



STATE OF FLORIDA

DIVISION OF EMERGENCY MANAGEMENT

Ron DeSantis
Governor

Jared Moskowitz
Director

MEMORANDUM

TO: Jared Moskowitz, Director
FROM: Susan Cureton, Inspector General
DATE: July 22, 2020
SUBJECT: Office of Inspector General Annual Work Plan
Fiscal Year 2020-2021

Pursuant to § 20.055(6)(i), Florida Statutes, the Office of Inspector General (OIG) is pleased to present for your approval, our Annual Work Plan and Long-term Audit Plan for Fiscal Year 2020-2021. The plan is based upon the results of our annual risk assessment and aims to provide the best use of available resources and the most effective coverage of the Division's programs, systems, activities, and processes.

The annual and long-term audit topics in this year's plan reflect areas of higher risk as well as management priorities identified through our risk assessment process. Resources have also been allocated for management requests, investigations, and other OIG responsibilities.

The 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, or risks. Once you have approved the plan, we will provide copies to the Governor's Chief Inspector General and the Auditor General, as required by statute.

I look forward to working with you and your team in the upcoming year, and thank you for your continued support and cooperation.

Respectfully
Submitted By:


Susan Cureton, Inspector General

Date: 7/22/2020

Approved By:

Kevin Guthrie
Jared Moskowitz, Director

Digitally signed by Kevin Guthrie
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Date: 2020.08.05 14:42:08 -0400

Date: 8/5/2020



INTRODUCTION

The Florida Division of Emergency Management (FDEM) was established within the Executive Office of the Governor pursuant to § 14.2016, Florida Statutes (F.S.). FDEM is responsible for planning for and responding to both natural and man-made disasters.

Pursuant to § 20.055(2), F.S., an Office of Inspector General (OIG) is established in each state agency to provide a central point for coordination of and responsibility for activities that promote accountability, integrity, and efficiency in government.

As a division of the Executive Office of the Governor, FDEM falls under the purview of the Office of the Chief Inspector General.¹ The Chief Inspector General (CIG), via Memorandum of Understanding, has designated a position be permanently assigned to FDEM and serve as Inspector General for FDEM, in order to execute the CIG's mandate to prevent fraud, waste, and abuse.

Per § 20.055(6)(i), F.S., and professional auditing standards², the Inspector General is required to develop long-term and annual audit plans based on the findings of periodic risk assessments. This OIG Annual Work Plan and Long-Term Audit Plan (plan) is in response to these requirements and shows the allocation of resources for planned audits, investigative activities, and other OIG responsibilities to be conducted during the 2020-2021 Fiscal Year (FY).

RISK ASSESSMENT METHODOLOGY

The annual and long-term audit projects included in this plan reflect areas of higher risk as well as management priorities identified through the risk assessment process. Our risk assessment methodology included:

- Reviewing prior risk assessments, FDEM program objectives, financial information, applicable laws, internal and external audit reports, as well as other available program data.
- Surveying FDEM management to obtain their input into operations and associated risks in their areas of responsibility and in the Division as a whole.
- Ranking potential audit topics based on relative risk factors, including; fraud potential, materiality, management interest, impact of change, and the need for audit coverage.

¹ The Office of the Chief Inspector General is established within the Executive Office of the Governor pursuant to § 14.32, F.S. The Chief Inspector General is responsible for promoting accountability, integrity, and efficiency in the agencies under the jurisdiction of the Governor.

² The *International Standards for the Professional Practice of Internal Auditing* as published by the Institute of Internal Auditors: Standard 2010 (Planning) and Standard 2020 (Communication and Approval).



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OIG Work Plan

This 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.

AVAILABLE RESOURCES

The FDEM OIG team has four positions, including the Inspector General. Staff members collectively carry out the audit, investigative, and other statutory responsibilities of the OIG. Considering staff time allocated to leave/holidays, professional development, and indirect activities, OIG staff hours available for audit, investigative, and other statutorily required activities is estimated to be 4,180 hours.

ALLOCATION OF RESOURCES

Based on the estimated available staff hours, the following table depicts the allocation of OIG resources for the 2020-2021 FY:

Allocation of Staff Hours for FY 2020-2021		
Type of Project	Description	Hours
Audit Activities	Planned Audits:	
	• CARES Act Funding Audit	494
	• Governance Audit (Carry-forward)	700
	Other Carry-forward Projects	175
	Audit Follow-up	175
	Enterprise Projects for CIG	836
	Quality Assessment Reviews	110
Investigative Activities	Fraud Awareness Activities	205
	Investigations and Complaints	400
Recurring Projects	OIG Accreditation	315
	Single Audit Reviews	230
	OIG Risk Assessment and Annual Plan	220
	Performance Measures Review	150
	OIG Annual Report	60
	External Audit Coordination	110
Total Hours		4,180



PLANNED AUDITS – ANNUAL AND LONG-TERM

The annual and long-term audit projects in this year's plan reflect areas of higher risk as well as management priorities identified through our risk assessment process. The scope and objectives of these projects will be determined during the planning phase of each audit.

