

RON DESANTIS
Governor



REGINALD D. DIXON
Secretary

September 1, 2026

Melinda Miguel, Chief Inspector General
Executive Office of the Governor
1902 The Capitol
Tallahassee, Florida 32399

Re: OIG Annual Report for Fiscal Year 2025-26

Dear Chief Inspector General Miguel:

In accordance with Section 20.055(8), Florida Statutes, I am pleased to submit our Annual Report for the Florida Lottery Office of Inspector General (OIG). The report reflects the activities and accomplishments of the OIG for fiscal year 2025-26.

We remain committed to the goals of the Florida Lottery and to our work to provide a central point for coordination of and responsibility for activities that promote accountability, integrity, and efficiency. Thank you for your continued support of our efforts.

Respectfully submitted,

A handwritten signature in blue ink that reads "Christy Creech".

Christy Creech
Inspector General

cc: Sherrill Norman, Florida Auditor General



September 1, 2026

Office of Inspector General

Annual Report for Fiscal Year 2025-26



Christy Creech
Inspector General

FLORIDA DEPARTMENT OF LOTTERY
OFFICE OF INSPECTOR GENERAL
TABLE OF CONTENTS

Introduction	1
Overview	1
Mission Statement	1
Independence	2
OIG Responsibilities	2
Organization and Staff	3
Organizational Chart	3
OIG Staff Qualifications and Certifications	4
Affiliations	4
Internal Audit	5
Internal Audit Accomplishments	6
Audit Response Coordination and Follow-up	10
Review of Corrective Actions for Prior Year Audits	11
Risk Assessment and Audit Plan	11
Investigations	12
Completed Investigations	13
Other Investigative Activities	14
Complaints	14
Accreditation	14
Other OIG Activities	15
Quality Assurance and Improvement Program	15
Computer Security Incident Response Team	16
Retailer Integrity Program	16
Lottery Drawings	16
Chief Audit Executive Roundtable	17
OIG Newsletter	17

INTRODUCTION

OVERVIEW

In 1986, Florida voters approved a lottery through a constitutional amendment. The Florida Legislature established the Florida Lottery with the mission of maximizing revenues for education to allow the people of Florida to benefit from significant additional monies while providing the best lottery games available. Over the history of the Florida Lottery, both goals have been accomplished. Consistent with this, the Florida Lottery's mission is to maximize revenues for the enhancement of public education while upholding the highest standards of integrity and public trust.

The Office of Inspector General (OIG) supports the Florida Lottery in accomplishing its mission by providing independent and objective oversight designed to promote integrity, accountability, efficiency, and effectiveness throughout the organization. Section 20.055, Florida Statutes (F.S.), establishes the duties and responsibilities of agency inspectors general and requires the OIG to prepare an annual report summarizing its activities and accomplishments during the preceding fiscal year.

This Annual Report provides an overview of the Florida Lottery OIG's activities and accomplishments during Fiscal Year 2025-26 and demonstrates the OIG's continued commitment to professional excellence, integrity, objectivity, independence, and accountability. Through its audit, investigative, and other oversight activities, the OIG works to strengthen the Lottery's governance, risk management, and control processes; promote the efficient and effective use of public resources; and support the prevention and detection of fraud, waste, abuse, misconduct, and other irregularities. In accordance with statutory requirements, this report is presented to the Secretary of the Florida Lottery and the Governor's Chief Inspector General. It also serves to inform Lottery management, employees, oversight entities, and other interested parties of the OIG's efforts to fulfill its statutory responsibilities, accomplish its mission, support the public interest, and contribute to the continued integrity and success of the Florida Lottery.

MISSION STATEMENT

The mission of the Florida Lottery OIG is to protect and promote public integrity and accountability within the Lottery through audits and investigations that detect fraud, waste, abuse, and administrative violations. The goal of the OIG is to prevent and decrease the reoccurrence of such violations through employee awareness and cooperation, while providing the Florida Lottery with timely, accurate, objective, and useful work products that promote confidence and provide transparency for the citizens of the State of Florida.

INDEPENDENCE

In accordance with section 20.055(3), F.S., the Inspector General shall be under the general supervision of the Department head for administrative purposes, shall report to the Chief Inspector General, and may hire and remove staff within the Office of Inspector General in consultation with the Chief Inspector General, but independently of the Department. The organizational independence of the Inspector General empowers the team to independently conduct audits, inspections, investigations, and other activities.

Pursuant to state law, the OIG has full, free, and unrestricted access to all Department activities, records, data, properties, functions, and personnel necessary to effectively carry out its responsibilities.

