities that the Department faces. With your approval, we will implement the audit plan for the fiscal year 2026-27 and will submit copies of the audit plan to the Governor's Chief Inspector General and the Florida Auditor General.

Sincerely,

Christy Creech, Deputy Inspector General

Approved by: ______________________ Date 6/8/26
Reginald D. Dixon

Office of Inspector General

Annual Audit Plan for Fiscal Year 2026-27

State of Florida
Department of the Lottery
Office of Inspector General

Christy Creech, Deputy Inspector General
Date Issued: June 8, 2026

Introduction

The Office of Inspector General (OIG) was established within the Department of Lottery (Department) to serve as a central point for coordination of and responsibility for activities that promote accountability, integrity, efficiency, and effectiveness in government operations. Section 20.055 of Florida Statutes (F.S.) outlines the responsibilities of the Inspector General, which include:

- Conducting financial, compliance, information technology, operational and performance audits of the Department and issuing reports on audit results;
- Reviewing and evaluating internal controls necessary to ensure fiscal accountability, efficiency, and integrity of the Department's programs;
- Advising in the development of performance measures, standards, and procedures for the evaluation of Department programs;
- Assessing the reliability and validity of the information provided by the Department on performance measures and standards, and making recommendations for improvement, if necessary, before submission of information.
- Recommending corrective action concerning fraud, abuse, and deficiencies, and report on the progress made in implementing corrective actions;
- Ensuring effective coordination and cooperation between the Office of the Chief Inspector General, the Auditor General, the Office of Program Policy Analysis and Government Accountability (OPPAGA), and other governmental bodies with a view toward avoiding duplication of effort; and
- Conducting and coordinating investigations designed to detect, deter, and prevent fraud, waste, misconduct, and other abuses.

The OIG conducts compliance, financial, information technology, operational, and performance audits in accordance with the *Global Internal Audit Standards* published by the Institute of Internal Auditors, Inc., or where appropriate, in accordance with generally accepted government auditing standards.

Risk Assessment

Section 20.055, F.S., requires the Inspector General to develop annual and long-term audit plans based on the findings of periodic risk assessments of the Department. Consistent with the *Global Internal Audit Standards*, the OIG develops a risk-based audit plan supported by a documented risk assessment performed at least annually.

The OIG conducts an annual assessment of the Department's programs, activities, and operations to identify areas of greatest risk and determine priorities for audit coverage. The objective of the assessment is to ensure the effective allocation of audit resources by evaluating the Department's audit universe and the risks that may affect the achievement of organizational objectives.

As part of the assessment process, Department programs and activities are evaluated using established risk factors, including the control environment, operational complexity, organizational and technological change, financial impact, public perception, prior audit coverage, and management concerns. The assessment also incorporates input obtained through risk assessment surveys completed by Department management and discussions with executive leadership regarding enterprise risks, emerging issues, and internal control considerations.

Based on the results of this assessment, the OIG developed the Fiscal Year 2026-27 Annual Audit Plan and a long-term audit plan identifying anticipated audit coverage for the subsequent two fiscal years. The audit plan is dynamic and may be modified as Department priorities evolve, emerging risks are identified, or management requests additional audit services.

Resources

The OIG currently consists of six full-time positions, including three professional audit personnel and one specialist who all report to the Deputy Inspector General. In addition to conducting audits and reviews, OIG personnel are responsible for conducting investigations and providing investigative support to the Division of Security. Assignment of personnel is made based on availability, expertise, objectivity, and experience.

In addition to the planned projects and emerging investigations, OIG resources will be allocated to follow-ups of deficiencies identified in previous audits and reviews, liaison activities with external auditors, and activities relating to maintenance of our accreditation by the Commission for Law Enforcement Accreditation, Inc. The OIG also participates in numerous oversight activities, provides outreach and education to assist the Department in meeting its mission, and seeks continuing professional education to ensure OIG personnel possess the knowledge, skills, and competencies necessary to perform their responsibilities effectively. Additionally, at the request of the Chief Inspector General, the OIG allocates audit resources to enterprise-wide projects that address administrative and operational issues common across state agencies.

The OIG determined that approximately 4,735 hours of OIG personnel time is available for direct audit activities for the upcoming and subsequent fiscal years. Available audit hours were calculated after accounting for annual leave, holidays, required training and professional development, staff meetings, administrative responsibilities, investigative activities, accreditation-related activities, special projects, and time dedicated to statutorily required activities and responsibilities. This approach ensures that planned audit coverage reflects a realistic assessment of available resources while maintaining the OIG's ability to fulfill its broader oversight responsibilities.

HOURS AVAILABLE FOR DIRECT AUDIT ACTIVITY	
Total Personnel Hours (2,080 Hours x 5 Personnel)	10,400
Less Estimated Hours:	
Holiday and Leave Time	(1,500)
Professional Training (40 hours annually x 4 Personnel	(200)
Staff Meetings	(275)
Administrative Activities	(900)
Investigative Activities	
▪ **Complaints**	(235)
▪ **Investigations**	(850)
▪ **Draw Incident Reports**	(375)
Accreditation Activities	(325)
Special Projects/Management Advisory	(450)
Statutory and Other Required Activities:	
▪ **Coordination of External Reviews**	(160)
▪ **Annual Audit Planning and Risk Assessment**	(90)
▪ **LBR Schedule IX Preparation**	(40)
▪ **Internal Quality Assurance**	(265)
Direct Audit Hours	4,735

Annual Audit Plan Fiscal Year 2026-2027

The projects on the following page were selected based on the annual risk assessment performed by the OIG, and in concurrence with the Florida Lottery Acting Secretary.

Division/Office	Projects	Estimated Hours
Department-wide	Performance Measures	360
Product	Product Operations & Climate Review*	465
Communications	Strategic Partnerships Process Review*	280
Finance	Internal Control Assessment	550
ISM/IR	Cybersecurity Audit	890
Sales	District Office (TBD)	785
Security	Debit/Credit Card Program	185
Security	Evidence Vault	185
Department-wide	Records Retention	500
Department-wide	Internal & External Engagement Follow-up	250
Chief Inspector General	Enterprise Projects	285
Total Hours		4735

*Indicates Rollover Project

Long-Term Projects

Planned projects for fiscal years 2027-28 and 2028-29 include the following:

- Claims and Payment System
- Inventory Management System
- Sales Wizard/ Retailer Terminal Enhancements
- Retailer Contracting Process Automation
- Gaming Contract Payment Process
- Construction Project Review
- Cybersecurity
- District Offices
- Performance Measures
- Evidence Vault
- Debit/Credit Card Program
- Internal Control Assessment
- Contract Compliance

Note: These plans are subject to revision based on changes in the Department's risk environment and extenuating circumstances.