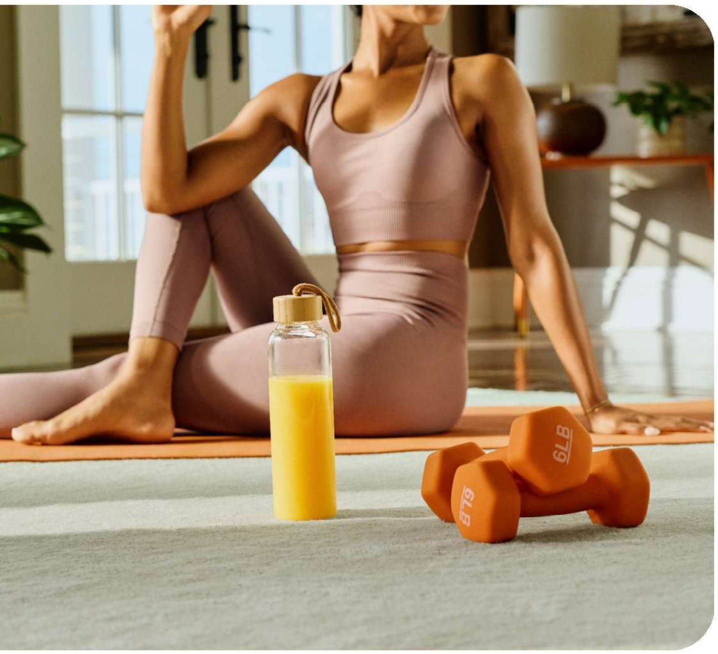

Inspector General Annual Report

FISCAL YEAR 2025–2026

Florida Citrus™

FLORIDA DEPARTMENT OF CITRUS

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STEVE JOHNSON
CHAIRMAN
FLORIDA CITRUS COMMISSION

August 31, 2026

OFFICE OF THE INSPECTOR GENERAL ANNUAL REPORT FOR FY2025-2026

To: Steve Johnson, Chairman, Florida Citrus Commission
Shannon R. Shepp, Executive Director, Florida Department of Citrus (FDOC)

Cc: The Florida Citrus Commission (FCC)
Melinda Miguel, Chief Inspector General, Executive Office of the Governor

Executive Summary:

In accordance with Section 20.055(7), Florida Statutes (F.S.), I am submitting the Office of the Inspector General Annual Report for FY2025-2026.

The Office of the Inspector General (OIG), under the authority of Section 20.055, F.S. and by authority of the Florida Citrus Commission, is responsible for promoting accountability, integrity, and efficiency. Duties include conducting audits, reviews, and investigations; assessing the reliability and validity of performance measures and standards; and the promotion of economy and efficiency and the administration of other activities designed to prevent fraud and abuse within the Department.

Section 20.055, F.S. also requires that an annual report be submitted to the department head not later than September 30 each year, summarizing the activities during the preceding fiscal year.

This was a year of transition for the FDOC OIG. I previously served in this role from August 2022 until April 2025 before pursuing another opportunity. The position was vacant until Mr. Kevin Morey assumed the role from September 2025 through May 2026. After Mr. Morey's departure, I rejoined the FDOC in late May and was reappointed to the Inspector General position officially in June 2026.

Garrett Pearn, CIA, CIG
Inspector General

Background:

The mission of the FDOC is to maximize consumer demand for Florida Citrus products to ensure the sustainability and the economic well-being of the Florida Citrus grower, the citrus industry, and the state of Florida. The department conducts marketing and promotional campaigns for Florida Citrus products; establishes minimum maturity and quality standards for citrus fruits; regulates the practices used in harvesting, grading, packaging, and processing citrus fruits; conducts scientific research supporting citrus products; and conducts economic and marketing research.

The Inspector General (IG) reports functionally to the Chairman of the Commission, and administratively to the Department's Executive Director, thereby insuring the degree of independence essential to the effectiveness of internal auditing. IG activities have no direct responsibility or authority over department activities it reviews. IG audits, investigations and reviews do not relieve others in the Department of any of their assigned duties and responsibilities.