OIG RESPONSIBILITIES

Section 20.055, F.S., establishes the OIG within each state agency to provide a central point for coordination of, and responsibility for, activities that promote accountability, integrity, and efficiency in government. It is the statutory duty and responsibility of the Inspector General to:

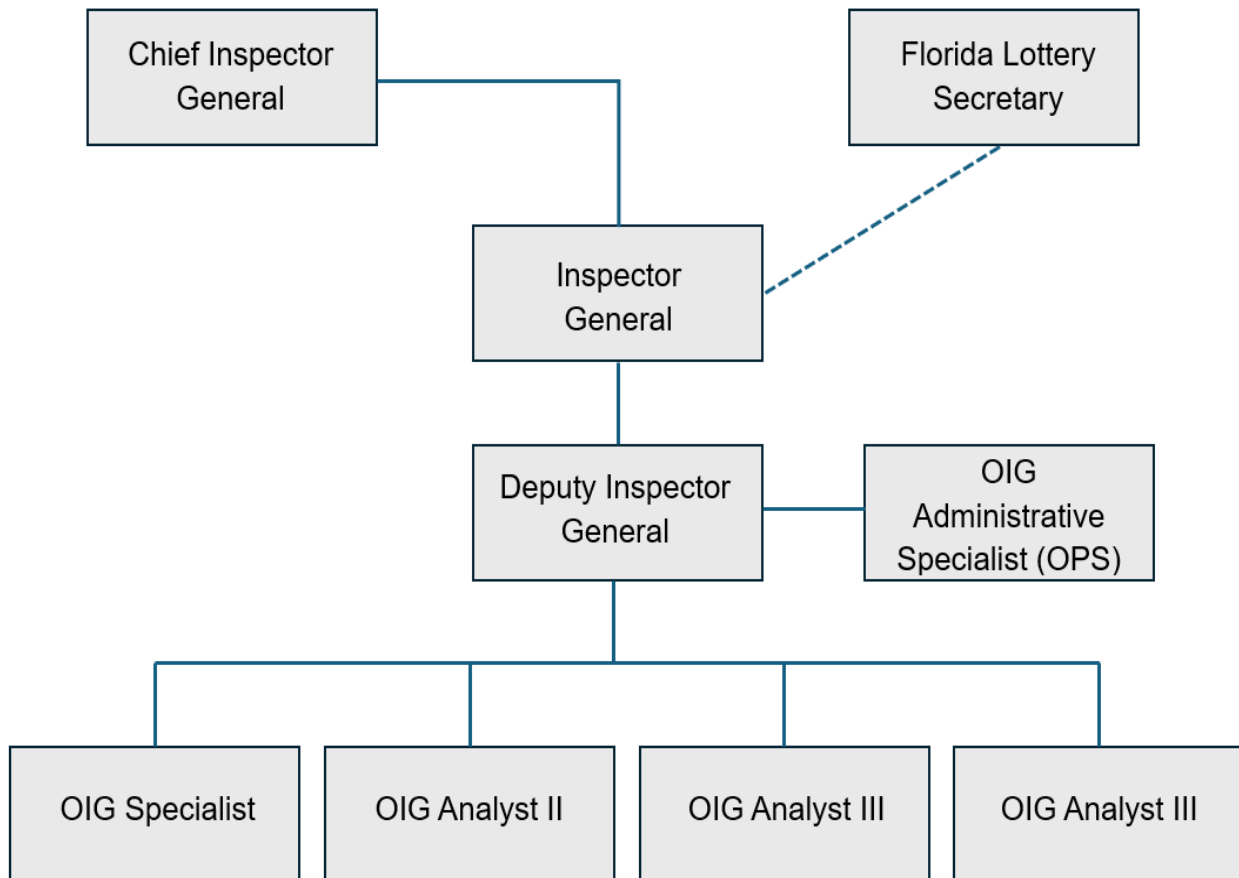
- Providing direction for, supervising and coordinating audits, investigations, and management reviews relating to the programs and operations of the Florida Lottery.
- Reviewing and evaluating internal controls necessary to ensure the fiscal accountability of the Florida Lottery;
- Keeping the Secretary and Chief Inspector General informed concerning fraud, abuse, and deficiencies relating to programs and operations administered or financed by the Florida Lottery.
- Recommending corrective action and reporting on the progress made in implementing corrective action.
- Advising in the development of performance measures, standards, and policies and procedures for Florida Lottery programs.
- Conducting or coordinating other activities carried out or financed by the Florida Lottery for the purpose of promoting economy and efficiency in the administration of, or preventing and detecting fraud and abuse in, its programs and operations.
- Coordinating and monitoring the implementation of the Florida Lottery's response to recommendations made by the Auditor General, the Office of Program Policy Analysis and Government Accountability (OPPAGA), the Florida Department of Financial Services, and other external agencies.
- Ensuring that an appropriate balance is maintained between audit, investigative, and other accountability activities.

