



Florida Department of Revenue
Office of Inspector General

Jim Zingale
Executive Director

5050 West Tennessee Street, Tallahassee, FL 32399

floridarevenue.com

September 26, 2023

Jim Zingale, Executive Director
Florida Department of Revenue
2450 Shumard Oak Boulevard
Tallahassee, FL 32399

Dear Dr. Zingale:

We are pleased to submit the Office of Inspector General's (OIG) Annual report for Fiscal Year 2022-2023, as required by section 20.055(8), Florida Statutes. It highlights the accomplishments, findings, recommendations, and outcomes of significant audits, investigations, and other OIG projects completed during the year.

Our focus continues to be to promote accountability, integrity, and efficiency within the Department. Additionally, we look forward to continuing our partnership with Department management and other agency stakeholders as we work together to fulfill the agency's vision, mission, values, and strategic goals.

We appreciate the confidence you have shown in this office, and the cooperation and support of Department of Revenue (DOR) management. We remain committed to our service to DOR and all Floridians.

Respectfully submitted,

Angie Welch
Inspector General

cc: Office of the Chief Inspector General
Office of the Auditor General



2022-2023

Annual Report

Internal Audit

Internal Investigations

Management Services



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Introduction

Section 20.055, Florida Statutes (F.S.), establishes the Office of Inspector General (OIG) in each state agency to coordinate activities that promote accountability, integrity, and efficiency in government. Each OIG must complete an annual report by September 30 summarizing the activities of the office during the prior fiscal year. Further, the following chart reflects the responsibilities of each OIG:

| | | | | | |
|-------------------|---|---|---|--|------------------|
| | PROMOTE | | | | |
| EFFICIENCY | Informing and updating the executive director of fraud, abuses, and deficiencies concerning program operations; recommending corrective action; and monitoring progress made in corrective action | | Conducting, supervising, or coordinating activities to prevent and detect fraud and abuse and promote economy and efficiency in the administration of programs and operations | | INTEGRITY |
| | Directing, supervising, and coordinating audits, investigations, and management reviews relating to the programs and operations of the Department | | Assessing the reliability and validity of the information provided on performance measures and standards and recommending improvements | | |
| | Ensuring effective coordination and cooperation with the Auditor General, federal auditors, and other governmental bodies | Reviewing actions taken by the Department to improve program performance and meet standards | Reviewing rules, as appropriate, relating to the programs and operations of the Department | Complying with General Principles and Standards for Offices of Inspector General | |
| | Ensuring an appropriate balance is maintained between audit, investigative, and other accountability activities | | Advising in the development of performance measures, standards, and procedures for the evaluation of Department programs | | |
| | ACCOUNTABILITY | | | | |

At the Florida Department of Revenue (Department), these responsibilities are carried out by 19 full-time equivalent positions. The OIG is in the Executive Direction and Support Services Program (EXE), and the Inspector General reports directly to the Executive Director.

Vision, Mission, and Values

Vision:

A best-in-class Office of Inspector General committed to collaborating with the Department of Revenue to protect and enhance public trust and promote accountability, integrity, and efficiency in government

Mission:

1. To assist management in their mission to administer program activities fairly, consistently, effectively, and efficiently
2. To proactively identify inherent and emerging risks which could prohibit or deter management's ability to achieve business goals and objectives
3. To perform activities designed to detect, deter, prevent, and eradicate fraud, waste, and abuse in the Department's programs and operations

The OIG also promotes and contributes to the Department of Revenue's character and performance values

Character Values:

