

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION



# 2022 – 2023 ANNUAL REPORT

**OFFICE OF INSPECTOR  
GENERAL**



RON DESANTIS, GOVERNOR

MELANIE S. GRIFFIN, SECRETARY

August 15, 2023

Dear Chief Inspector General Miguel,

In accordance with Section 20.055(8)(a), Florida Statutes, I am pleased to submit the Office of Inspector General's Annual Report for fiscal year 2022-2023. The report highlights our efforts and activities during the preceding fiscal year.

As this report demonstrates, our office is committed to providing leadership in the promotion of accountability, integrity, and public trust.

Thank you for all your support this year.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rodney J. MacKinnon", with a long horizontal flourish extending to the right.

Rodney J. MacKinnon  
Inspector General



## OFFICE OF INSPECTOR GENERAL Annual Report

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Accredited by the Commission for Florida Law Enforcement Accreditation since February 2020.

## I. Overview of the Office of Inspector General

Section 20.055, Florida Statutes, established the Office of Inspector General (OIG) to provide a central point for coordination of and responsibility for activities that promote accountability, integrity, and efficiency within the Department of Business and Professional Regulation (DBPR). The section defines the duties and responsibilities of agency inspectors general and requires inspectors general to submit an annual report to the Chief Inspector General by September 30<sup>th</sup> of each year. The purpose of this report is to provide the Chief Inspector General, the Secretary of the department, and other interested parties with a summary of the accountability activities of the Office of Inspector General during the preceding fiscal year.

### Mission Statement

The mission of the Office of Inspector General is to be a valuable partner in conducting independent and objective internal audits, reviews, and investigations of department activities and programs. Our services add value to department management by assisting the department in providing greater accountability, integrity, efficiency, and effectiveness in fulfilling the department's overall vision, mission, values, and strategic goals.

### Responsibilities

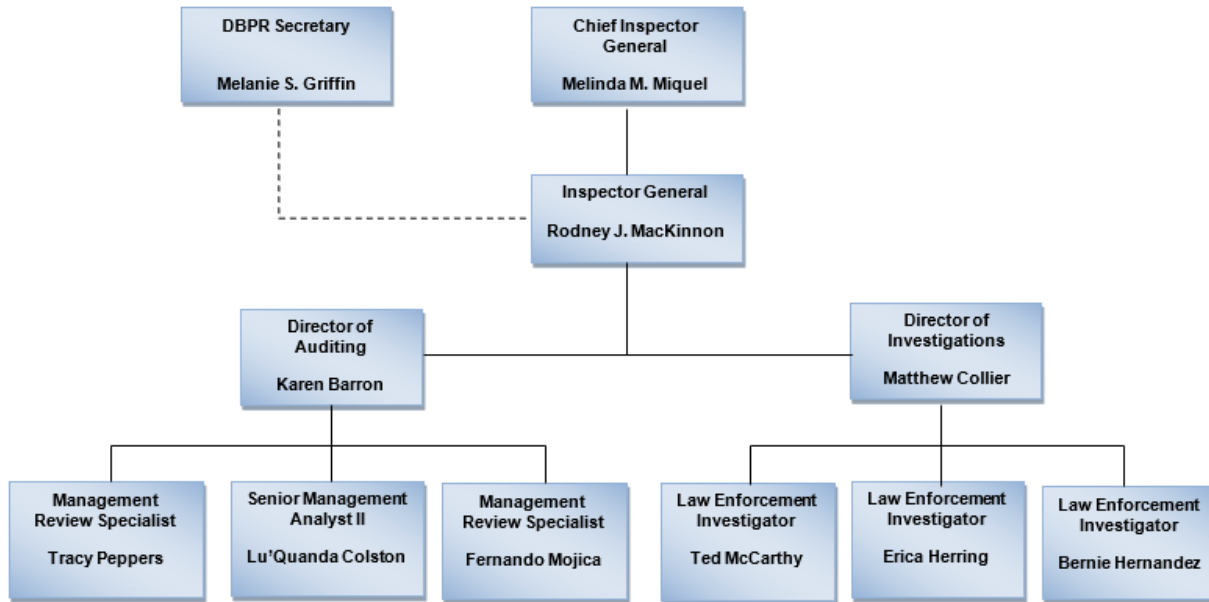
Section 20.055, Florida Statutes, outlines the following duties and responsibilities for Offices of Inspector General:

- Direct, supervise, and coordinate audits, investigations, and management reviews relating to the agency's programs and operations.
- Conduct, supervise, or coordinate other activities carried out or financed by the agency for the purpose of promoting economy and efficiency in the administration of, or preventing and detecting fraud and abuse in, agency programs and operations.
- Keep the agency head informed concerning fraud, abuses, and deficiencies relating to programs and operations administered or financed by the agency; recommend corrective action concerning fraud, abuses, and deficiencies; and report on the progress made in implementing corrective action.
- Review the actions taken by the state agency to improve program performance and meet program standards and make recommendations for improvement, if necessary.
- Advise in the development of performance measures, standards, and procedures for the evaluation of agency programs; assess the reliability and validity of the information provided by the agency on performance measures and standards and make recommendations for improvement, if necessary.
- Ensure effective coordination and cooperation between the Office of the Auditor General, federal auditors, and other governmental bodies with a view toward avoiding duplication.
- Maintain an appropriate balance between audit, investigative, and other accountability activities.
- Comply with the *General Principles and Standards for Offices of Inspector General*, as published and revised by the Association of Inspectors General.
- Initiate, conduct, supervise, and coordinate investigations designed to detect, deter, prevent, and eradicate fraud, waste, mismanagement, misconduct, and other abuses in state government.
- Receive complaints and coordinate all activities of the department as required by the Whistle-blower's Act pursuant to Sections 112.3187 - 112.31895, Florida Statutes.
- Receive and consider the complaints that do not meet the criteria for an investigation under the Whistle-blower's Act and conduct such inquiries, investigations, or reviews, as the Inspector General deems appropriate.