ORGANIZATION AND STAFF

Pursuant to section 20.055, F.S., the Florida Lottery Inspector General is under the general supervision of the Secretary of the Florida Lottery for administrative purposes and reports directly to the Governor's Chief Inspector General. This reporting structure supports the organizational independence of the OIG and its ability to carry out audit, investigative, and other oversight responsibilities objectively and without undue influence.

The OIG consists of six professional positions responsible for performing internal audit, investigative, management review, and other accountability activities in support of the Florida Lottery's mission. The OIG's organizational structure is presented below.

ORGANIZATIONAL CHART



OIG STAFF QUALIFICATIONS AND CERTIFICATIONS

OIG personnel are highly qualified and bring various backgrounds and expertise to the Florida Lottery. The collective experience spans a variety of disciplines including auditing, accounting, process improvement, investigations, and information systems.

OIG staff members continually seek to enhance their abilities and contributions to the OIG and the Florida Lottery. Many staff members have obtained certifications that demonstrate their knowledge, motivation, and commitment to the profession. The accomplishments of the staff in obtaining professional certifications represent significant time and effort by each staff member, reflecting positively on the individual as well as the Florida Lottery. During fiscal year 2025-26, professional certifications held by OIG staff members include:

- Certified Inspector General (CIG)
- Certified Internal Auditor (CIA)
- Certified Information Systems Auditor (CISA)
- Certified Information Security Manager (CISM)
- Certified Inspector General Auditor (CIGA)
- Certified Inspector General Investigator (CIGI)
- Certified Governmental Auditing Professional (CGAP)
- Certified Information Systems Security Professional (CISSP)
- Florida Certified Contract Manager (FCCM)
- Notary Public



AFFILIATIONS

OIG staff members participate in a number of professional organizations to maintain proficiency in their areas of expertise and certification. These associations allow them to establish and advance professional networks and participate in professional development activities. OIG staff members are affiliated with the following professional organizations that support audit and investigation activities:

- Association of Inspectors General (AIG)
- Institute of Internal Auditors (IIA)
- Association of Government Accountants (AGA)
- Information Systems Audit and Control Association (ISACA)



INTERNAL AUDIT



The purpose of internal auditing is to provide independent, objective assurance and consulting activities designed to add value and improve the Florida Lottery's operations. Our vision is to help the Florida Lottery by facilitating change directed toward improving efficiency, effectiveness, accountability, and teamwork.

Audit responsibilities of the OIG include:

- Conduct compliance, information technology, performance, operational, and financial audits of the Florida Lottery to identify and recommend corrective action for deficiencies or matters of noncompliance;
- Conduct consulting activities in order to provide independent advisory services to Florida Lottery management;
- Assess the reliability and validity of Florida Lottery performance measures;
- Ensure effective coordination and cooperation with the Office of the Auditor General, OPPAGA, and other governmental bodies to ensure proper coverage and minimize duplication of effort;
- Conduct risk assessments of the Florida Lottery annually, taking into consideration the input of senior management;
- Develop annual and long-term audit plans outlining the audits to be conducted during each year and related resources to be devoted to the respective audits;
- Monitor the implementation of the Florida Lottery's response to audit reports issued by the Inspector General, Office of the Auditor General, OPPAGA, or other oversight agencies;
- Develop and maintain a quality assurance and improvement program that covers all aspects of the internal audit activity, with an external assessment conducted every three years; and
- Participate in enterprise projects and provide assistance as requested by the Chief Inspector General.

During FY 2025-2026, the OIG conducted audits in conformance with the Global Internal Audit Standards (Standards), published by the Institute of Internal Auditors. These Standards became effective January 2025. Audit reports issued by the OIG contain a statement that the audit was conducted pursuant to the appropriate standards. These reports are prepared and distributed to the Secretary of the Florida Lottery, the Governor's Chief Inspector General, the Office of the Auditor General, and affected Lottery managers.

INTERNAL AUDIT ACCOMPLISHMENTS

During the fiscal year 2025-26, the OIG completed four internal audits and three management reviews. Additionally, the OIG conducted follow-up activities to review the status of internal engagements. The results of those engagements are summarized below.

