OFFICE OF INSPECTOR GENERAL

ANNUAL AUDIT PLAN

FISCAL YEAR 2026-2027

LONG-RANGE AUDIT PLAN

FISCAL YEARS 2027-2028 THROUGH 2028-2029

June 11, 2026

Valerie J. Peacock
Inspector General

We are pleased to present the Florida Public Service Commission (Commission) Office of Inspector General (OIG) Annual and Long-Term Audit Work Plan for Fiscal Year (FY) 2026-2027. Section 20.055(6)(i), Florida Statutes (F.S.), requires the OIG to develop annual and long-term audit work plans based on the results of periodic risk assessments. This work plan is intended to be a guide to direct the activities of the OIG and may be modified during the year to address changing conditions, priorities, and risks.

Background

The OIG is established within the Commission to provide a central point for coordination of, and responsibility for activities that promote accountability, integrity, and efficiency in government. Section 20.055(2), F.S., designates responsibilities of the Inspector General, which include the following:

- Advising in the development of performance measures, standards, and procedures for the evaluation of Commission programs, and assess the reliability and validity provided by the Commission on performance measures and standards;
- Providing direction for supervising and coordinating audits, investigations, and management reviews relating to the programs and operations of the Commission;
- Reviewing actions taken by the Commission to improve program performance;
- Conducting, supervising, and coordinating activities that promote economy and efficiency and prevent or detect fraud and abuse in Commission programs and operations; and
- Reviewing and evaluating internal controls to ensure fiscal accountability, efficiency, and integrity of the Commission's programs.

Audits conducted by OIG are conducted in accordance with the *Global Internal Audit Standards* published by the Institute of Internal Auditors.

Methodology

This work plan was developed as a result of a risk assessment process. The risk assessment process included consideration of a number of factors including:

- Internal audit mandate and range of internal audit services,
- Internal audit services that support the evaluation and improvement of the Commission's governance, risk management, and control processes,
- Input from Commission management and staff ,
- Review of statutory and rule requirements,
- Relevant Commission processes and documentation, including the complexity and/or

volume of activities for functions,

- Information technology governance, cybersecurity, fraud risk, and ethics,
- Previous audits performed by the OIG, and
- Consideration of long-range projects from the prior audit work plan.

Potential projects were reviewed and given priority scores to determine the most efficient and effective use of OIG resources. Proposed audit projects were presented to the Chairman as well as the audit committee. The final plan was developed for approval by the Chairman.

Resource Allocation

The OIG consists of two staff members, the Inspector General and a Senior Management II. The Inspector General is responsible for carrying out audit, investigative, and other responsibilities as required by Florida Statutes. The Senior Management Analyst II is responsible for administrative support of OIG office functions, the quality assurance and improvement program, and also assists on select audit and investigative activities. Based on projected hours allocated to general administrative tasks, investigative activities, management requests, professional development, and audit support activities, the total OIG hours available for audit services, investigative functions, quality assurance activities, and other required activities are estimated to be approximately 3,040 hours, of which approximately 1,250 are allocated for audit projects in FY 2026-2027.

Annual Audit Plan – FY 2026-2027

- **Audit of Commission Issued Purchasing Cards:** The objective of this audit will be to determine whether Commission issued Purchasing Cards (PCard) are being used in accordance with applicable state laws, rules, and Commission policies. The objective will also be to evaluate administration, internal controls, and oversite of PCard administration. (400 hours)

- **Review of Commission Oversight of Services Provided Under Contract PSC49 with Thomson Reuters-West for Case Center Services:** Advisory review the Office of General Counsel's contract with respect to vendor performance and cost effectiveness. (300 hours)

- **Assessment of the Validity and Reliability of Selected Long-Range Program Plan (LRPP) Measures:** As required under Section 20.055(2)(b), F.S., OIG is responsible for assessing the reliability and validity of the information provided by the Commission on performance measures and standards, and to make recommendations for improvement. (50 hours)

Cybersecurity Audit Plan – FY 2026-2027

- **<u>Cybersecurity – Supply Chain Risk Management:</u>** Evaluate the Commission's cybersecurity supply chain risk management governance, oversight, monitoring, incident response, and recovery capabilities related to suppliers, third-party providers, outsourced environments, cloud services, external systems, and other entities that support or interact with the Commission's information technology resources and data in accordance with Rule 60GG-2, F.A.C. This is an enterprise-wide audit facilitated by the Office of the Chief Inspector General and includes an evaluation of current Commission processes regarding the compromise detection and response capabilities of third-party vendors. (500 hours)

Long-Term Audit Plan – FY 2027-2028 and FY 2028-2029

- **<u>Audit of Commission Travel Processes and Activities:</u>** Audit of the Commission's travel activities pursuant to requirements under Section 112.061, F.S., and Chapter 69I-42, F.A.C. (300 hours)

- **<u>Audit of Commission Fleet Usage and Maintenance:</u>** Audit of the Commission's controls and oversite of its motor vehicle fleet. (300 hours)

- **<u>Advisory Review of the Process for Customer Complaint Communication, Coordination, and Resolution</u>:** Review of the governance, risk management, and control processes that promote effective communications, collaboration, and productivity in addressing and resolving customer complaints. (400 hours)

- **<u>Assessment of the Validity and Reliability of Selected Long-Range Program Plan (LRPP) Measures:</u>** As required under Section 20.055(2)(b), F.S., OIG is responsible for assessing the reliability and validity of the information provided by the Commission on performance measures and standards, and to make recommendations for improvement. (200 hours)

- **<u>Review of the Commission's Contract Procurement and Management Oversight:</u>** A review of the Commission's governance, risk management, and controls over contract procurement and oversight. (400 hours)

- **<u>Cybersecurity Audit:</u>** As required under Section 20.055, F.S., annually conduct audits of the Commission's cybersecurity. (800 hours)

Other Activities

The OIG is also responsible for several recurring activities as required by Florida Statutes. These responsibilities include, but are not limited to:

- Conducting an annual risk assessment;
- Developing an annual and long-term audit plan;
- Preparing the OIG annual report;

- Complying with the General Principles and Standards for Office of Inspector General as published and revised by the Association of Inspectors General.

In addition to providing internal audit services, the OIG will continue to provide internal investigation support to the Commission, coordinate external audits affecting the Commission, and conduct other accountability activities as required or requested by management.

Respectfully submitted,

Valerie J Peacock

Valerie Peacock, Inspector General

6/11/2026

Date

Approved:

Gabriella Passidomo Smith, Chairman

6/15/2026

Date