- Conduct investigations and other inquiries free of actual or perceived impairment to the independence of the Inspector General's office. This shall include freedom from any interference with investigations and timely access to records and other sources of information.

## Staffing

The Inspector General is appointed by the Chief Inspector General and is under the general supervision of Secretary of DBPR for administrative purposes. The Office of Inspector General (OIG) is organized as shown on the following chart:



Collectively, OIG staff possessed and maintained the following professional designations and certifications during Fiscal Year 2022-2023:

- Certified Inspector General (1)
- Certified Inspector General Investigator (1)
- Certified Inspector General Auditor (1)
- Certified Fraud Examiner (2)
- Florida Certified Contract Manager (4)
- Certified Law Enforcement Officer (4)
- Notaries Public (2)
- Member of the Florida Bar (1)

## Professional Affiliations

OIG staff members belong to a variety of professional associations to maintain professional competence, establish and advance professional networks, and participate in professional community activities. OIG staff members are affiliated with the following professional organizations:

- Association of Inspectors General (AIG)
- Association of Certified Fraud Examiners (ACFE)
- Florida Chapter of the AIG (FCAIG)
- The Institute of Internal Auditors (IIA)
- Tallahassee Chapter of the IIA (TCIIA)
- Association of Government Accountants (AGA)

- Commission for Florida Law Enforcement Accreditation (CFA)
- The Florida Government Bar Association (FGBA)

## II. Internal Audit Section Overview

The primary goal of the Internal Audit Section (IAS) is to bring a systematic, disciplined, approach to evaluating and improving the adequacy and effectiveness of the Department's governance, risk management, and internal control processes. To accomplish this goal, the IAS conducts internal audits of the Department's programs, activities, and functions. These audits evaluate the Department's exposure to fraud, risk, and the adequacy and effectiveness of internal controls established to:

- Achieve the Department's strategic objectives.
- Maintain the reliability and integrity of financial and operational data and information.
- Optimize operational effectiveness and efficiency.
- Safeguard assets, including information and information technology resources.
- Ensure compliance with laws, rules, regulations, policies, procedures, and contracts.

The IAS also conducts consulting engagements at management's request and provides advisory/technical assistance services to management on issues that does not require more extensive audit or consulting services. Additionally, the IAS serves as the liaison between the Department and external review entities such as the Auditor General and monitors and reports to the Secretary, via the Inspector General, on the status of actions taken to correct deficiencies reported in external and internal audits.

The IAS carries out the OIG's statutory responsibilities regarding performance measure development and assessment and provides technical assistance and administrative guidance on state single audit act matters.

The IAS also performs audits and consulting engagements in conformance with the *International Standards for the Professional Practice of Internal Auditing (Standards)*, as published by The Institute of Internal Auditors, Inc.

Finally, the IAS also consults with the Investigations Unit and provides quality control on investigative reports.

Follow-up reviews, management advisory services, and other projects are conducted in accordance with the *Standards* or other applicable professional internal auditing standards. The *Standards* provide a framework for ensuring independence, objectivity, and due professional care in the performance of internal audit work.

## III. Summaries of Internal Audit Work Completed in 2022-2023

**Audit of Internal Controls over Driver and Vehicle Information Database (DAVID), Divisions of Technology, Regulation, Real Estate, and Certified Public Accounting, Internal Audit Report Number A-2122BPR-030 - Published December 13, 2022.**

### Description and Scope

Pursuant to the Memorandum of Understanding (MOU), prior to the third anniversary of the agreement the Requesting Party (DBPR) must submit an Attestation Statement signed by the Secretary and the

Inspector General asserting that the Divisions' internal controls over the personal data accessed through the database have been evaluated by the OIG and are adequate in material aspects to protect the personal data from unauthorized access, distribution, use, modification, or disclosure. Any deficiencies or issues identified during the audit must also have been corrected and measures implemented to prevent recurrence.

The purpose of this audit was to evaluate whether the Divisions' internal controls over the personal data accessed through the DAVID system were adequate to protect the data from unauthorized access, distribution, use, modification, or disclosure. In reviewing internal controls, audit staff assessed authorized bureau personnel's compliance with provisions of the MOU related to database access, safeguarding of information, and usage of DAVID. The audit also examined the Divisions' compliance with the terms of the MOU.

The scope of the audit included a review of the Divisions' operations, policies, procedures, records, and activities with respect to the DAVID system for the period of August 2019, through the conclusion of audit fieldwork, August 2022.

### **Results**

Audit testing conducted by the Office of Inspector General and the Division of Technology's quarterly quality control reviews found no instances of unauthorized access, distribution, use, modification, or disclosure of data from the DAVID system. However, our review identified the following instances of noncompliance with the MOU:

- Quarterly quality control reviews were not completed in a timely manner; in one instance, the Division of Technology did not comply with the use of the Quarterly Quality Control Review Report (QQCRR) (Attachment II) for the monitoring of user activity.
- Users did not complete the training requirements as prescribed in the MOU.
- User access permissions were not timely inactivated or updated upon termination from DAVID.