26-1001, Internal Control and Data Security MOU

The Division of Security (Security) ensures the security and integrity of the Lottery's operations through the provision of services, including the protection of facilities, investigative activities, monitoring of game draws, and background investigations for vendors, retailers, and personnel. In carrying out these responsibilities, Security is permitted access to driver license, motor vehicle, and other personal information maintained by the Florida Department of Highway Safety and Motor Vehicles (DHSMV) pursuant to the Data Exchange Memorandum of Understanding (MOU) and the Driver and Vehicle Information Database (DAVID) MOU. The OIG conducted an audit to evaluate internal controls over the access, use, and protection of sensitive information obtained through these agreements and to assess compliance with applicable policies, regulatory requirements, and MOU requirements.



Based on the procedures performed, the OIG determined that the Florida Lottery established and implemented internal controls designed to safeguard sensitive information and comply with applicable MOU requirements. Overall, the controls reviewed appeared to be operating effectively and supported the protection of personal information from unauthorized access, use, modification, distribution, or disclosure. During the audit, the OIG identified one minor deficiency involving required procedure acknowledgments under the Data

Exchange MOU. Upon notification, Security management promptly corrected the deficiency and implemented measures to prevent recurrence.

26-1002, Bonus Play Promotions Review

The Florida Lottery's Bonus Play promotions, formerly referred to as Second Chance promotions, provide players with additional opportunities to win prizes by submitting eligible Scratch-Off and Draw game tickets into designated promotional drawings. Players may enter eligible tickets through the Florida Lottery's website or mobile application for opportunities to win prizes such as cash awards and gift cards. Each promotion is administered in accordance with established entry periods, eligibility requirements, prize structures, and applicable game criteria.

The OIG conducted a management review of the Florida Lottery's Bonus Play promotions to assess the adequacy and effectiveness of internal controls governing the administration of

promotions. The review identified opportunities to strengthen controls related to player registration and prize fulfillment processes. Recommendations were issued to enhance existing controls, strengthen program oversight, and support the continued integrity of Bonus Play promotions.

26-1003, Security Evidence Vault

The Florida Lottery's Division of Security (Security) maintains an evidence vault for the secure storage of evidence and property taken into custody by Security personnel. Security is responsible for providing a secure storage facility and maintaining a system of documentation to track property from its receipt to its eventual disposition. At the request of Security management, the OIG conducted a review of the evidence vault located within Security's forensic laboratory. The objective of this review was to verify the accuracy of property records against the items stored in the evidence vault. The review confirmed that all property was properly preserved and fully reconciled with the official records.

26-1004, Miami District Audit

The Miami district office functions as a Florida Lottery retailer and prize redemption center, which includes selling scratch-off and draw game tickets and redeeming winning tickets with a value of up to \$1 million for Powerball® and Mega Millions® and up to \$250,000 for all other Lottery games. The district office serves as an operations center for Lottery Sales Representatives, and operates a warehouse that receives, stores, and distributes items needed to support the Lottery retailers located within the district. The Miami district office includes 47 staff positions and services approximately 3,082 retailers located within the district.



The OIG conducted an audit of the Miami district office to determine whether the district operates in compliance with the direction of Florida Lottery management and demonstrates an adequate system of internal controls that safeguard the assets and integrity of the Lottery. The audit identified opportunities to strengthen internal controls and improve processes related to daily operations, fleet management, the Merchandise Inventory Control System, and Scratch-Off ticket accountability. The OIG issued five recommendations to address the identified areas for improvement. Implementation of these recommendations will strengthen the Miami district office's internal control environment, enhance accountability, and promote more effective and consistent operations.

26-1005, Debit/Credit Card Program



The Florida Lottery's Division of Security (Security) is responsible for protecting the integrity and security of Lottery operations. Security performs a variety of law enforcement functions, including conducting criminal and administrative investigations involving Lottery activities and supporting efforts to identify and prevent fraud and other criminal activity involving Lottery products and operations. As part of its investigative responsibilities, Security maintains a Debit/Credit Card Program through which designated debit and credit cards are used as investigative tools to obtain evidence during authorized law enforcement operations. The proper administration and oversight of these cards is important to ensure that expenditures of Lottery funds are authorized, appropriately documented, safeguarded from misuse, and directly related to legitimate investigative activities.

The OIG conducted an audit of Security's Debit/Credit Card Program to evaluate whether sufficient internal controls had been established and implemented to govern the use of debit and credit cards for investigative purposes. The audit assessed compliance with applicable Florida Lottery policies and procedures and other governing requirements. The OIG also evaluated controls over the authorization, use, documentation, approval, safeguarding, verification, and monitoring of cards and related transactions.

