

Agency for Persons with Disabilities Office of Inspector General

OIG Assignment No. 240501-01-OA

Annual Audit Plan for FY 2024-25 and Long-Term Plan



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Introduction

The Office of Inspector General (OIG) prepared the OIG Annual Audit Plan and Long-Term Plan (Plan) pursuant to section 20.055(6)(i), Florida Statutes (F.S.), and in accordance with the Institute of Internal Auditors *International Standards for the Professional Practice of Internal Auditing (Standards)* and the Association of Inspectors General *Principles and Standards for Offices of Inspectors General*.

The Plan is based on the results of the Fiscal Year (FY) 2024-25 Risk Assessment, consideration of prior audits and investigations, an awareness of the issues within the Agency for Persons with Disabilities' (Agency) programs and operations, input from Agency management, and availability of audit resources.

The OIG will review and adjust the Plan as necessary, and the Inspector General will communicate any significant interim changes to Agency executive management. The Plan provides a guide for the internal audit activity to meet the OIG's goals and objectives and to maximize the OIG's contribution to the Agency's mission. We look forward to working with Agency management in meeting the challenges and opportunities that the Agency faces. Upon approval of the Plan, the OIG will move forward with the projects and submit a copy of the Plan to the Office of the Chief Inspector General and the Auditor General (AG) for the State of Florida.

Internal Audit Purpose, OIG Mission, and Goal

The purpose of the internal audit activity is to provide independent, objective assurance and consulting services designed to add value and improve the organization's operations. The internal audit activity helps the organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The mission of the OIG is to protect and promote public integrity, efficiency, and accountability within the Agency through audits and investigations that support process improvement and detect, deter, prevent, and eradicate fraud, waste, mismanagement, misconduct, and other abuses, and ultimately assist the Agency to achieve its overall mission.

The goal of the OIG is to decrease the reoccurrence of such violations through employee awareness and cooperation while providing the Agency with a timely, accurate, objective, and useful work product.

Authority, Responsibility, and Independence

The authority and responsibilities of the OIG are established in section 20.055, F.S. The Inspector General reports functionally to the Chief Inspector General and administratively to the Agency Director. Pursuant to Florida Statutes, the OIG has full, free, and unrestricted access to all Agency activities, records, data properties, functions, and personnel necessary to effectively discharge its responsibilities.

Available Staff Resources

The internal audit section has two professional staff positions, an Audit Director and an Auditor. The internal audit section staff provide 4,160 staff hours of professional and administrative support for FY 2024-25. The Audit Director and Auditor do not have the skills or experience to conduct certain cybersecurity audits. The OIG will communicate resource limitations to the Agency Director and, if needed, will ask for assistance from the Chief Inspector General.

Staff Resources Allocation

Category	Planned Hours	Percent of Time
Planned Engagements	1,100	27 %
Management Review	0	0 %
Follow-up Activities	345	8 %
Carry Forward Assignments	798	19 %
Enterprise Projects	0	0 %
Assistance to Investigations	45	1 %
Oversight Activities	456	11 %
Outreach, Education, and Management Support	340	8 %
Indirect Activities	<u>1,076</u>	<u>26 %</u>
Total	<u>4,160</u>	<u>100 %</u>

Planned Work

Planned Engagements

Section 20.055, F.S., requires the OIG to conduct financial, compliance, electronic data processing, and performance audits of the Agency and prepare audit reports of the findings. Starting July 1, 2021, the OIG is required to include a specific cybersecurity audit plan. Starting October 1, 2021, and every three years after, the OIG is required to complete a risk-based compliance audit of all contracts executed by the Agency for the preceding three fiscal years. The remaining engagements are selected based on a risk assessment performed by the OIG which included input from Agency management and OIG staff. The OIG conducts audits in accordance with the *Standards*. A total of 1,100 staff hours are allocated to new engagements.

Planned Audit

- Asset Management Audit – In accordance with Rule 60GG-2.002(1), Florida Administrative Code (F.A.C.), the OIG will review the Agency’s processes and procedures for identification and management of IT Resources. This will be an enterprise-wide audit that participating state agencies will perform with assistance from the Chief Inspector General’s office.
- APD Contract Compliance Audit – The OIG will complete a risk-based compliance audit of all contracts executed by the agency for the preceding three fiscal years. The audit will include an evaluation of, and identify any trend in, vendor preference. The audit findings must be submitted to the agency head, the secretary of the Department of Management Services, and the Governor.