### **Recommendations**

The OIG recommended the following:

- The Division of Technology ensure that quarterly quality control reviews are being conducted and completed within ten business days following the end of each quarter. This will ensure the Division's compliance with the MOU.
- The Divisions periodically review their active DAVID users to ensure that users meet the annual training requirement as prescribed in the DAVID Procedural Manual.
- The Division of Technology and the impacted divisions ensure that all user access is inactivated immediately upon termination or misuse, or within five working days of transfer or reassignment, as prescribed in the MOU.
- The Divisions inform the Division of Technology of any status updates regarding a change in a username to prevent a delay in the user's inactivation process.
- If the Division of Technology is unable to match the username it receives, that it follows up with the Division that submitted the username.
- The impacted Divisions submit the required Technology Separation Checklist to the Division of Technology in a timely manner to ensure timely removal from the DAVID system.

## **Management's Response**

The Division of Technology concurred with the audit findings and recommendations and noted that during the audit period, they had experienced some staff turnover. The Division noted that they look forward to meeting the ten-day business day goal going forward.

The Division of Regulation concurred with the audit findings and recommendations and noted that they will implement a review of active DAVID users to ensure that users meet the annual training requirement as prescribed in the DAVID Procedural Manual.

**Confidential Audit of Cybersecurity Controls – Identity Management and Access Controls, Division of Technology. Internal Audit Report Number A-2223BPR-022. Published June 29, 2023.**

## **Description and Scope**

The objectives of this audit were to assess the Department's cybersecurity practices in the following areas:

- Issuing, managing, verifying, revoking, and auditing identities and credentials for authorized devices, processes, and Users.
- Managing and protecting physical access to assets.
- Managing Remote Access.
- Managing access permissions and authorizations, incorporating the principles of least privilege, and Separation of Duties.
- Protecting network integrity, by incorporating network segregation and segmentation where appropriate.
- Proofing and bonding identities to credentials, asserting in interactions when appropriate.
- Authenticating credentials assigned to Users, devices, and other assets commensurate with the risk of the transaction.

Pursuant to Section 282.318, Florida Statutes, this audit and associated records are confidential and exempt from the provisions of Section 119.07(1), Florida Statutes, and are not available for public distribution.

## **IV. Summaries of Florida Single Audit Act Activities Completed in 2022-2023**

### **2022-2023 Florida Single Audit Act Certifications**

#### **Project Number S-2223BPR-013. Completed September 2022.**

Rule 69I-5.005(4), Florida Administrative Code, requires state agencies to annually certify the accuracy and completeness of their state projects included in the Catalog of State Financial Assistance. Agencies must complete the Catalog of State Financial Assistance Certification Form and identify any applicable additions, deletions, or changes.

Between July 2022 and September 2022, OIG staff submitted the relevant certifications for the five current DBPR Florida Single Audit Act projects. This information was timely disseminated to the Department of Financial Services (DFS) in accordance with the relevant DFS instructions.



## **2022-2023 Florida Single Audit Act Financial Reporting Packages Review**

The Florida Single Audit Act, Section 215.97, Florida Statutes, establishes state audit and accountability requirements for state financial assistance provided to non-state entities. The OIG's Internal Audit Section has various responsibilities with respect to department Single Audit Act activities as outlined below.

### **Florida Board of Architecture and Interior Design, Inc (BOAID) Single Audit Act Financial Reporting Package Review, Internal Project Number K-2122BPR-037 - Completed July 1, 2022**

The Fiscal Year 2020-2021 BOAID financial reporting package was completed on December 2, 2021, and forwarded to our office on May 4, 2022. For the Fiscal Year 2020-2021, BOAID did not expended \$750,000 or more in state financial assistance, therefore, an audit was not required.

### **Florida Restaurant and Lodging Association Educational Foundation (FRLAEF) Single Audit Act Financial Reporting Package Review, Internal Project Number K-2122BPR-038 - Completed July 1, 2022**

The Fiscal Year 2020-2021 FRLAEF financial reporting package was completed on May 26, 2022, and forwarded to our office on May 31, 2022. FRLAEF expended \$750,000 or more in state financial assistance for Fiscal Year 2020-2021. Therefore, we reviewed the package in accordance with our Office of Inspector General Checklist and other contract management principles. Our office noted no findings on the financial reporting checklist directed to FRLAEF.

### **Florida Engineers Management Corporation (FEMC) Single Audit Act Financial Reporting Package Review, Internal Project Number K-2223BPR-023 - Completed October 13, 2022.**

The Fiscal Year 2021-2022 FEMC financial reporting package was completed on August 20, 2022, and forwarded to our office on September 6, 2022. FEMC expended \$750,000 or more in state financial assistance for Fiscal Year 2021-2022. Therefore, we reviewed the package in accordance with our Office of Inspector General Checklist and other contract management principles. Our office noted no findings on the financial reporting checklist directed to FEMC.

### **Building A Safer Florida, Inc. (BASF) Single Audit Act Financial Reporting Package Review, Internal Project Number K-2223BPR-029 - Completed February 6, 2023.**

The Fiscal Year 2021-2022 BASF financial reporting package was completed on November 15, 2022, and forwarded to the OIG on November 28, 2022. BASF expended \$750,000 or more in state financial assistance for Fiscal Year 2021-2022. Therefore, we reviewed the package in accordance with our Office of Inspector General Checklist and other contract management principles. Our office noted no findings on the financial reporting checklist directed to BASF.

