

*Department of Management Services*

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**OFFICE OF INSPECTOR GENERAL*****Ethics Audit*****EXECUTIVE SUMMARY****PURPOSE OF AUDIT**

Upon request of the Executive Office of the Governor, Chief Inspector General, the Department of Management Services Office of Inspector General participated in an enterprise wide audit of the implementation of Governor Scott's ethics policies (Executive Order 11-03, dated January 4, 2011). This report presents the results of our review.

RESULTS IN BRIEF

Based on the audit work performed, it is our opinion that the Department has established an ethics program that supports Governor Scott's Executive Order. Additionally we determined that, generally, an ethical climate exists and is promoted within the Department of Management Services¹.

The department has made revisions to the internal Ethics Policy (HR-07-105) to reflect Governor Scott's Executive Order 11-03. In addition, the department has a Chief Ethics Officer in place and has implemented annual ethics training for all employees of the department. In conjunction with the audit, the Department of Transportation (DOT) administered an Ethical Climate Survey for the participating agencies. The survey results for the department are shown at Exhibit A. The department's summary survey results compared to the enterprise wide summary results are shown at Exhibit B.

¹ The existence of an ethics program (internal policies and procedures, training programs, executive orders, etc.) does not guarantee that all employees will conform to the highest ethical standards. However, the existence of an ethics program does provide a framework that gives guidance for employee behavior.

INTRODUCTION AND BACKGROUND

In January 1999, Governor Jeb Bush issued Executive Order 99-20, directing the immediate adoption and implementation of a revised Code of Ethics by all Secretaries and Deputy Secretaries of executive agencies under the purview of the Governor. In the Order, the Executive Office of the Governor/Lieutenant Governor was to provide training on ethics to each executive agency head. It was the desire of the Governor that such agencies would arrange for similar ethics training to all employees on an annual basis. Another stipulation of the Order declared that each executive agency shall designate an Ethics Officer. The Ethics Officer was to undertake appropriate measures to ensure that the employees responsible for adhering to the Code of Ethics become familiar with all relevant ethics requirements. In January 2007, Governor Charlie Crist issued Executive Order 07-01, which also directed immediate adoption and implementation of a Governor's Office Code of Ethics and a Code of Personal Responsibility. Executive Order 07-01 both reinforced and built upon sections of Executive Order 99-20.

In January 2011, Governor Scott issued Executive Order 11-03, directing the immediate adoption and implementation of a revised Code of Ethics by the Office of the Governor and that it applies to all employees within the Office of the Governor, as well as the secretaries, deputy secretaries, and chiefs of staff of all executive agencies under the Governor's purview. It requires each executive agency secretary to designate an individual at his or her agency to act as the agency's chief ethics officer, who will make reasonable efforts to ensure that the employees responsible for adhering to this Code became familiar with relevant ethics, public records and open meeting requirements. Each agency is directed to implement any agency-specific adjustments to the code within 45 days of the date of the order. This Code of Ethics imposes more stringent requirements than the Code it revises.

To provide an overall look at ethics in state government in Florida, the Governor's Chief Inspector General has called on all inspectors general to conduct an evaluation of their agency's ethical climate. Over 20 state agencies have undertaken this assignment. Based on findings and recommendations in agency reports, the Chief Inspector General will provide a roll-up report to the Governor.

DISCUSSION

The Department has implemented an ethics training program and ethics policy to promote an ethical environment

The Department has implemented an annual ethics training program that is given to all employees and administered by Human Resources. The training is sent by email to employees and is in the form of a Power Point presentation. Employees are then provided a link through email which will give them access to the *DMS Learning Place*². The *Learning Place* will administer and track the ethics test. After the employee has successfully passed the Ethics test they print out the certificate of completion and turn it into their supervisor. The supervisor then enters the certificate of completion into the People First system³ as completed Ethic's training.

In addition, the department had developed a DMS Code of Ethics Policy (HR 07-105) on February 16, 2007. The policy was revised on February 4, 2011 to reflect changes made by Governor Scott in Executive Order 11-03.

Ethical Climate Survey

As part of the audit, DMS employees were requested to voluntarily participate in an ethical climate survey. The survey was sent to a population of 810 employees at the department. Responses were received from 427 employees for a response rate of 52.7%. The DOT developed and compiled the results of the 10 question survey for all agencies and departments who participated in the audit. Below in Exhibit A are the results by each question on the survey.