The audit identified opportunities to strengthen internal controls and oversight of the program, particularly with respect to supporting documentation, transaction verification, and supervisory review. The OIG recommended strengthening existing procedures to ensure investigative card transactions are consistently supported by appropriate documentation, independently verified, and subject to adequate supervisory oversight. Strengthening these controls will enhance accountability over investigative expenditures and provide greater assurance that transactions are properly authorized, supported, and consistent with program requirements.

26-1006, Performance Measures

Section 20.055, F.S., establishes specific responsibilities for OIG within each state agency. Among these responsibilities is the requirement to provide advice during the development of performance measures, standards, and procedures used to evaluate the effectiveness and efficiency of agency programs. The statute also requires OIGs to independently assess the reliability and validity of performance data reported by the agency and, where necessary, make recommendations to strengthen the accuracy, integrity, and usefulness of this information. In fulfillment of this statutory mandate, the OIG conducted a review of the Florida Lottery's performance measures. The OIG found the measures to be reliable and valid in all material respects, providing assurance that the Lottery's performance reporting is accurate and suitable for management, stakeholders, and oversight entities.

26-8003, Data Protection & Security

The Office of Inspector General conducted an enterprise cybersecurity audit of the Florida Lottery's data protection and security practices. The audit evaluated controls established to protect the confidentiality, integrity, and availability of Lottery information and assessed compliance with applicable requirements of the Florida Cybersecurity Standards. The audit included a review of cybersecurity policies, procedures, processes, and controls related to the protection of information and technology resources.



Due to the sensitive nature of the information reviewed, specific audit results are confidential and exempt from public disclosure pursuant to applicable provisions of section 282.318, Florida Statutes.

26-2001, Internal Follow-Up

The OIG conducted an internal follow-up review during the first half of the 2025-26 fiscal year that included the review of the status of corrective actions from seven engagements and two investigations. Our review included a follow-up of 31 findings and 47 recommendations. We verified management completed corrective actions for 23 recommendations, resulting in the closure of 14 findings. In addition, management accepted the risk associated with one finding and its related recommendation.

26-2002, Internal Follow-Up Cybersecurity

The OIG conducted an internal follow-up review during the first half of the 2025-26 fiscal year that included the review of the status of corrective actions from four internal audits and one management review. Our review included a follow-up of 25 findings and 40 recommendations. Through our review, we verified the completion of 1 recommendation, which resulted in the closure of 1 finding.

25-2003, Internal Follow-Up

The OIG conducted an internal follow-up review during the second half of the 2025-26 fiscal year that included the review of the status of corrective actions from five engagements. Our review included follow-up of 16 findings and 23 recommendations. Based on the results of the review, management completed corrective action for one recommendation, resulting in the closure of one finding. Additionally, management accepted the associated risk for two findings and their corresponding recommendations from two separate engagements.

25-2004, Internal Follow-Up Cybersecurity

The OIG conducted an internal follow-up review during the second half of the 2025-26 fiscal year that included the review of the status of corrective actions from four internal audits and one management review. Our review included a follow-up of 24 findings and 39 recommendations.

Based on the information provided by management, we determined that no corrective actions have been completed to support the closure of any outstanding findings.

AUDIT RESPONSE COORDINATION AND FOLLOW-UP

The OIG provides a single point of contact for external agencies that audit the Florida Lottery. This is done to ensure effective coordination and cooperation between the Florida Lottery and the Office of the Auditor General, OPPAGA, and other governmental bodies, and to minimize duplication of effort. We coordinate information requests and responses and assist in scheduling meetings for these entities. We provide coordination of the Florida Lottery's formal responses to preliminary and tentative findings issued by the Office of the Auditor General, OPPAGA, Department of Financial Services, and other oversight agencies. We also coordinate the six-month response on the status of corrective actions taken by the Florida Lottery on any audit findings and recommendations issued by the Office of the Auditor General or OPPAGA. A written report on the status is provided to the Chief Inspector General and the Joint Legislative Auditing Committee.