### **Florida Board of Architecture and Interior Design, Inc (BOAID) Single Audit Act Financial Reporting Package Review, Internal Project Number K-2223BPR-027 - Completed February 23, 2023**

The Fiscal Year 2021-2022 BOAID financial reporting package was completed on February 15, 2023, and forwarded to our office on February 23, 2023. For the Fiscal Year 2021-2022, BOAID did not expended \$750,000 or more in state financial assistance, therefore, an audit was not required.

**Florida Restaurant and Lodging, Florida In-State Tourism Marketing Campaign Single Audit Act Financial Reporting Package Review, Internal Project Number K-2223BPR-039 - Completed April 3, 2023.**

The Fiscal Year 2021-2022 Florida In-State Tourism Marketing (the Association) Campaign financial reporting package was completed on December 12, 2022, and forwarded to our office on February 2, 2023. Our office determined the Association expended \$750,000 or more in state financial assistance for Fiscal Year 2021-2022 and reviewed the package in accordance with the Office of Inspector General Checklist and other contract management principles.

Our review noted that one matter of material weakness involving internal control over financial reporting and internal control over major programs was identified by the independent auditor. Specifically, the independent audit report found that funds transferred to an entity via telephone transaction resulted in an unallowable fraudulent cost. The independent auditor recommended that additional internal controls were needed for the transfer of funds for bank wires via telephone transactions.

**Florida Restaurant and Lodging Association Educational Foundation (FRLAEF) Single Audit Act Financial Reporting Package Review, Internal Project Number K-2223BPR-038 - Completed June 28, 2023.**

The Fiscal Year 2021-2022 FRLAEF financial reporting package was completed on May 25, 2023, and forwarded to our office on June 16, 2023. FRLAEF expended \$750,000 or more in state financial assistance for Fiscal Year 2021-2022. Therefore, we reviewed the package in accordance with our Office of Inspector General Checklist and other contract management principles. Our office noted no findings on the financial reporting checklist directed to FRLAEF.

## **V. Other IAS Activities**

### **External Audits Coordinated**

The OIG's Internal Audit Section serves as the central point of contact and coordination between the Department and external agencies engaged in audits of department operations. This liaison role helps ensure effective coordination and cooperation between the Department and the state (e.g., the Auditor General's office) and federal review entities and minimizes duplication of audit efforts. Internal audit staff coordinates information requests and responses, facilitates the scheduling of meetings, and coordinates the Department's responses to preliminary and tentative findings issued by the Auditor General and other oversight agencies.

In Fiscal Year 2022-2023, internal audit staff provided liaison and coordination services for the following external reviews:

**Auditor General Department of Management Services Integrated Retirement Information Systems (IRIS), Division of Administration, Bureau of Human Resources, Project Number E-2223BPR-012 - Completed September 2022.**

The Auditor General's (AG's) IT operational audit focused on evaluating selected significant Department of Management Services (Department) and Division of Retirement (Division) Integrated Retirement Information System (IRIS) IT controls during the period July 2021 through March 2022 and selected actions subsequent thereto. The AG's objectives were as follows:

- To evaluate the effectiveness of selected significant IT controls in achieving management's control objectives in the categories of compliance with controlling laws, administrative rules, and other guidelines; the confidentiality, integrity, availability, relevance, and reliability of data; and the safeguarding of IT resources.
- To determine whether management had corrected, or was in the process of correcting, all applicable deficiencies disclosed in our report No. 2019-220.
- To identify statutory and fiscal changes that may be recommended to the Legislature pursuant to Section 11.45(7)(h), Florida Statutes.

As part of their audit, the AG requested relevant documentation from the Division of Administration, Bureau of Human Resources. Our office coordinated all requests.

**2022-2023 Auditor General Statewide Financial Statement Audit, Office of Budget and Planning, Bureau of Finance and Accounting; Office of the General Counsel; and Division of Alcoholic Beverages, Audit Project Number E-2223BPR-019 - Completed March 2023.**

The Auditor General conducts financial audits of the accounts and records of state agencies, state universities, state colleges, district school boards, and, as directed by the Joint Legislative Auditing Committee, local governments. The OIG facilitated the department's responses as part of the Auditor General Statewide Financial Statement Audit for the fiscal year ended June 30, 2022. The audit determined the State of Florida's Comprehensive Annual Financial Report was fairly presented in all material respects.

No findings were directed to the Department of Business and Professional Regulation.

**2023 DRE Federal Appraisal Subcommittee Audit, Audit Project Number E-2223BPR-033.**

The ASC monitors each State's appraiser licensing and certification regulatory program to ensure the State:

- Recognizes and enforces the standards, requirements, and procedures pre-scribed by Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, as amended, (Title XI).
- Has adequate authority to permit it to carry out its Title XI-related functions; and
- Makes decisions concerning appraisal standards, appraiser qualifications and supervision of appraiser practices consistent with Title XI.
- The ASC, in general, satisfies these responsibilities by performing on-site Compliance Reviews of State agency programs and maintaining close communications with appraisers, State and Federal agencies, and users of appraisal services.

Each Compliance Review assesses every facet of a State's appraiser regulatory program. Emphasis is placed on the State agency's enforcement program. Reviews usually are scheduled to coincide with a meeting of the State agency's decision-making body and are conducted over two to four days. ASC staff presents its Preliminary Findings and recommendations to the State. The State is allowed 60 days to respond to the Preliminary Findings.