The purpose of the FDOC Office of Inspector General's (OIG) internal audit activity is to strengthen the organization's ability to create, protect, and sustain value by providing the Florida Citrus Commission (FCC) and FDOC management with independent, risk-based, and objective assurance, advice, insight, and foresight. The OIG helps the FDOC accomplish its objectives by bringing a systemic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.

Certifications, Affiliations and Training:

The Inspector General has the following certifications.

- Certified Internal Auditor (CIA) through the Institute of Internal Auditors
- Certified Inspector General (CIG) through the Association of Inspectors General

The Inspector General is affiliated with the following professional organizations.

- National Association of Inspectors General
- Florida Chapter of the Association of Inspectors General

Both the CIA and CIG certifications have continuing professional education (CPE) requirements to maintain on an annual and biannual basis. A minimum of 40 hours CPE training is included in the annual audit plan to ensure certifications are maintained.

Investigations:

There were two preliminary inquiries performed during FY2025-2026.

Preliminary Inquiry 1: A complaint was received on February 25, 2026 that alleged FDOC contractor Yamano & Associates failed to pay subcontractors that performed work as part of FDOC contract 20-11a during FY2024-2025. The complainant did not provide specific details, but an inquiry was opened and payment records supporting each subcontractor invoice submitted to the FDOC for the fiscal year were requested and reviewed.

Mr. Kevin Morey began this review and it was later completed by the current IG, Garrett Pearn, first as an independent investigator and later as interim IG. The review determined the complaint was not substantiated and the matter was closed.

Preliminary Inquiry 2: A second complaint was received on May 19, 2026 regarding Yamano & Associates that alleged payments to certain subcontractors were not paid timely during FY2025-2026. The complainant spoke directly with the IG and provided the names of three contractors he had relationships with that complained about late payments from Yamano. A subsequent review of payment records and invoices submitted to the FDOC for those specific vendors during the fiscal found that Yamano was in violation of contract 20-11a with the FDOC which stipulates that all invoices submitted by Yamano for services provided by third persons (or third-party contractors) will be reimbursed at actual cost. The review determined the complaint was substantiated. This matter was still working towards a resolution as of the end of FY2025-2026.

Audits:

Three audits were completed as follows:

Nielsen Contract 22-01 Audit: This audit was conducted for the period of July 1, 2024 through June 30, 2025 (contract 22-01). The objectives were to ensure compliance with FDOC and State of Florida policies and procedures regarding contracts; to review contract manager activities to verify that deliverables were received, comply with contractual requirements and are accessible for follow-up audit, and test the internal controls as it relates to FDOC programs. There were no findings or recommendations for this audit.

Padilla, Speer, Beardsley Contract 24-06 Audit: This audit was conducted for the period of July 1, 2024 through June 30, 2025. The objectives were to ensure compliance with FDOC and State of Florida policies and procedures regarding contracts; to review contract manager activities to verify that deliverables were received, comply with contractual requirements and are accessible for follow-up audit, and test the internal controls as it relates to FDOC programs. There were no findings or recommendations for this audit.

Purchasing Card Monthly Compliance Audit: This audit was conducted for each month during FY2025-2026 (July 2025 through June 2026). The objectives were to provide reasonable assurance that internal controls were in place to prevent and detect errors, misuse or abuse, or inappropriate purchases; monitor purchasing card transactions to provide reasonable assurance that purchases comply with State law and are valid obligations of the State; and ensure transactions in the Works system are supported by receipts and other required documentation. There were no findings or recommendations for this audit.

Other Activities:

Additional activities included conducting a risk assessment, creating the Audit Plan, preparing presentations and attending Florida Citrus Commission meetings, and other miscellaneous activities. The IG also served as the liaison for an external review of the department by the Florida Department of Financial Services.