During the 2025-26 fiscal year, we coordinated the following external engagements:

OFFICE OF THE AUDITOR GENERAL
FINANCIAL AUDIT FOR THE FISCAL YEAR ENDED JUNE 30, 2025, AND 2024
SIX-MONTH STATUS: FINANCIAL AUDIT FOR THE FISCAL YEAR ENDED JUNE 30, 2024
OFFICE OF PROGRAM POLICY ANALYSIS AND GOVERNMENT ACCOUNTABILITY
REVIEW OF THE FLORIDA LOTTERY, 2025
SIX-MONTH STATUS: REVIEW OF THE FLORIDA LOTTERY, 2024
EIGHTEEN-MONTH STATUS: REVIEW OF THE FLORIDA LOTTERY, 2023
GAMING LABORATORY INTERNATIONAL, LLC
COMPREHENSIVE STUDY AND EVALUATION OF LOTTERY SECURITY

REVIEW OF CORRECTIVE ACTIONS FOR PRIOR YEAR AUDITS

Section 20.055(8)(c), F.S., requires the identification of each significant recommendation described in previous annual reports on which corrective action has not yet been completed. There are no corrective actions that remain open for significant recommendations reported in previous annual reports.

RISK ASSESSMENT AND AUDIT PLAN



Section 20.055, F.S., requires the Inspector General to develop long-term and annual audit plans based on periodic risk assessments of the Florida Lottery. This helps ensure the OIG is responsive to management concerns and that those activities determined to have the greatest risks are identified and scheduled for review.

The risk assessment included identifying programs and activities administered by the Florida Lottery and evaluating each activity based on indicators of risk exposure, or risk factors. Each program or activity was given a score for seven risk factors: control environment, financial impact, operation complexity, public perception, change in operations/systems, audit coverage, and management concerns. The risk assessment included administration of a risk assessment survey to Lottery management and meetings with executive management to discuss enterprise risk exposures and internal controls.

Using the results from these efforts and our professional judgment, we developed the audit plan for the 2026-27 fiscal year. The audit plan provides the most effective coverage of the Lottery's programs and processes while optimizing the use of internal audit resources. At the request of the Chief Inspector General, we have dedicated audit hours to enterprise projects, which address administrative issues common to most agencies. The annual audit plan was approved by the Lottery Secretary and submitted to the Office of the Chief Inspector General and the Auditor General. The audit plan is subject to change as Lottery priorities change and new risks are identified. During the 2026-27 fiscal year, audit resources will be allocated to the following engagements:

2026-27 Audit Plan

Division/Office	Projects
Department-wide	Performance Measures

Product	Product Operations & Climate Review*
Communications	Strategic Partnership Process Review*
Finance	Internal Control Assessment
IR/ ISM	Cybersecurity Audit
Sales	District Office (TBD)
Security	Debit/Credit Card Program Review
Security	Evidence Vault
Department Wide	Records Retention
Department Wide	Internal & External Engagement Follow-up
Chief Inspector General	Enterprise Projects

*Indicates Rollover Project

INVESTIGATIONS

The OIG works to deter, detect, and investigate allegations of fraud, waste, abuse, or employee misconduct impacting the Lottery. The OIG receives inquiries or complaints regarding Departmental activity from many sources, including the Whistle-blower's Hotline, the Florida Department of Financial Services' Get Lean Hotline, the Chief Inspector General's Office, an online complaint form on the Lottery OIG's website, the Executive Office of the Governor, letters, telephone calls, and e-mails.

Investigation Responsibilities of the OIG include:

- Receive complaints and coordinate all activities of the agency as required by the Whistle-blower's Act pursuant to Section 112.3187 – 112.31895, F.S.;
- Receive and consider complaints that do not meet the criteria for an investigation under the Whistle-blower's Act and conduct, supervise, or coordinate such inquiries, investigations, or reviews as the Inspector General deems appropriate;
- Report expeditiously to the Florida Department of Law Enforcement or other law enforcement agencies, as appropriate, whenever the Inspector General has reasonable grounds to believe there has been a violation of criminal law;
- Conduct investigations and other inquiries free of actual or perceived impairment to the independence of the Inspector General or the Inspector General's office. This shall include freedom from any interference with investigations and timely access to records and other sources of information; and

- Submit in a timely fashion, final reports on investigations conducted by the Inspector General to the agency head, except for Whistle-blower's investigations, which shall be conducted and reported pursuant to Section 112.3189, F.S.



Investigations are conducted in accordance with quality and quantitative standards as set forth in the *Principles and Standards for Offices of Inspector General*, published by the Association of Inspectors General, and the *Florida Inspectors General Standards Manual*, published by the Commission for Florida Law Enforcement Accreditation. If suspicion of potential criminal activity is discovered, it is referred to the appropriate law enforcement agency. The OIG coordinates with law enforcement on any criminal investigation, while ensuring that issues of an internal nature are addressed administratively.