**Significant Audit Findings and Recommendations Reported in Prior Annual Reports**

The Internal Audit Section actively monitors management's actions to correct deficiencies cited in internal audit reports and in reports issued by external review entities. In accordance with state law and internal auditing standards, the Inspector General provides the department's Secretary with a written report on

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the status of corrective action. In Fiscal Year 2022-2023, the Internal Audit Section conducted three follow-up review of an internal audit and one follow-up review of an external audit.

**Initial Follow-up Review: Audit of Driver and Vehicle Information Database (DAVID), Division of Alcoholic Beverages, Bureau of Enforcement, Internal Follow-up Report Number F-2223BPR-021 - Completed October 17, 2022**

The objectives of this review were to determine whether corrective actions had been taken to mitigate the risks identified in our initial audit. Our initial follow-up review noted that the Division of Alcoholic Beverages and Tobacco should:

- Strengthen its internal controls over its internal operating procedures relevant to DAVID.
- Conduct the Quarterly Quality Control Reviews as required by the DAVID MOU.
- Require the Division's users of DAVID to complete the annual required training in DAVID in a timely manner.
- Inactive user access permissions timely from the DAVID system.

Based on our review of the responses provided by the Division, our office determined that sufficient corrective actions had been taken to close all audit findings and recommendations.

**Initial Follow-up Review: Confidential: Audit of Cybersecurity Controls – Security Continuous Monitoring, Internal Follow-up Report Number F-2223BPR-034 - Completed April 5, 2023**

Pursuant to Section 282.318, Florida Statutes, this audit and associated records are confidential and exempt from the provisions of Section 119.07(1), Florida Statutes, and are not available for public distribution.

**Other IAS Activities**

- The IAS prepared the *Schedule IX: Major Audit Findings and Recommendations* for the Department's Legislative Budget Request, which is required on an annual basis.
- The *Schedule IX* informs decision-makers about major findings and recommendations made in Auditor General and OIG audit reports issued during the current and previous fiscal years.
- The *Schedule IX* also provides information on the status of action taken to correct reported deficiencies and is cross-referenced to any legislative budget requests to help implement audit findings and recommendations.
- The IAS continuously updates the Integrated Internal Audit Management System templates for the OIG's annual risk assessment and audit projects.
- Staff represented the OIG and participated in the training of new department employees.
- Staff monitored the DAVID quarterly quality control reviews conducted by the Division of Alcoholic Beverages and Tobacco.
- Staff monitored the Quarterly Contractor Access Reviews for contracted entities for Versa: Regulation conducted by the Division of Technology.
- Staff provided updates to executive management regarding all internal and external audit engagements.
- Staff monitored compliance with Executive Order 20-44 regarding sole-source, public-private agreements, and other specific contracts and agreements.
- Provided quality assurance on two investigative reports.

## VI. Overview of the Investigations Section

Internal investigations help identify occurrences of fraud, waste, mismanagement, misconduct, or other abuses. OIG findings are reported to the Department's Secretary, Chief of Staff, Deputy Secretaries, Chief of Human Resources, and, as appropriate, to the respective division directors, and the Office of the General Counsel. Recommendations for improved processes, policies, or procedures are made when warranted by the findings.

The Investigations Section of the OIG is comprised of a sworn Director of Investigations and three sworn investigators who are lieutenants. Staff within this section are primarily responsible for conducting internal investigations and inquiries into allegations of employee misconduct and allegations that department employees have violated law, rule, policy, procedure, or regulation, as well as Whistle-blower Act complaints.

The Investigations Section accomplishes its mission through both reactive and proactive investigative efforts based on the authority specified in Section 20.055, Florida Statutes, and in accordance with the Commission for Florida Law Enforcement Accreditation's standards for OIG's and the Association of Inspectors General's Principles and Standards for Offices of Inspector General (the "Green Book"). Pursuant to Section 20.055(7)(b), Florida Statutes, the Inspector General has the authority and discretion to conduct investigations and inquiries as the Inspector General deems appropriate, although Whistle-blower Act investigations are subject to additional requirements.

### Accreditation

On February 20, 2020, the Commission for Florida Law Enforcement Accreditation accredited the Investigations Section of the OIG. On December 6, 2022, the Office of Inspector General was reassessed by Florida Law Enforcement Accreditation and passed the assessment with no findings. The OIG Investigations Section accreditation was renewed for an additional three years on February 23, 2023.

## VII. Complaint Intake

The majority of complaints referred to the Investigations Section are received via the OIG's online complaint reporting process. Complaints are also forwarded to the OIG by the Chief Inspector General's office, the Attorney General's Office, and other state agencies. Many complaints reported to the OIG are referred to the Department's various division directors, since the complaints are more appropriate for management review and response rather than OIG investigation or inquiry. For example, complaints received in the 2022-2023 fiscal year included poor customer service from restaurants, pornographic art in vending machines, and unclean restrooms in retail outlets.

Recognizing that not all citizens have access to electronic communication, the Office of Inspector General maintains multiple points of intake. Citizens may file a complaint by telephone, standard mail, email, in person, or through the Department's website.

Each complaint, after initial intake, is reviewed and vetted by the Inspector General and/or Director of Investigations to identify allegations of misconduct, waste, fraud, or abuse by Department staff. Each complaint is also analyzed to determine if the complaint describes activities as defined in Section 112.3187, Florida Statutes, also known as the "Whistle-blower's Act." Capturing and classifying each complaint enables the OIG to provide feedback to management when consistent public miscommunication, policy failure, or poor performance may exist within a division.