Concern for others

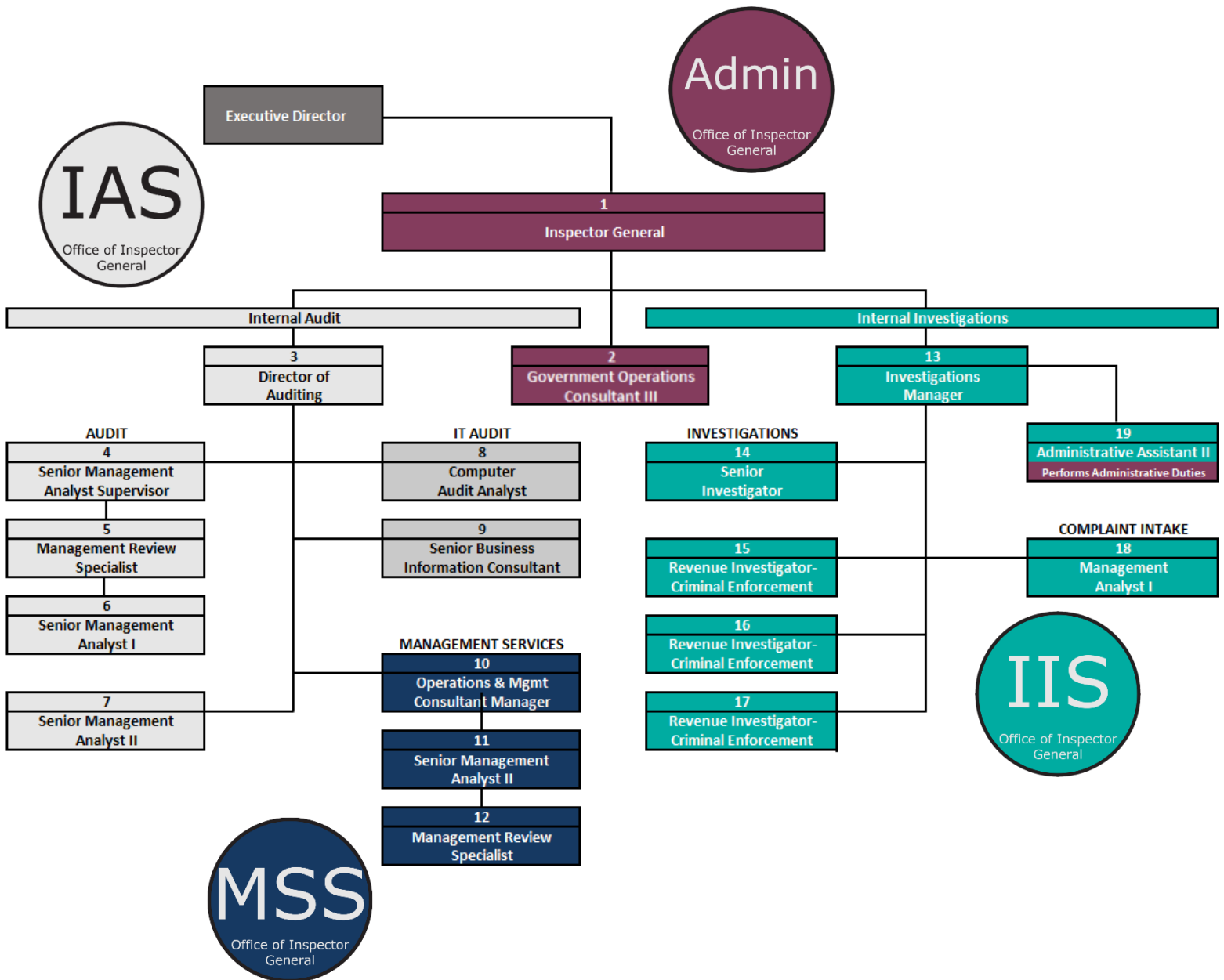
Fairness
Honesty
Integrity
Respect
Trust



Performance Values:

Commitment
Communication
Excellence
Innovation
Knowledge
Service
Teamwork

Organizational Chart



Staff Qualifications and Training

The OIG staff backgrounds and experience cover a wide variety of disciplines including accounting, auditing, investigations, fraud prevention and detection, cybersecurity, and information systems. Each staff member is required to take a minimum of 20 hours of training each fiscal year.

Trainings:

Each staff member is encouraged to participate in courses, conferences, seminars, and webinars made available through national and local organizations and vendors. Below are some examples.

| | |
|---|---|
| ➤ Forensic Document Examination | ➤ Identity & Access Management |
| ➤ CompTIA Security+ | ➤ Cybersecurity Auditing |
| ➤ Cognitive Biases Impacting the Reliability, Conclusions, and Reporting of Internal Auditors | ➤ Risk Management and Accountability: A Covid-19 Case Study |
| ➤ Using Governance Risk and Compliance (GRC) Tools to Improve Cyber Compliance | ➤ It's All in the Data: Combating Potential Fraud in Federal Pandemic Program |

Certifications:

Staff members hold professional certifications to maintain proficiency in their profession.

| | |
|---|--|
| ➤ Certified Inspector General (CIG) | ➤ Certified Public Accountant (CPA) |
| ➤ Florida Certified Contract Manager (FCCM) | ➤ Certified Information Systems Auditor (CISA) |
| ➤ Certified Fraud Examiner (CFE) | ➤ Certified Inspector General Auditor (CIGA) |
| ➤ Certified Government Financial Manager (CGFM) | ➤ Certified Public Manager (CPM) |
| ➤ Certified Internal Auditor (CIA) | ➤ Certified Inspector General Investigator (CIGI) |
| ➤ Certified Internal Control Auditor (CICA) | ➤ Internal Auditor Certification in Information Technology Systems Management According to ISO/IEC 2000-1:2011 |
| ➤ Certified in Financial Forensics (CFF) | |

Professional Organizations:

Staff members also participate in several professional organizations.



