

AUTHORITY AND STANDARDS

In accordance with § 20.055, Florida Statutes (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. In carrying out the duties and responsibilities specified in this section, each inspector general shall conduct audits in accordance with the current International Standards for the Professional Practice of Internal Auditing as published by the Institute of Internal Auditors, Inc., or, where appropriate, in accordance with generally accepted governmental auditing standards.

WHAT CAN I EXPECT OF THE OIG AUDIT TEAM?

Auditors should be independent and objective in performing their work. Auditors should have an impartial, unbiased attitude and should avoid conflicts of interest in all matters relating to the audit work.

Auditors are expected to maintain the highest level of professionalism in their work. Auditors should:

- Maintain the highest degree of integrity, objectivity, and independence in applying professional judgment to all aspects of their work.
- Use professional judgment in planning and performing audits and in reporting the results.
- Exercise reasonable care and diligence.
- Apply the care and skill expected of a reasonably prudent and competent auditor; however, auditors are not expected to be infallible.

OIG **HOTLINE**

REPORT FRAUD

Report Fraud, Waste, Abuse, or Misconduct.

FDEM OIG **Fraud Hotline**

1-850-815-4151

Complaint@EM.MyFlorida.com

Call when you...

- Think someone is violating laws, rules, or FDEM directives.
- Think someone is receiving a benefit to "look the other way."
- Suspect mismanagement or gross waste of FDEM funds.
- Think someone is using FDEM property or people for personal gain.



INTERNAL AUDIT

OIG Mission

To promote integrity and efficiency through independent and objective assessments of FDEM's programs and operations.

Vision

Enhancing Public Trust in Government.

**SUSAN CURETON
INSPECTOR GENERAL**

WHAT IS AN AUDIT?

An Office of Inspector General (OIG) audit is part of the Florida Division of Emergency Management's (FDEM) system of checks and balances. An audit is designed to complement other management evaluations and to provide constructive recommendations for enhanced operational performance. It is a review of a selected program, activity, or function which provides management an independent appraisal of whether:

- Desired results and objectives are achieved efficiently and effectively;
- Systems are in place to ensure compliance with laws, policies, procedures, and regulations; and/or
- Financial and operating information is accurate, complete, and reliable.

Although OIG internal audit staff provide other types of services, an audit is the most comprehensive and provides the highest level of assurance. Audits are conducted in accordance with statutory requirements and internationally recognized audit standards.

HOW ARE AUDITS SELECTED?

Each year, we work with FDEM management and staff to identify potential engagements to include in our annual and long-term audit plans.

The audits included in the plan are chosen based on an annual assessment of risk which includes analyses of financial and operational impacts, organizational or program changes, likelihood of fraud, and management concerns.

The plan is intended to be a guide to direct the OIG's internal audit activities and may be modified during the year to address changing risks or priorities.

WHAT IS THE AUDIT PROCESS?

- ❖ **Engagement Letter** – We notify management that we are starting an audit through an Engagement Letter. The letter provides a general description of the purpose of the audit, specifies the audit standards that we will follow, and introduces the audit team.
- ❖ **Preliminary Survey** – As part of the Preliminary Survey phase of each audit, we perform a review of laws, rules, policies, procedures, contractual requirements, and other information related to the area or activity selected for audit. This review helps us gain a basic understanding of the area or activity being audited, as well as determine specific objectives and a scope for the audit. We may contact FDEM staff during the Preliminary Survey phase to obtain any records or information necessary for our review, or to seek input regarding the direction and scope of the audit.
- ❖ **Entrance Conference** – At the conclusion of the Preliminary Survey phase, we hold an Entrance Conference with management. The purpose of the meeting is to communicate to management the objectives, scope, and plan for the audit. We also inquire about any acts of fraud or suspected fraud.
- ❖ **Fieldwork** – During the Fieldwork phase, we conduct tests and perform other procedures necessary to accomplish our audit objectives. This phase is typically the most time-consuming part of the audit process for the auditee, as this phase usually includes activities such as gathering data, pulling files, and answering questions.
- ❖ **Preliminary Report** – Once the Fieldwork phase is complete, we prepare a Preliminary Report of our findings and recommendations. We provide the report to management for review.

- ❖ **Exit Conference** – The Exit Conference is an opportunity to discuss the Preliminary Report, and make certain the information in the report is accurate. Minor issues encountered during the audit that were not significant enough to include in the report may also be discussed.
- ❖ **Management Response** – Once the report is issued for management response, management has, by statute, 20 working days to respond in writing to any findings and recommendations contained in the report. A copy of the Management Response is included in the final report. In general, a management response should contain the following information:
 - A response agreeing with the findings should begin with “We concur” and explain what will be done to correct the issues, including an estimated completion date.
 - A response disagreeing with the findings should begin with “We do not concur” and explain the reason for the disagreement.
- ❖ **Final Report Distribution** – Once finalized, the audit report is sent to the FDEM Director, the Chief Inspector General and the Auditor General.
- ❖ **Monitoring** – After the audit, we follow-up to ensure corrective action has effectively been implemented or that senior management has accepted the risk of not taking action.

HOW LONG DO AUDITS LAST?

Audits vary in length from a few weeks to several months, depending on the complexity of the audit and the amount of required research. We provide management with periodic updates of our progress, and we attempt to minimize disruption to FDEM staff and operations during the process.