## Case Classifications

**Backgrounds** - Investigations and criminal history reviews of individuals who are being considered to fill positions within the department designated as sensitive. This includes Career Service, Senior Management, Selected Exempt Service, and Other Personal Services positions.

**Information** – Information cases are completed to document information and/or actions that otherwise do not meet the criteria for investigative inquiries, investigations, or management referrals.

**Investigative Inquiries** - Informal reviews conducted to determine the validity of a complaint prior to the initiation of an internal investigation. The determination as to whether the review remains an inquiry, is upgraded, or closed out is dependent on the evidence obtained during the informal review.



**Internal Investigations** - Investigations conducted by the Office of Inspector General in response to a complaint of serious employee misconduct received by the office, and sometimes from the evidence obtained during an inquiry, that warrants a full and formal investigation into the facts surrounding the allegation(s).

**Referrals** – The forwarding of complaints, typically of minor misconduct, poor customer service, dissatisfaction with divisions’ resolution of complaints, the correctness of legal decisions or interpretations, or poor staff performance, to the appropriate division within the department or to the applicable external department for review and response to the complainant.

**Management Reviews** – These reviews are requested by a DBPR Division Director and involve an area or possible area of concern that has been identified by the division. Any findings are reported in writing to management for corrective action, policy changes, and/or discipline. These reviews are one of several fraud detection and deterrence activities engaged in by the Office of Inspector General.

**Whistle-blower Analyses** – Receipt and review of complaints filed by a state agency employee/contractor, former state agency employee/contractor, or applicant for state agency/contractor employment, containing serious allegations of wrongdoing on the part of a public employer or independent contractor and coordination of all activities of the agency as required by the Whistle-blower’s Act pursuant to Sections 112.3187-112.31895, Florida Statutes. The primary purpose of the analysis is to determine the appropriateness of awarding whistle-blower status to the complainant.

**Inspector General Reviews** – Special complaint reviews conducted by the Inspector General or Director of Investigations to assess and address the issues and to either provide final resolution to the

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complainant or determine whether further management action is required. Most Inspector General Reviews are initiated in response to requests made by the Chief Inspector General's office.

**No Jurisdiction** – Complaints involving entities or businesses that DBPR does not license, have authority over, regulate, or oversee. The OIG will often help the complainant with information, if known, for the proper Federal, State or Local agency that might assist the complainant when possible and appropriate.

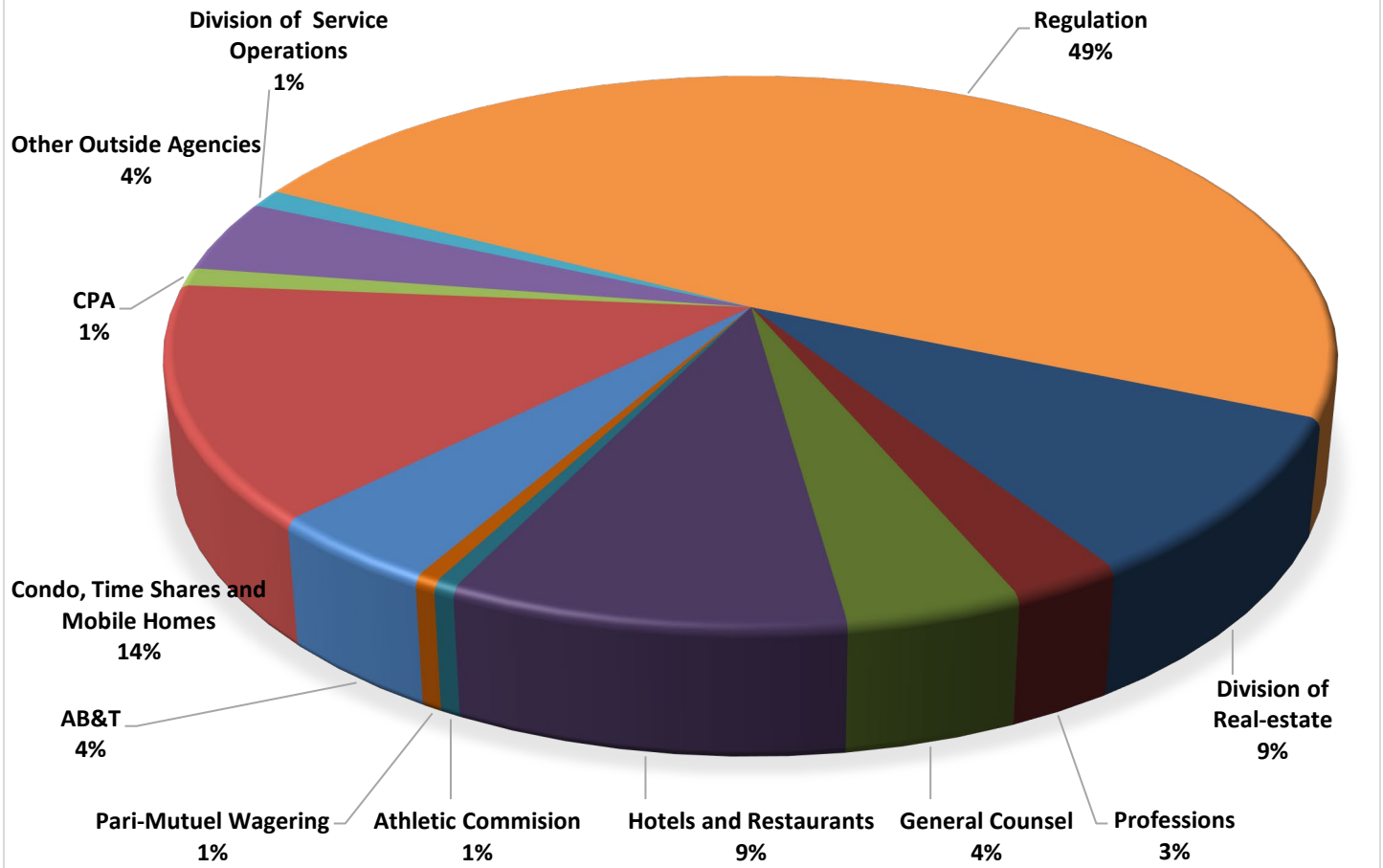
**Law Enforcement Referral** – Complaints that involve the Department or personnel this office has authority over but are criminal in nature. Criminal complaints cannot be investigated by this office and are referred to the proper law enforcement authorities. These complaints might be from internal or external complainants.