Executive Summary

OIG Highlights and Significant Efforts

- Consulted with executive leadership on the implementation of Departmentwide cybersecurity initiatives
- Participated in the Chief Inspector General’s Cyber Pathways Training Program
- Trained new Department supervisors on internal controls and fraud awareness topics
- Implemented an accreditation management software solution to redefine the accreditation process
- During Internal Audit Awareness Month (May 2023), conducted seven Departmentwide internal audit awareness activities to increase the understanding of the role of internal audit

Internal Audit

Completed 9 projects consisting of:

- 2 internal audits
- 3 formal consulting engagements
- 4 external audit coordination activities

Internal Investigations

Completed 71 cases consisting of:

- 22 investigations
- 49 intake reviews

Management Services

Completed 21 projects consisting of:

- 3 process risk assessments
- 11 legislative bill analyses
- 7 policy and procedure reviews

Administrative Functions

Facilitated communications with other programs, outside agencies, child support customers, and taxpayers, as well as:

- Processed 13 public records requests
- Prepared archived files for disposal
- Referred 358 taxpayer correspondences to the appropriate office:
 - 164 by mail
 - 138 telephone calls
 - 54 emails
 - 2 other

OIG Strategic Initiatives

Internal Audit

- Automation of external audit and program communication
- Redesign audit management reports
- Redesign internal audit plan process
- Obtain an audit workpaper system

Internal Investigations

- Implement electronic case files
- Redesign internal investigations management reports
- Refine corrective action plan process
- Re-evaluate investigative procedures and activities to improve timeliness of products
- Refine case management system (Cherwell)

Office-wide

- Increase the understanding of the role of the OIG

Management Services

- Redesign the risk assessment process
- Develop metrics to measure quality of risks identified in the risk assessment process
- Redesign the fraud prevention and response process

Internal Audit

The Internal Audit Section (IAS) is responsible for conducting audits, formal consulting engagements, and other services related to the operations of the Department. Additionally, the IAS coordinates external audits and follows up on findings from previous audits to determine whether management has taken appropriate corrective action.

Internal Audit Engagements

During FY 2022-2023, the IAS completed two internal audits. Below is a summary of findings and outcomes for each audit.

Agency – Audit of IT Access Controls

This audit resulted in three findings.

1. Certain authentication and access controls need enhancements for certain systems.

Outcome: The Information Services Program (ISP) management agreed with this finding and, in response, agreed to research and modify authentication and access controls as needed.

2. Controls for periodic access review need improvement for certain systems.

Outcome: ISP management agreed with this finding and agreed to implement a procedure to perform a periodic review of user access rights associated with certain systems.

3. The Department's audit and logging capabilities for certain systems need improvement.

Outcome: ISP management agreed with this finding.

Audit of Database Inventory and Change Management

This audit resulted in two findings.

1. ISP and the General Tax Administration (GTA) could improve inventory maintenance of non-SAP databases.

Outcome: Department management agreed with the finding and have begun implementing appropriate improvements for inventory.

2. Confidential finding.

Outcome: Department management agreed with the finding.

Formal Consulting Engagements

During Fiscal Year (FY) 2022-2023, the IAS completed three formal consulting engagements. Below is a summary of these engagements and their outcomes.

ISO 20000 Internal Audit 2022-2023

This consultation was requested by ISP and resulted in four minor nonconformities, 12 opportunities for improvement, and six observations. No major nonconformities were identified.

Outcome: ISP continues to meet ISO certification requirements.

GTA Cost Billing Study

This consultation was required by section 213.24, Florida Statutes (F.S.), and resulted in no recommendations.



Internal Audit

Formal Consulting Engagements (cont.)

OFM End of Year Financial Reporting Procedures

This consultation was requested by the Office of Financial Management (OFM) and resulted in three recommendations. The first recommendation was for OFM to create consistent, detailed, step-by-step instructions for each procedure in the year-end closing process. The second was for OFM management to ensure staff perform and document the review process for each year-end procedure on the Financial Reporting Checklist Spreadsheet. The last recommendation was for OFM to enhance the year-end closing process.

Outcome: OFM continues to improve their end-of-year financial reporting process.

[See Appendix A for a complete summary of Internal Engagements.](#)

External Audit Coordination

The IAS also coordinates external engagements. Coordinating engagements means ensuring external auditors contact the most appropriate personnel to achieve their objectives and respond timely to external inquiries. Coordination also means building effective relationships with internal and external parties. Below is a summary of findings and outcomes for each external audit.

Auditor General – Financial Reporting

This audit resulted in one finding.