During fiscal year 2025-26, the OIG completed two internal investigations, processed 320 complaints, and conducted activities related to maintaining the Commission for Law Enforcement Accreditation.

COMPLETED INVESTIGATIONS

During the 2025-26 fiscal year, the OIG completed one investigation carried forward from the 2024-25 fiscal year and initiated two new internal investigations. Of the two investigations initiated during the fiscal year, one was completed and one remained ongoing as of June 30, 2026. A synopsis of the two investigations completed during the 2025-26 fiscal year is provided below.

25-4006

The OIG received a complaint from a former Lottery retailer alleging misconduct by a Lottery Sales Representative, including discriminatory and discourteous treatment, solicitation of money, and misuse of state time. The investigation determined that the allegations of discriminatory and discourteous treatment and misuse of state time were *unsubstantiated*, as no sufficient supporting evidence was identified. The allegation involving the solicitation of money was deemed *unfounded*. However, the OIG identified deficiencies related to documentation and inventory monitoring procedures. The OIG recommended management reinforce applicable procedures to strengthen accountability and oversight of field activities.

26-4003

The OIG received information regarding an email sent to another state agency containing disparaging statements about a former Lottery employee. Although the email appeared to have been sent by a current Lottery employee, the investigation identified no evidence establishing that the employee, or any other Lottery employee, authored or transmitted the communication.

Accordingly, the allegation was *unsubstantiated*. The OIG also reviewed related complaints within the email alleging workplace conflict and inequitable treatment of Information Resources employees. These allegations were also *unsubstantiated*, as no corroborating evidence was identified.

OTHER INVESTIGATIVE ACTIVITIES

The OIG conducts various investigative activities that do not rise to the level of a formal investigation. These activities primarily consist of preliminary inquiries and reviews of allegations involving fraud, waste, abuse, or mismanagement. During the 2025-26 fiscal year, the OIG completed the following preliminary inquiries:

26-4002

The OIG received an anonymous complaint alleging that a Lottery Sales Representative maintained outside business interests that created a potential conflict of interest. The OIG conducted a preliminary inquiry and determined that the Sales Representative was not employed by the company identified in the complaint and did not maintain the alleged business interests. As such, no evidence of a conflict of interest or improper conduct related to his role as a Lottery Sales Representative was identified. Therefore, the OIG determined that a full investigation was not warranted and the complaint was closed.

26-4005

The OIG received a complaint alleging concerns involving personnel within the Division of Security. The OIG conducted a preliminary inquiry and determined that the information reviewed did not provide sufficient factual support to warrant a formal investigation. The matters identified were determined to be more appropriately addressed through management channels. Accordingly, the OIG referred the matter to management for review and handling as deemed appropriate.

COMPLAINTS

The OIG received 320 complaints during fiscal year 2025-26. OIG staff responded to each complainant as appropriate and referred 264 complaints to Lottery management for proper handling. The remaining 56 were addressed by the OIG staff.

ACCREDITATION

Accreditation programs have long been recognized as a means of maintaining and verifying the highest standards. In 2009, the Commission for Florida Law Enforcement Accreditation (CFA) expanded its program to include Inspectors General offices. The CFA is an accreditation program recognized as a means of maintaining the highest standards of professionalism for independent investigations based on meeting specific requirements and prescribed standards. The Florida

Lottery OIG was the fourth IG office in the state to receive this accreditation status and was first accredited by the CFA in 2010.

The accreditation remains in effect for three years, at which point state assessors complete a reaccreditation review of the OIG. The OIG was reaccredited for the fifth time in October 2025. OIG staff regularly conduct activities to ensure ongoing compliance with accreditation requirements. Activities relating to this effort include:



- Conduct annual reviews to ensure continued compliance with the standards and the Investigations Manual. This includes a full review of all complaints and investigations and supporting documentation.
- Provide assistance to other agencies with their accreditation process.
- Attend Accreditation Manager meetings to discuss current and future issues regarding accreditation requirements.
- Revise the OIG Investigations Manual to comply with changes in CFA standards.
- Ensure OIG staff submit annual independence attestations and meet annual training requirements for CFA standards.
- Complete the CFA Annual Report.