**Use of Force Reviews** – The Office of Inspector General independently reviews use of force by a Sworn Employee of the Division of Alcoholic Beverage and Tobacco, Bureau of Law Enforcement.

**Non-Investigative Case and Agency Assist** – Non-investigative case incidents or potential issues that the OIG Investigative Bureau assists the Department with. These incidents/issues may involve potential risks or threats to the Department or Department Employees, that might require law enforcement assistance, intervention, consulting, or referral. It also might involve assisting another Agency with their investigation or questions involving DBPR related matters.

## PERCENTAGE OF COMPLAINT REFERRALS BY DIVISION

(SOME REFERRALS MAY INVOLVE MORE THAN ONE DIVISION)



### VIII. Investigative Inquiries (INQ) and Internal Investigations (II)

The Office of Inspector General initiated/conducted eight Internal Inquires. Of these, two developed into full investigations, one resulted in a report being written with this office’s findings, and one was a review of a complaint regarding an arrest made by the Division of Alcoholic Beverages and Tobacco. The remaining were closed due to lack of cooperation by the complainant or referred back to the Division for handling deemed appropriate after a review by this office. Below is a summary of Investigative Inquires that resulted in investigation/s or a report written.

The Office of Inspector General initiated or completed 16 investigations during the 2022-2023 Fiscal Year. Of these, five were closed or withdrawn before an investigation was completed and a report written.

#### **Case Numbers 2022-071-II**

This investigation was conducted based on information provided during a whistle-blower complaint and the related determination whistle-blower complaint interview conducted with an ABT employee. This



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employee alleged an ABT supervisor used a department-issued vehicle to purchase alcohol for another Department employee during working hours.

Due to the lack of independent witnesses and no corroborating evidence we were unable to determine if this allegation occurred beyond a preponderance of evidence. The complainant did not report to a supervisor at the time that he witnessed the alleged violations and could offer no exact dates or times of the alleged occurrences that might have allowed further investigation by the OIG.

#### **Case Number 2022-072-II**

This investigation was conducted based on information provided during a whistle-blower complaint and the related determination whistle-blower complaint interview conducted with an ABT employee. This employee made allegations of inappropriate comments and actions during various times and locations during working hours by a supervisor.

The five investigated allegations had dispositions of: Unfounded, Unfounded, Not Sustained, Unfounded, and Sustained. Only one allegation had any corroboration by witnesses named by the complainant.

#### **Case Number 2022-073-II**

This investigation was conducted based on information provided during a whistle-blower complaint and the related determination whistle-blower complaint interview conducted with an ABT employee. This employee made allegations that an ABT employee made various inappropriate comments and actions during working hours, possessed alcohol and was intoxicated during working hours, and routinely left work early without proper documentation.

The four investigated allegations had dispositions of: Sustained, Sustained, Not Sustained and Not Sustained.

#### **Case Number 2022-077-II**

This investigation was conducted based on information provided during a whistle-blower complaint and the related determination whistle-blower complaint interview conducted with an ABT employee. This employee made allegations that a supervisor made inappropriate comments and actions during various times and locations during working hours and allowed an employee to regularly leave early and commit timesheet violations.

The five investigated allegations had dispositions of: Not Sustained, Sustained, Not Sustained, Not Sustained, and Sustained.

#### **Case Number 2022-116-INQ**

This inquiry was conducted based on information provided during a whistle-blower complaint and the related determination whistle-blower complaint interview conducted with an ABT employee. This employee made allegations that an improper search was conducted, and various policies were violated during an undercover operation at an unlicensed establishment.

After reviewing the information provided in the complaint and interview the OIG determined there was sufficient cause to move forward with a formal investigation of some of the allegations against some of the ABT employees involved. The resulting cases were: 2022-140-II, 2022-141-II, and 2022-142-II.

#### **Case Number 2022-134-II**

This complaint was provided to the OIG by the Division of Hotels and Restaurants (H&R). The complaint alleged that an H&R employee solicited donations from restaurants they inspected for a

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charity they were affiliated with. Additionally, the complaint alleged the employee conducted business for the charity without proper authorization from the DBPR's Ethics Officer.

The two investigated allegations were both sustained.

**Case Number 2022-140-II**

This investigation was conducted based on information provided during a whistle-blower complaint and the related determination whistle-blower complaint interview conducted with an ABT employee. The formal investigation was initiated after an Investigative Inquiry (2022-116-INQ) was conducted.

This employee made allegations that an ABT supervisor conducted an illegal search of an unlicensed establishment and did not properly complete an operational plan for the operation.