1. Department did not record the fiscal year-end net receivables or related unavailable revenue for sales and use taxes and fees estimated to be collected after July 31, 2021 or reverse the prior year unavailable revenue closing balance for sales and use taxes and fees.

Outcome: OFM developed a seven-step corrective action plan and continues to work to implement all actions.

Auditor General – Federal Awards

This audit resulted in four findings.

1. Internal controls for unemployment insurance (UI) tax payment processing need improvement (specific to service organization).

Outcome: GTA reviewed the most recent independent service auditor's report for the service organization and noted all previous issues had been resolved.

2. Certain security controls related to user authentication for the Image Management System (IMS) need improvement.
3. Certain security controls related to user authentication for the System of Unified Taxation (SUNTAX) need improvement.
4. Certain security controls related to user authentication for the Child Support Enforcement Automated Management System (CAMS) need improvement.

Outcome: ISP implemented phase 1 of corrective actions.



Internal Audit

External Audit Coordination (cont.)

Auditor General – PTO Ad Valorem Audit

This audit resulted in five findings.

1. The Department did not adequately ensure for a certain property stratum that sales ratio study samples were representative of the population.
2. Department information technology access privilege controls for Oracle need enhancement.
3. Security controls related to user authentication need improvement.
4. Department appraisal records did not always reasonably support property values.
5. Department records did not evidence that the 2019 assessment roll review results were timely published, and the Department published the 2020 assessment roll review results subsequent to audit inquiry and approximately 7 months late.

Outcome: Department management has made several improvements related to findings 1 through 3. Findings 2 and 3 are considered complete by the Department. Findings 4 and 5 are actively being implemented by ISP.

Additional Audit Activities

Schedule IX Preparation

The schedule IX contains major findings and recommendations found in auditor general and internal audit reports during two designated fiscal years. The Department submits the schedule IX as part of the annual Legislative Budget Request.

Internal Audit Awareness Month

The IAS conducted 7 activities to increase the understanding of the role of internal audit.

Follow-up on Corrective Action Plans

Corrective Action Plan (CAP) reviews are performed twice a year as a means to follow up on the status of programs' corrective action plans.

See Appendix B for a list of outstanding corrective actions for prior audit reports.

Other Follow-up Reviews

The purpose of these reviews was to follow up on findings related to Auditor General (AG), Office of Program Policy Analysis and Government Accountability (OPPAGA), or other agency audits in accordance with statutory requirements. During FY 2022-2023, follow-ups were performed on two AG reports, 2022-189 and 2023-014.



Internal Investigations

The Internal Investigations Section (IIS) is responsible for conducting investigations to detect, deter, prevent, and eradicate fraud, waste, mismanagement, misconduct, and other abuses. Additionally, IIS coordinates all activities required by the Whistle-blower's Act s. 112.3187-112.31895, F.S., and completes the three-year reaccreditation process for the OIG investigative function.

Summaries of Completed Investigations

The IIS completed 22 investigations during FY 2022-2023. Below are highlights of some of these cases.

Negligence, Violation of Law, Rule, Policy, or Procedure, and Conduct Unbecoming a Public Employee

The OIG received information that an employee removed investigative locks in place on a sales tax liability case that was under criminal investigation and placed the taxpayer into a Sales and Use Tax Stipulation Agreement for the liability.

Outcome: The employee mishandled a taxpayer's account that they knew or should have known was under criminal investigation by having contact with the taxpayer and creating a stipulation agreement for the liability.

The employee resigned during the OIG's investigation.

Discrimination/Harassment and the Department's Non-Discrimination Policy

The OIG received allegations from a supervisor on behalf of an employee that reported sexual harassment and discrimination by another employee in the form of inappropriate sexual comments, photographs, and racial comments.

Outcome: The employee made inappropriate comments and sent inappropriate photographs which violated the Department's Non-Discrimination Policy – Sexual Harassment. While the employee's racial comments were not found to be a violation of the Department's Non-Discrimination Policy as it relates to discriminatory harassment, the comments were determined to be inappropriate for the workplace and a violation of the Department's Standards of Conduct – Unwelcome or Offensive Behavior.

The employee resigned during the OIG's investigation.

Conduct Unbecoming a Public Employee – Confidentiality, Conduct Unbecoming a Public Employee – Unauthorized Photographs and Recordings in the Workplace and Negligence

The OIG received an allegation that a Department employee was streaming live on TikTok from their work computer and disclosed confidential and personal information about several taxpayers. The employee also identified themselves as a Department employee during the live stream.

Outcome: The employee was caught in the act of live streaming on TikTok by the Inspector General and a supervisor on the day the complaint was received. It was determined there were several other incidents of the employee live streaming on TikTok while at work and confidential and personal information was disclosed to those viewing the live streams at the time.