Planned Audits for FY 2020-2021:

- **The Coronavirus Aid, Relief, and Economic Security (CARES) Act Funding Audit:** The potential focus of this audit will consist of a review of FDEM's administration of CARES Act funding, including implementation of internal controls which may help mitigate the risk of fraud, waste, or abuse in entities that have received funds under the CARES Act.
- **Governance Audit:** This audit is a carry-forward project that began in the previous fiscal year. This audit will focus on the effectiveness and implementation of FDEM's Standard Operating System (SOS), including a review and inventory of FDEM's policies and procedures. Specific objectives for the audit will be determined after completion of preliminary research.

Long-Term Audit Plan for FYs 2021-2023:

- **Grant File Management:** Potential focus on the use and administration of FDEM's new electronic grant management system, and how it may affect audit requirements for grant management.
- **Finance Processes:** Potential focus on reviewing FDEM's financial processes, including payment, procurement, documentation, and retention processes.
- **Purchasing Card Administration:** Potential focus on purchasing card practices and compliance with applicable statutes, rules, policies, and procedures.
- **Fleet Administration and Management:** Potential focus on reviewing FDEM's fleet utilization, operation, and maintenance activities in order to evaluate compliance with applicable statutes, rules, policies, and procedures.



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OTHER OIG RESPONSIBILITIES

In addition to the planned audits, the OIG has allocated resources to the following projects and activities:

Other OIG Responsibilities	
Project Type	Description
Investigations and Complaints (§ 20.055(7), F.S.)	In carrying out the investigative duties and responsibilities specified in statute, the OIG shall initiate, conduct, supervise, and coordinate investigations designed to detect, deter, prevent, and eradicate fraud, waste, mismanagement, misconduct, and other abuses in state government. The investigative function receives complaints and coordinates activities required by the Florida Whistle-blower's Act.
OIG Law Enforcement Accreditation	The OIG investigative function is accredited by the Commission for Florida Law Enforcement Accreditation (CFA). The OIG must continually monitor investigative activities to ensure compliance with accreditation standards. Being accredited means the investigative work products of the OIG meet or exceed the highest professional standards.
Risk Assessment and Annual Work Plan for FY 2021-2022 (§ 20.055(6)(i), F.S.)	Pursuant to statute, the Inspector General shall develop long-term and annual audit plans based on the findings of periodic risk assessments.
OIG Annual Report For FY 2019-2020 (§ 20.055(8), F.S.)	Pursuant to statute, the OIG must prepare an annual report summarizing the activities of the office during the immediately preceding state fiscal year. This report is due September 30 each year.
Follow-up of Prior Audit Findings (§ 20.055(6)(h) and § 20.055(2)(c), F.S.)	Pursuant to statute, the Inspector General shall monitor the implementation of FDEM's response to any report on FDEM issued by the Auditor General or by the Office of Program Policy Analysis and Government Accountability. Additionally, the OIG shall review the actions taken by FDEM to improve program performance and meet program standards and make recommendations for improvement if necessary.
Performance Measures Review (§ 20.055(2), F.S.)	Pursuant to statute, the OIG is responsible for advising in the development of performance measures, standards, and procedures for the evaluation of agency programs; and assessing the reliability and validity of the information provided on performance measures and standards; making recommendations for improvement, as necessary.



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Other OIG Responsibilities (Continued)	
Project Type	Description
External Audit Coordination (§ 20.055(2)(g), F.S.)	Pursuant to statute, the OIG will continue to ensure effective coordination and cooperation between the Auditor General, federal auditors, and other governmental bodies, with a view toward avoiding duplication.
Enterprise Projects	At the request of the Governor's Chief Inspector General (CIG), a portion of our resources will be allocated to statewide enterprise priorities as directed by the CIG.
Management Requests and Special Projects	The OIG allocates time for management requests and special projects, as deemed appropriate.
Single Audit Review (Federal and State)	On behalf of FDEM, the OIG reviews single audit reports received from FDEM subrecipients. The OIG's review is limited to identifying any audit findings related to funding awarded by FDEM. When a finding is identified, the OIG notifies FDEM management so that they may take appropriate action.



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