Management Reviews

Management Reviews communicate through a brief report, opportunities for improvements in efficiencies, effectiveness, or controls of Agency programs, operations, or financial management based on observations. An Agency management response is not required. The OIG conducts Management Reviews in accordance with the Association of Inspectors General *Principles and Standards for Offices of Inspectors General*. A total of 0 staff hours are allocated to management reviews.

Follow-up Activities

Section 20.055(6)(h), F.S., requires the OIG within six months of an AG or Office of Program Policy Analysis and Government Accountability published report on the Agency, provide a written response to the Agency Director and the Chief Inspector General (CIG) on the Agency's status of corrective actions. Section 20.055(1)(f), F.S., requires the OIG report to the Agency Director and CIG, the Agency's progress of corrective action for deficiencies identified in OIG internal audit reports. A total of 345 staff hours are allocated to follow-up activities.

Planned Follow-up Activities

- AG Report No. 2023-174 State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards – The OIG will follow-up on the status of outstanding external recommendations.
- OIG Internal Audit Report No. 211012-01-IA Security Continuous Monitoring Audit – The OIG will follow-up on the status of outstanding internal recommendations.
- Department of Financial Services Contract Management and Monitoring Processes Review (Contracts Active and Closed in Fiscal Year 2022-23) – The OIG will follow-up on the status of outstanding external recommendations.

Carry Forward Assignments

The OIG will have five carry forward assignments. A total of 798 staff hours are allocated to complete or close the engagements.

- Incident Response, Reporting, and Recovery Audit - In accordance with Rule 60GG-2.005, Florida Administrative Code (F.A.C.), the OIG will complete the audit of the Agency's processes and procedures for cybersecurity incidents.
- Follow-up Engagement of Internal Audit Report No. 220810-01-IA Arc of Florida Contract Audit – The OIG will complete its follow-up on the status of outstanding internal recommendations.
- Annual Risk Assessment/Audit Plan for FY 2024-25 – The OIG will complete steps to finalize the risk assessment.
- External Audit Coordination of Department of Health and Human Services (HHS) Audit – The OIG will continue to ensure effective coordination and cooperation between Agency management, Agency for Health Care Administration management, and the HHS OIG for the HHS audit of Florida's Individualized Supported Living (ISL) Provider Health and Safety.
- External Audit Coordination of the AG Operational Audit of the Agency – The OIG will continue to ensure effective coordination and cooperation between Agency management and AG staff.

Enterprise Projects

The Chief Inspector General requests the OIG to reserve plan hours for enterprise projects. The OIG is engaged in the cybersecurity enterprise audit related to Incident Response, Reporting, and Recovery and plans to participate in the cybersecurity enterprise audit related to Asset Management during FY 2024-25. The OIG is not allocating any additional hours to enterprise projects.

Assistance to Investigations

The internal audit section will provide assistance as needed to the investigations staff by researching information relating to complaints or investigations and processing Office of Human Resources requests for OIG reference checks. A total of 45 staff hours are allocated to assist investigations.

Oversight Activities

Oversight activities include an annual risk assessment and audit plan, OIG annual report, Legislative Budget Request Schedule IX, Computer Security Incident Response Team, annual quality assurance of the internal audit activity, OIG process improvements, CIG Support, Internal/External assistance, Catalog of State Financial Assistance Project Reviews, and external audit coordination. A total of 456 staff hours are allocated to oversight activities.

Outreach, Education, and Management Support

Outreach, education, and management support include OIG staff meetings and internal audit section staff meetings, public records requests, Agency meetings, internal audit outreach and education, continuing professional education, and new employee training. A total of 340 staff hours are allocated to outreach, education, and management support.

Indirect Activities

Indirect activities include annual leave, sick leave, state holidays, performance expectations and evaluations, and administrative tasks. Examples of administrative tasks include timekeeping, personnel administration, required training, and purchasing activities. A total of 1,076 staff hours are allocated to indirect activities.

Long-Term Projects

Long-term projects are subject to change, based on the results of the periodic risk assessment and to be responsive to the Agency Director and CIG. Topics identified during this year's risk assessment for the two subsequent fiscal years include:

FY 2025-26

- Consumer Directed Care Plus Program (Audit)
- Property Management, including Fleet

FY 2026-27

- Provider License Monitoring Process (Audit)
- Developmental Disabilities Defendant Program Incidents (Management Review)