The employee was dismissed from their position.



Internal Investigations

Summaries of Completed Investigations (cont.)

Discrimination/Harassment and Discriminatory Actions – Employment Actions

The OIG received allegations that a supervisor made racial comments to employees, made decisions in the office based upon race, and showed preferential treatment toward certain employees which created a hostile work environment.

Outcome: Information obtained by the OIG did not support that the supervisor engaged in conduct that violated the Department’s Non-Discrimination Policy.

Violation of Law, Rule, Policy or Procedure

The OIG received an allegation from a taxpayer related to a potential fraud involving their business tax records. The taxpayer was contacted via email by someone they thought was a legitimate Department tax auditor after they visited a Department regional service center and met with two Department tax auditors. The individual used an email address ending in @firs.gov to request additional records from the taxpayer. When the taxpayer met with the individual in person, they had a badge which matched the ones used by Department employees. The unknown individual signed the receipt given to the taxpayer and the name was not and has never been an employee of the Department.

Outcome: The taxpayer contacted a Department tax audit supervisor about the incident and was advised to contact the local police department related to the individual impersonating a Department tax auditor. The OIG referred the case to the Florida Department of Law Enforcement.

Discrimination and Harassment, Non-Discrimination Policy, and Unauthorized Photographs and Recordings in the Workplace

The OIG received an allegation from a Department employee of inappropriate conduct by another Department employee which included sexual harassment, racially discriminatory comments, and being photographed without consent.

Outcome: The employee engaged in conduct that violated the Department’s Non-Discrimination Policy regarding sexual harassment and also photographed another employee without their consent. The information obtained did not support that the employee violated the Department’s Non-Discrimination Policy regarding race discrimination. The employee was also determined to have interfered with an OIG investigation by providing false evidence and information.

The employee resigned in lieu of discipline.

Conduct Unbecoming a Public Employee – Confidentiality and Conduct Unbecoming a Public Employee – Conflict of Interest – Personal Relationships and Financial Relationships and Department of Revenue Duties

The OIG received an allegation that a Department employee accessed and viewed the child support case for a non-custodial parent with whom they allegedly had a personal relationship and disclosed confidential information to unauthorized individuals.

Outcome: The employee viewed information in CAMS and the Clerk’s Comprehensive Information System (CCIS) for several individuals with whom they had personal relationships. However, the information obtained did not support that the employee disclosed confidential information to unauthorized individuals.

The employee resigned in lieu of discipline.



Internal Investigations

Summaries of Completed Investigations (cont.)

Stealing and Violation of Law, Rule, Policy, or Procedure

The OIG received an allegation that an employee had in their possession a check from a local business payable to an individual unaffiliated with the Department. The check was found by a supervisor in the parking lot of a Department work location and upon review of the security camera footage the check had fallen out of the employee in question's pocket. The check is believed to have entered the Department's Revenue Processing facility through misdirected mail which at the time was located next to the work area of the employee in question.

Outcome: The OIG determined the employee took a check which was not intended for them and did not notify management of the existence of the check or that it went missing. During the course of the investigation, the OIG determined the employee violated several additional Standards of Conduct to include Absence without Authorization, Insubordination, Dishonesty: Falsification of Records, Driver's License Suspension or Revocation and Safety Requirements for Use of Vehicles while Conducting Department/State Business: Operation of Vehicles.

The employee resigned in lieu of discipline.

See Appendix C for a summary of closed cases for FY 2022-2023, including data from both intake reviews and investigations.

Other IIS Highlights

Completed Strategic Initiative

The IIS refined how the accreditation process is managed.

Staffing

The IIS remained fully staffed through the fiscal year.



Management Services

During FY 2022-2023, the Risk Identification and Response Section within the OIG was reorganized into the Management Services Section (MSS). The MSS performs: 1) risk assessments of processes across the Department; 2) legislative bill analyses to determine potential changes bills propose, as well as operational and fiscal impacts to the OIG and the Department; and 3) reviews of proposed and revised Department policies and procedures.

Highlights of Work Performed

Process Risk Assessments

The MSS completed risk assessments for three Department processes during FY 2022-2023.

1. Office of Workforce Management – Recruitment and Hiring
2. Information Services Program – Risk Management
3. Property Tax Oversight – Refunds and Tax Certificates

Legislative Bill Analysis

The MSS analyzes bills filed by members of the Florida Legislature and provides the results to the Office of Legislative and Cabinet Services. The reviews summarize current law and the changes that the proposed language would require or permit should the bills become law. During FY 2022-2023, the MSS analyzed 11 bills.