² On December 4, 2008, an online learning management system was officially implemented as the "DMS Learning Place." Its purpose is to centralize, track, and report on DMS learning activities.

³ The People First system is the state's self-service, secure, web-based personnel information system and enterprise-wide suite of human resource (HR) services.

OBJECTIVE, SCOPE AND METHODOLOGY

Our primary audit objective was to review how effectively the department implemented the Governor's Executive Order Number 11-03, Ethics and Open Government.

The audit objectives were to evaluate:

- Each agency's implementation of the Office of the Governor's Executive Order Number 11-03, Ethics and Open Government.
- The design and effectiveness of each agency's ethics-related objectives, guidance, and activities in order to identify areas of potential weakness and best practices that could be shared among all agencies. The scope of this engagement focused primarily on recent actions taken by the agency to design, communicate, monitor, promote and enforce ethical standards and policies applicable to its employees. Department results will be included in a roll-up report published by the Chief Inspector General's Office.

To accomplish our audit, we:

- Interviewed pertinent staff in regards to ethics training provided to employees of the department. In addition, we interviewed staff regarding the department policy on ethics and determined if it met criteria established within Executive Order 11-03.
- Reviewed relevant statutes and rules, and industry best practices regarding ethics.
- Conducted an agency-wide ethical climate survey that was administered by the DOT. We reviewed the results of the survey, and included these results in the report.