OTHER OIG ACTIVITIES

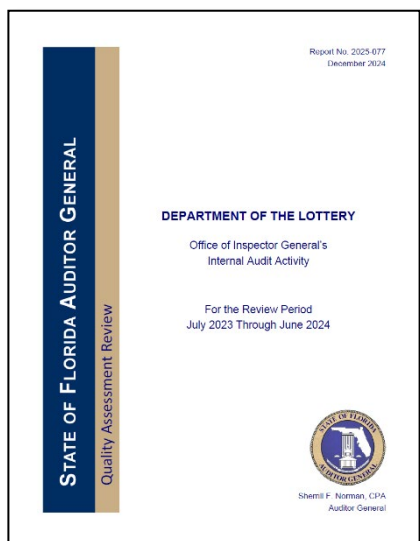
The OIG participates in numerous other activities, including internal quality assessments, OIG work plans, OIG annual reports, and other internal/external assistance activities. OIG staff proactively monitor certain Lottery activities and review patterns to determine if additional action is warranted. During fiscal year 2024-25, the OIG performed the following activities.

QUALITY ASSURANCE AND IMPROVEMENT PROGRAM

The OIG has established quality assurance processes in conformance with the Standards. This includes both internal and external quality assurance assessments of internal audit activities. Ongoing monitoring is an integral part of the supervision, review, and measurement of internal audit activities. Continuous monitoring activities have been established through engagement planning, supervision, and review, as well as standardized procedures and approvals. An internal assessment of the internal audit activity is conducted by the OIG annually. The internal assessment is submitted to the Secretary of the Florida Lottery. An external assessment of the Internal Audit Section is conducted by the Auditor General in accordance with Section 11.45(2)(i), F.S., once every three years.

The OIG conducted an internal assessment of the Internal Audit Section activities during FY 2025-2026 to evaluate conformance with the Standards. Based on the internal assessment results,

during FY 2025-2026, the OIG has fully implemented the requirements specified under the Standards.



The most recent external Quality Assurance Review of the Florida Lottery OIG's internal audit activity by the Auditor General was conducted in December 2024 (Report 2025-007). The reported results stated, *"In our opinion, the quality assurance and improvement program related to the Department of the Lottery, Office of Inspector General's internal audit activity was adequately designed and complied with during the review period July 2023 through June 2024 to provide reasonable assurance of conformance with applicable professional auditing standards and the Code of Ethics issued by The Institute of Internal Auditors. Also, the Office of Inspector General generally complied with those provisions of Section 20.055, Florida Statutes, governing the operation of State agencies' offices of inspectors general internal audit activities."*

COMPUTER SECURITY INCIDENT RESPONSE TEAM

The Computer Security Incident Response Team (CSIRT) responds to suspected computer security incidents by identifying and controlling incidents, notifying designated CSIRT responders, and reporting findings to Lottery management. The Inspector General is a core member of the CSIRT team for the Lottery and attends CSIRT meetings scheduled by the Director of Information Security Management to review and provide input to management on policies and procedures.

RETAILER INTEGRITY PROGRAM

Throughout the fiscal year 2025-26, the OIG provided administrative support, research, and consulting activities relating to retailer integrity. The Inspector General serves as an advisor to the Retailer Integrity Program.

LOTTERY DRAWINGS

The facility where Lottery drawings are conducted requires a dual-control environment, necessitating the Division of Security staff and audit staff to be present during any required maintenance and other activities. OIG staff fulfil this role as needed. Additionally, the OIG is notified of any draw discrepancies. We monitor these discrepancies and perform additional reviews when necessary.

CHIEF AUDIT EXECUTIVE ROUNDTABLE

The Deputy Inspector General participates in the Chief Audit Executive Roundtable. The mission of the Chief Audit Executive Roundtable is to promote the effective and efficient use of internal audit resources toward accountability, productivity, and enhancement of management control over operations. The Roundtable is a voluntary group composed of representatives (primarily Audit Directors) from local companies and organizations, state agencies, and institutions of higher education with an internal audit function.

OIG NEWSLETTER

During fiscal year 2025-26, the OIG published its annual newsletter to increase employee awareness of OIG activities and promote the prevention and reporting of fraud, waste, abuse, and other irregularities within the Florida Lottery. The newsletter focused on recognizing and reporting potential Code of Ethics violations and reinforced employees' responsibility to report suspected misconduct. It also introduced the OIG's newest staff member, provided information on complaints received by the OIG, and outlined the various methods available for filing a complaint. Through the annual newsletter, the OIG seeks to keep Lottery employees informed, strengthen awareness of ethical responsibilities, and support the early identification and prevention of fraud, waste, abuse, and irregularities.

Florida Department of Lottery
Office of Inspector General
250 Marriott Drive
Tallahassee, Florida 32301

Phone: 850-487-7726

Fax: 850-487-7746

Email

ig@flalottery.com

Web Site

www.flalottery.com/inspectorgeneral