Policy and Procedure Reviews

At the request of the Office of Workforce Management policy unit, the MSS reviews Departmentwide policies and procedures. These reviews are divided into two types:

- **Stakeholder reviews** analyze adverse impacts the policy and/or procedure would have on the OIG. Possible adverse impacts include increased costs, legal non-compliance, and difficulty in implementation. Four stakeholder reviews were performed during FY 2022-2023.
- **Risk reviews** analyze possible risks to the Department created by the policy and/or procedure. Examples of risks include fraud risks, inadequate/inappropriate internal controls, and legal non-compliance. Three risk reviews were performed during FY 2022-2023.

Fraud Awareness

The MSS facilitated four fraud awareness training sessions for new Department supervisors to provide further training about preventing and detecting fraud in the Department.

Quality Assurance and Improvement Program

The MSS is responsible for conducting the annual Quality Assurance and Improvement Program which ensures the internal audit activity:

1. Adheres to Office of Inspector General policies and procedures
2. Meets established standards of performance
3. Is carried out economically, efficiently, and effectively

The MSS found that the Department's internal audit activity met these criteria for the 2021-2022 fiscal year.



Administrative Functions

The OIG staff also conduct daily administrative tasks essential to the office and to the Department’s success. These tasks include processing public records requests, preparing archived OIG files for appropriate disposal, and fielding communications from various entities such as:

- Taxpayers
- Child Support customers
- Other Department program offices
- External agencies

Administrative Highlights

Public Records Requests

The OIG is responsible for receiving and processing public records requests in a timely and responsible manner. The office successfully processed 13 public records requests for FY 2022-2023.

File Disposal

Many of the OIG’s files must be retained for a set period of time. Upon completion, certain archived files become eligible for destruction. The OIG staff periodically review, organize, and properly dispose of qualifying documents.

Project Coordination

The OIG staff routinely communicate with other program areas within the Department and with external agencies to coordinate engagements, investigations, or various other projects.

Communication

The OIG receives correspondences via telephone, mail, or email. The OIG staff are responsible for recording information from the Department customer and determining the appropriate action. Based on the interaction, staff may:

- Refer the Department customer to the IIS for review and determination
- Refer the Department customer to the appropriate internal process (e.g., Child Support, Taxpayer Assistance)
- Refer the Department customer to the appropriate external agency (e.g., the Internal Revenue Service, other state agencies)
- Determine no action is needed and close the file

The OIG received 358 correspondences during FY 2022-2023: 164 by mail, 138 by telephone, 54 by email, and 2 by other means. Further details in table below.

| Referred To | Mail | Telephone | Email | Other | Totals |
|--------------------------------|------------|------------|-----------|----------|------------|
| Child Support Program | 24 | 61 | 8 | 1 | 94 |
| Child Support Advocate | 7 | 50 | 19 | 0 | 76 |
| Office of General Counsel | 60 | 2 | 0 | 1 | 63 |
| Other | 45 | 5 | 4 | 0 | 54 |
| General Tax Administration | 16 | 14 | 8 | 0 | 38 |
| No Action Required | 2 | 4 | 10 | 0 | 16 |
| Taxpayer Rights Advocate | 6 | 2 | 1 | 0 | 9 |
| Office of Inspector General | 2 | 0 | 1 | 0 | 3 |
| State Agency | 1 | 0 | 2 | 0 | 3 |
| Office of Workforce Management | 1 | 0 | 0 | 0 | 1 |
| Property Tax Oversight | 0 | 0 | 1 | 0 | 1 |
| Totals | 164 | 138 | 54 | 2 | 358 |



Appendix A

Summary of Internal Engagements for 2022-2023

| Agency – Audit of IT Access Controls (Assurance) | |
|--|--|
| Objectives | Determine if sufficient controls are in place to uniquely identify and authenticate users. |
| | Determine if adequate controls are in place to properly assign, manage, and revoke access credentials and privileges for user and administrative accounts. |
| | Determine if appropriate audit logs for key account activities are collected, reviewed, and retained audit logs to help detect and recover from an attack. |
| Findings | Certain authentication and access controls need enhancements for certain systems. |
| | Controls for periodic access review need improvement for certain systems. |
| | The Department’s audit and logging capabilities for certain systems need improvement. |
| Recommendations | ISP modify authentication and access controls as needed. |
| | ISP improve controls over periodic review of user access rights associated with certain systems. |
| | ISP implement effective auditing and logging activities. |
| | GTA enhance their Semi-Annual Review Guidelines. |
| Outcomes | ISP agreed to research and modify authentication and access controls as needed. |
| | ISP agreed improve controls related to periodic review of user access. |
| | GTA updated the semi-annual SUNTAX security access review procedures. |
| Audit of Database Inventory and Change Management (Assurance) | |
| Objectives | Determine whether Department actively identifies, tracks, and manages its database assets in compliance with Florida Cybersecurity Standards (also known as 60GG-2, Florida Administrative Code) and other applicable industry best practices. |
| | Determine whether all changes to Department databases follow internal change management policies and procedures and other applicable industry best practices that govern the change management process. |
| Findings | GTA and ISP could improve inventory maintenance of certain databases. |
| | Confidential finding #2 |
| Recommendations | ISP work to ensure the Change Management procedures are followed |
| | Confidential finding. |
| | Confidential finding. |
| Outcomes | Department management agreed with both findings have begun implementing appropriate improvements. |