Exhibit A - Department Survey Results

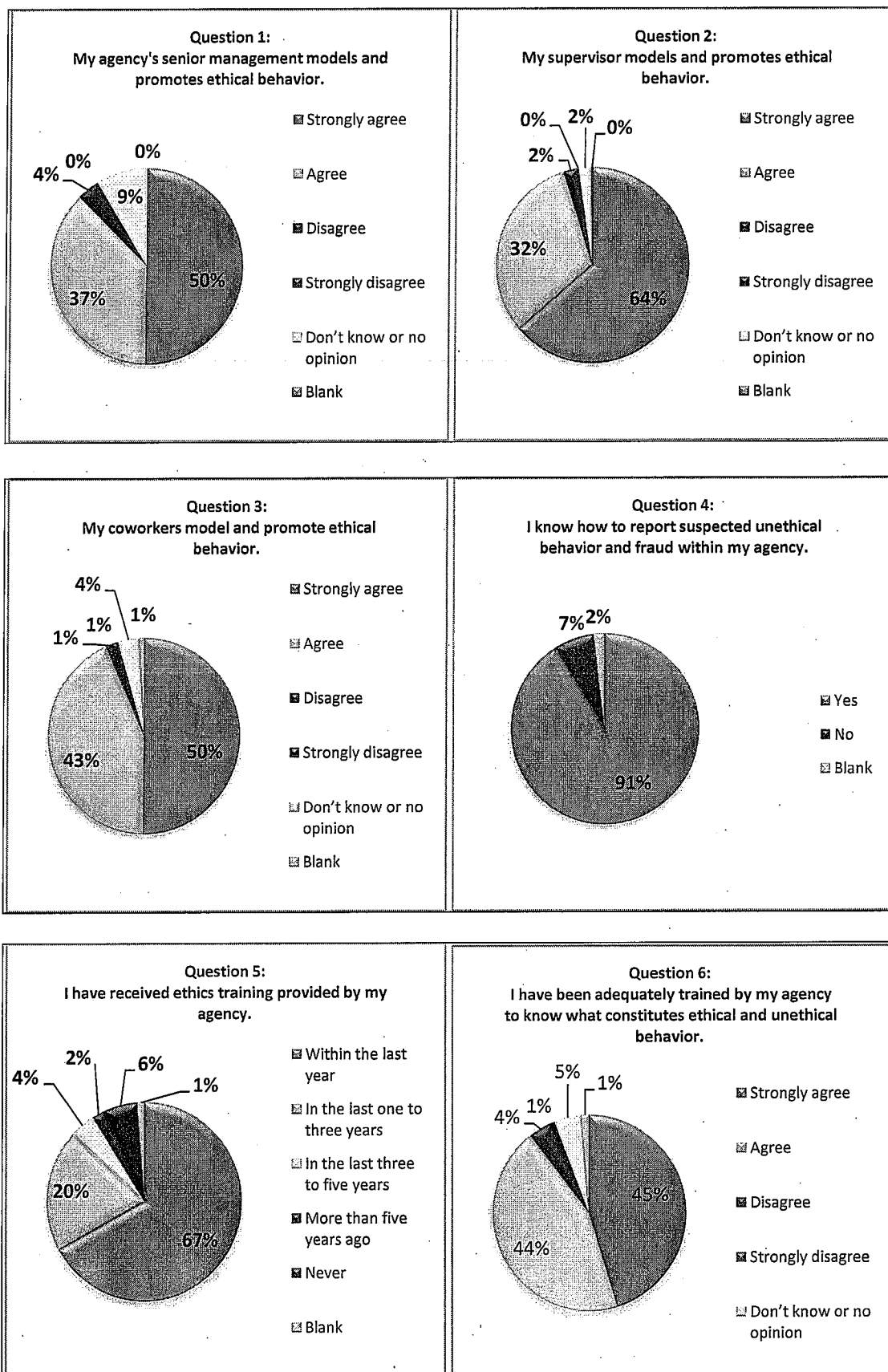


Exhibit A - Department Survey Results

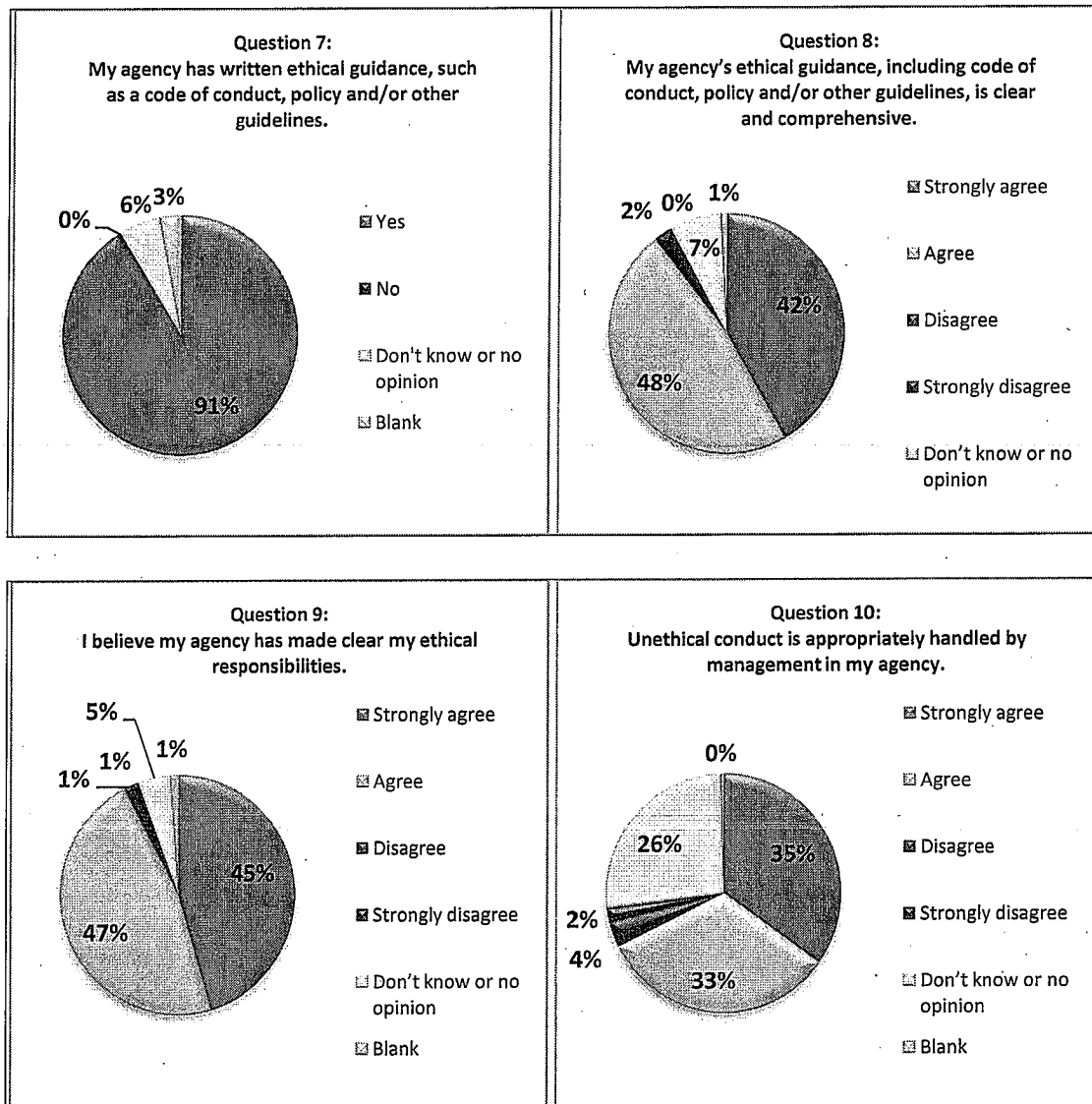


Exhibit B - Department Survey Summary Results Compared to the Enterprise Wide Summary Results

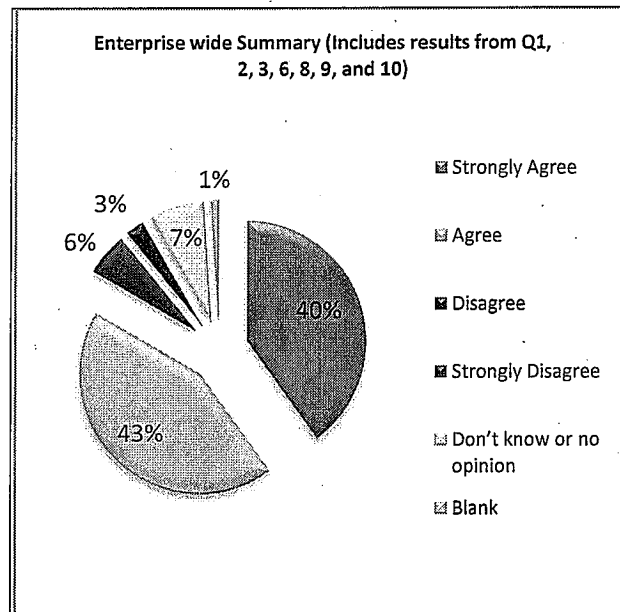
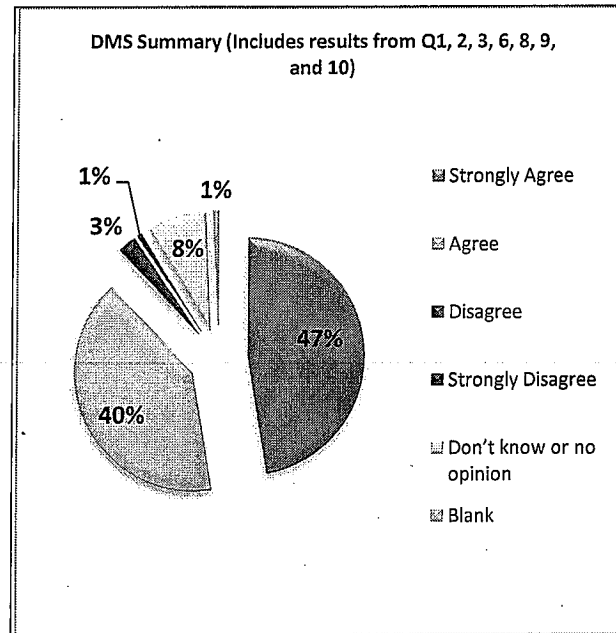


Exhibit C - Distribution List

David W. Martin, Auditor General

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To promote accountability, integrity, and efficiency, in government, the Office of the Inspector General makes audits of the Department of Management Services programs, activities, and functions. This audit was conducted in accordance with applicable standards contained in the *International Standards for the Professional Practice of Internal Auditing*, issued by the Institute of Internal Auditors.

Other audit reports prepared by the Office of Inspector General of the Department of Management Services can be obtained on our Web site (http://dms.myflorida.com/agency_administration/inspector_general); by telephone (850 488-5285); or by mail (4040 Esplanade Way, Suite 135, Tallahassee, Florida 32399).