The two investigated allegations were both sustained.

**Case Number 2022-141-II**

This investigation was conducted based on information provided during a whistle-blower complaint and the related determination whistle-blower complaint interview conducted with an ABT employee. The formal investigation was initiated after an Investigative Inquiry (2022-116-INQ) was conducted.

This employee made allegations that an ABT employee failed to have required equipment during an operation at an unlicensed establishment.

The investigated allegations were sustained.

**Case Number 2022-141-II**

This investigation was conducted based on information provided during a whistle-blower complaint and the related determination whistle-blower complaint interview conducted with an ABT employee. The formal investigation was initiated after an Investigative Inquiry (2022-116-INQ) was conducted.

This employee made allegations that an ABT employee improperly completed an operational plan for an undercover operation of an unlicensed establishment and allowed another agent to borrow a department-issued firearm without authorization during the operation.

The two investigated allegations had dispositions of: Not Sustained and Sustained.

**Case Number 2023-161-INQ**

This complaint was provided to the OIG by a veterinarian licensed by DBPR. The complaint alleged that a Division of Regulation Inspector falsely implied, assumed, or pretended to be a law enforcement officer during an inspection, requested confidential documents without permission or authority, copied or confiscated unauthorized confidential documents without permission or authority, and acted in an improper manner and discriminated against the licensee during an inspection/investigation of the licensed veterinary facility.

After reviewing the information provided in the complaint and interview the OIG determined there was sufficient cause to move forward with a formal investigation. The resulting investigation is case number 2023-242-II.

**Case Number 2023-202-INQ**

This complaint was provided to the OIG by the district manager of restaurant licensed by DBPR. The district manager alleged that an Inspector from the Division of Hotels and Restaurants improperly touched one of his employees during an inspection of the restaurant.

Based on the analysis of the information and facts obtained related to this complaint, this inquiry did not reveal sufficient cause for the OIG to conduct a formal investigation. Although it does appear that the inspector may have touched the employee in an unwanted and unprofessional way, the alleged touch/es although possibly inappropriate, did not appear to have had a sexual intent. The complaint was referred back to the Division for handling deemed appropriate.

**Case Number 2023-234-INQ**

This complaint was provided to the OIG by ABT management. The complaint made allegations of improper arrest and use of force during an arrest by an ABT Bureau of Law Enforcement employee.

After a review of the information and evidence obtained in the Investigative Inquiry, the OIG did not see sufficient cause to initiate a formal investigation and the complaint was referred back to the Division for handling deemed appropriate.

**Case Number 2023-242-II**

This complaint was provided to the OIG by a veterinarian licensed by DBPR and the formal investigation initiated after an Investigative Inquiry (2023-161-INV) was conducted.

The complaint alleged that a Division of Regulation Inspector falsely implied, assumed, or pretended to be a law enforcement officer during an inspection, requested confidential documents without permission or authority, copies or confiscated unauthorized confidential documents without permission or authority, and acted in an improper manner and discriminated against the licensee during an inspection/investigation of the licensed veterinary facility.

The four investigated allegations had dispositions of: Not Sustained, Policy Failure, Not Sustained, and Not Sustained.

**Case Number 2023-272-II**

This complaint was provided to the OIG by the DBPR's Office of General Counsel (OGC). The complaint alleged that an OGC employee used their state issued purchasing card to purchase fuel for their personal vehicle on several occasions.

The investigated allegation was sustained.

**Case Number 2023-291-II**

This complaint was provided to the OIG by H&R. The complaint alleged that a H&R Sanitation and Safety Specialist recommended and provided business cards for a pest control company during inspections, requested a news crew to be allowed into an establishment, and was not professional in dealing with business operators.

The allegation of unprofessional while dealing with business operators was referred to the Division for handling deemed appropriate. The two investigated allegations had dispositions of Sustained and Not Sustained.

## **IX. Non-Investigative Activities**

### **Case Number 2022-045-MR**

This management review was initiated at the request of ABT management to examine the off-duty details worked by ABT law enforcement officers (LEO) and the policy governing off-duty details for them. The Office of Inspector General presented its findings and made recommendations to the department.

### **Case Number 2023-307-MR**

An Investigation was initiated at the request of DBPR's executive leadership based on a citizen's complaint. The complaint regarding a nonprofit corporation that DBPR has limited oversight over by administering a trust fund for the corporation's benefit. The complainant made allegation of possible misuse of funds by the corporation.

The Department's OGC advised that the company was not subject to investigative oversight by the OIG and the investigation was closed with no findings. After consultation with DBPR's executive leadership, the OIG decided to initiate a management review to examine the governance and operations of company. The OIG presented its findings and made recommendations to the DBPR's executive leadership.

### **Additional Assistance to the Agency in 2022-2023**

The Inspector General and Director of Investigations participated in recurring biweekly meetings with representatives of the Office of the General Counsel and Bureau of Human Resources. These meetings helped eliminate duplicative efforts by the two offices and ensured all significant investigative, legal, or employment matters were addressed by the appropriate parties.

Investigative staff co-presented monthly with members of the internal audit team during new employee orientation sessions for Department employees. The investigative staff educated new employees on the role of the Inspector General, the laws governing the Office of Inspector General, fraud detection and deterrence, the types of complaints accepted by the office, and how to file complaints with the OIG.

Sworn OIG staff members assisted as needed with overall building security, serving as standbys or escorts in situations involving potentially disruptive or threatening staff or citizens, and other issues requiring law enforcement intervention or guidance.