Appendix A (cont.)

Summary of Internal Engagements for 2022-2023

| ISO 20000 Internal Audit 2022-2023 (Formal Consulting) | |
|---|--|
| Objectives | Provide information on whether the Service Management System (SMS) complies with the organization's SMS requirements. |
| | Provide information on whether the SMS conforms to the requirements of ISO/IEC 20000-1:2018. |
| | Provide information on whether the SMS is effectively implemented and maintained. |
| Recommendations | ISP was recognized for making substantial improvements in one area and was provided with recommendations in other areas to help ensure compliance with the standards document. |
| OFM End-of-Year Financial Reporting Procedures (Formal Consulting) | |
| Objectives | Determine if corrective actions taken are adequate to address the finding (Finding No. 2021-005) identified by the auditor general. |
| | Determine if year-end financial reporting procedures align with the Department of Financial Services (DFS) Statewide Financial Statements Guidance, where applicable. |
| | Determine if adequate controls are in place to manage and govern the year-end closing process. |
| | Identify if any opportunities for improvement exist based on best practices. |
| Recommendations | Consistent, detailed, step-by-step instructions for each procedure should be created. |
| | Management should ensure staff perform and document the review process for each year-end procedure on the Financial Reporting Checklist spreadsheet. |
| | OFM's year-end closing process should be enhanced. |
| GTA Cost Billing Study (Formal Consulting) | |
| Objectives | This consultation was required by section 213.24, F.S. and resulted in no recommendations. |

Appendix B

Outstanding Corrective Actions as of June 30, 2023

| Project # Program | Audit Name | Notes/Recommendations |
|----------------------|--|--|
| 2017-0115 ISP | Service Centers Audit "Management Memo" | Outstanding for 4 years. ISP purchased CyberArk Privilege Manager to monitor software installations. Still pending are the procedures for monitoring and preventing unauthorized software. |
| 2019-216 ISP/GTA | AG Operational Audit: Selected Administrative Activities and Prior Audit Follow-up | Outstanding for 4 years. Application was purchased to manage text messages. Implementation is estimated to be complete September 30, 2023. |
| 2020-003 PTO | AG Audit of PTO Ad Valorem Tax Program | PTO indicates Florida Real Property Appraisal Guidelines, Classified Use Real Property Guidelines, Tangible Personal Property Guidelines, and the Cadastral Mapping Guidelines will be updated/completed by 12/31/24. |
| 21-10379 ISP | IT Access Control Audit | Confidential finding #1 |
| 21-10379 ISP | IT Access Control Audit | Confidential finding #2 |
| 2022-189 OFM | AG Financial Reporting and Federal Awards 2020-2021 | Fiscal year-end reporting controls need improvements. OFM established a 7 step CAP and has completed 1 of 7. |
| 2022-189 ISP | AG Financial Reporting and Federal Awards 2020-2021 | Confidential finding #1 |
| 2022-189 ISP | AG Financial Reporting and Federal Awards 2020-2021 | Confidential finding #2 |
| 2022-189 ISP | AG Financial Reporting and Federal Awards 2020-2021 | Confidential finding #3 |
| 22-10060 ISP/GTA | Audit of Database Inventory and Change Management | Confidential finding #1 |
| 22-10060 ISP | Audit of Database Inventory and Change Management | Confidential finding #2 |
| 22-10118 OFM | End-of-Year Financial Reporting Procedures | Of the seven identified corrective actions to address the Auditor General finding (Fining No. 2021-005), we found: three are implemented (#4, #6, and #7), two are partially implemented (#1 and #2), and two are not implemented (#3 and #5). |
| 2023174 OFM | AG Financial Reporting and Federal Awards | The FDOR incorrectly recorded a portion of the fiscal year-end net receivables and related unearned revenue, unavailable revenue, and other revenue for sales and use taxes and fees. |
| 2023174 ISP | AG Financial Reporting and Federal Awards | Confidential finding #1 |
| 2023174 ISP | AG Financial Reporting and Federal Awards | Confidential finding #2 |

