



STATE OF FLORIDA

DIVISION OF EMERGENCY MANAGEMENT

Ron DeSantis
Governor

Kevin Guthrie
Director

MEMORANDUM

TO: Kevin Guthrie, Director
FROM: Susan Cureton, Inspector General
DATE: July 1, 2021
SUBJECT: Office of Inspector General
Annual Work Plan for Fiscal Year 2021-2022

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 2021-2022. 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. Thank you for your continued support and cooperation.

Respectfully
Submitted By:


Susan Cureton, Inspector General

Date: 07/01/2021

Approved By:

Kevin Guthrie, Director

Date:

Florida Division of Emergency Management



Office of Inspector General

Annual Work Plan & Long-Term Audit Plan
Fiscal Year 2021-2022



INTRODUCTION

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 (§ 20.055(2), F.S.). The mission of the OIG is: *“To promote integrity and efficiency through independent and objective assessments of FDEM’s programs and operations.”*

Florida Statutes as well as professional auditing standards¹, require the Inspector General to develop long-term and annual audit plans based on the findings of periodic risk assessments. This report, the OIG’s *Annual Work Plan & Long-Term Audit Plan* (plan), is in response to these requirements.

The plan shows the allocation of resources for planned audits, investigative activities, and other OIG oversight and accountability activities to be conducted during the 2021-2022 Fiscal Year (FY). 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, and risks.

OIG ANNUAL WORK PLAN

The annual and long-term audit projects included in this year’s 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.

AVAILABLE RESOURCES

The FDEM OIG team has four positions (one Select Exempt Service, one Career Service, and two Other Personal Services positions). 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 administrative activities, OIG staff hours available for audit, investigative, and other statutorily required activities is estimated to be 4,374 hours.

¹ 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).



ALLOCATION OF RESOURCES

Based on the estimated available staff hours, the following table depicts the allocation of OIG resources for the 2021-2022 FY:

Allocation of Staff Hours for FY 2021-2022		
Type of Project	Description	Hours
Audit Activities	Planned Audits:	
	• Contracts Audit	929
	• Chief Inspector General (CIG) Enterprise Audit - Cybersecurity	500
	Other CIG Enterprise Projects/Coordination	405
	Audit Follow-up	225
	Quality Assessment Reviews	140
	Fraud Awareness Activities	225
Investigative Activities	Investigations and Complaints	600
	OIG Accreditation	230
Recurring Projects & Other Responsibilities	Single Audit Reviews	430
	OIG Risk Assessment and Annual Plan	200
	Performance Measures Review	140
	OIG Annual Report	80
	External Audit Coordination	180
	Policies and Procedures Maintenance	90
Total Hours		4,374

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 2021-2022:

- **Contracts Audit:** The focus of this audit will be to complete a risk-based compliance audit of all contracts executed by FDEM for the preceding three fiscal years, and will include the evaluation of, and identify any trend in, vendor preference. This audit is scheduled in anticipation of the passage of House Bill 1079.



Florida Division of Emergency Management
Office of Inspector General
 Annual Work Plan & Long-Term Audit Plan for FY 2021-2022

- **CIG Enterprise Cybersecurity Audit:** In anticipation of the passing of House Bill 1297, the CIG directed agency inspectors general to allocate time in their annual plans for an enterprise-wide audit of cybersecurity. The topic for the audit will be *Security Continuous Monitoring*.

Long-Term Audit Plan for FYs 2022-2024:

- **Finance Processes:** Potential focus may include reviewing FDEM’s financial processes; including payment, procurement, documentation, and retention processes.
- **Purchasing Card Administration:** Potential focus may include a review of purchasing card practices and compliance with applicable statutes, rules, policies, and procedures.
- **Extraordinary Pay:** Potential focus may include a review of FDEM’s financial processes related to extraordinary pay and compliance with applicable statutes, rules, policies, and procedures.
- **Grant File Management:** Potential focus may include a review of the use and administration of FDEM’s new electronic grant management system, and how it may affect audit requirements for grant management.

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 also 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.



Florida Division of Emergency Management
Office of Inspector General
Annual Work Plan & Long-Term Audit Plan for FY 2021-2022

<p>Risk Assessment and Annual Work Plan for FY 2022-2023 (§ 20.055(6)(i), F.S.)</p>	<p>Pursuant to statute, the Inspector General shall develop long-term and annual audit plans based on the findings of periodic risk assessments.</p>
<p>OIG Annual Report For FY 2020-2021 (§ 20.055(8), F.S.)</p>	<p>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.</p>
<p>Follow-up of Prior Audit Findings (§ 20.055(6)(h) and § 20.055(2)(c), F.S.)</p>	<p>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.</p>
<p>Performance Measures Review (§ 20.055(2), F.S.)</p>	<p>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.</p>
<p>External Audit Coordination (§ 20.055(2)(g), F.S.)</p>	<p>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.</p>
<p>Enterprise Projects</p>	<p>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. The Chief Inspector General is currently planning to conduct an enterprise-wide cybersecurity audit, and directed agency inspectors general to budget time for the engagement as part of their 2021-2022 work plans.</p>
<p>Management Requests and Special Projects</p>	<p>The OIG may allocate time for management requests and special projects, as deemed appropriate.</p>
<p>Single Audit Review (Federal and State)</p>	<p>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.</p>



Distribution

Internal Distribution

Kevin Guthrie, Director
Stephen Hynes, Deputy Director

External Distribution

Melinda Miguel, Chief Inspector General
Sherrill F. Norman, Auditor General

Statement of Accordance

This report was prepared pursuant to § 20.055(6)(i), Florida Statutes, and conducted in accordance with 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).