Appendix C

Summary of Closed Internal Investigations for 2022-2023

| Disposition | Project Number | Investigations Type |
|-------------------------|----------------|--|
| Supported (9 cases) | 22-10112 | Confidentiality |
| | 21-10491 | Dishonesty-Falsification of Records |
| | 22-10113 | Dishonesty-Falsification of Records |
| | 22-10114 | Dishonesty-Falsification of Records |
| | 21-10501 | Confidentiality |
| | 22-10218 | Stealing |
| | 21-10474 | Discrimination and Harassment |
| | 22-10105 | Discrimination and Harassment |
| | 21-10403 | Protection and Use |
| Referrals (26 Cases) | 21-10477 | Conflict of Interest-Personal and Financial Relationships and Department of Revenue Duties |
| | 21-10472 | Conflict of Interest-Personal and Financial Relationships and Department of Revenue Duties |
| | 22-10086 | Unauthorized Photographs and Recordings in the Workplace |
| | 22-10103 | Dishonesty-Falsification of Records |
| | 22-10106 | Unwelcome or Offensive Behavior |
| | 22-10180 | Conflict of Interest-Personal and Financial Relationships and Department of Revenue Duties |
| | 22-10241 | Dishonesty-Making a False Statement |
| | 22-10258 | Unauthorized Photographs and Recordings in the Workplace |
| | 22-10064 | Confidentiality |
| | 22-10243 | Unauthorized Photographs and Recordings in the Workplace |
| | 22-10081 | Dishonesty-Falsification of Records |
| | 22-10078 | Dishonesty-Falsification of Records |
| | 22-10054 | Discourteous Behavior |
| | 22-10236 | Discourteous Behavior |
| | 21-10465 | Discrimination and Harassment |
| | 22-10111 | Discrimination and Harassment |
| | 22-10231 | Abuse |
| | 22-10239 | Computer, Internet, and Email Usage |
| | 22-10235 | Computer, Internet, and Email Usage |
| | 22-10052 | Violation of Law, Rule, Policy or Procedure |
| | 22-10162 | Violation of Law, Rule, Policy or Procedure |
| | 22-10165 | Violation of Law, Rule, Policy or Procedure |
| | 22-10242 | Violation of Law, Rule, Policy or Procedure |
| | 22-10256 | Violation of Law, Rule, Policy or Procedure |
| | 22-10190 | Violation of Law, Rule, Policy or Procedure |
| | 21-10406 | Violation of Law, Rule, Policy or Procedure |

Appendix C (cont.)

Summary of Closed Internal Investigations for 2022-2023

| Disposition | Project Number | Investigations Type |
|-------------------------------------|---|--|
| Insufficient (3 Cases) | 21-10165 | Dishonesty-Falsification of Records |
| | 22-10093 | Dishonesty |
| | 22-10214 | Stealing |
| Unsupported (10 Cases) | 21-10479 | Conflict of Interest-Personal and Financial Relationships and Department of Revenue Duties |
| | 21-10339 | Confidentiality |
| | 22-10046 | Dishonesty-Making a False Statement |
| | 22-10087 | Dishonesty |
| | 22-10088 | Dishonesty |
| | 21-10436 | Conflict of Interest-Personal and Financial Relationships and Department of Revenue Duties |
| | 22-10089 | Dishonesty |
| | 22-10204 | Discrimination and Harassment |
| | 22-10205 | Discrimination and Harassment |
| No Action Required (23 Cases) | 22-10206 | Discrimination and Harassment |
| | 21-10486 | Dishonesty-Falsification of Records |
| | 22-10061 | Dishonesty |
| | 22-10094 | Dishonesty-Falsification of Records |
| | 22-10065 | Confidentiality |
| | 22-10066 | Conflict of Interest-Abuse |
| | 22-10092 | Confidentiality |
| | 22-10132 | Conflict of Interest-Personal and Financial Relationships and Department of Revenue Duties |
| | 22-10091 | Confidentiality |
| | 22-10170 | Stealing |
| | 22-10212 | Confidentiality |
| | 22-10240 | Confidentiality |
| | 22-10244 | Unauthorized Photographs and Recordings in the Workplace |
| | 21-10370 | Violation of Law, Rule, Policy or Procedure |
| | 22-10130 | Violation of Law, Rule, Policy or Procedure |
| 22-10152 | Violation of Law, Rule, Policy or Procedure | |
| 22-10183 | Violation of Law, Rule, Policy or Procedure | |
| 22-10188 | Violation of Law, Rule, Policy or Procedure | |
| 22-10211 | Violation of Law, Rule, Policy or Procedure | |

2022-2023



Annual Report

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