



DEPARTMENT OF MILITARY AFFAIRS

Office of Inspector General

St. Francis Barracks
82 Marine Street
St. Augustine, Florida 32084

July 17, 2024

Major General John D. Haas
The Adjutant General
Department of Military Affairs
St. Francis Barracks, 82 Marine Street
St. Augustine, Florida 32084

Dear General Haas:

In accordance with Florida Statutes, attached herewith, for your approval (indicating your signature), is the Audit Plan for the Department of Military Affairs regarding the fiscal period July 1, 2024 through June 30, 2025.

We appreciate your continuing support of our organization. If you have any questions, or require additional information regarding the above matter, please contact me at extension #0126.

Sincerely,

Digitally signed by
RANICKJENNIFER.LYNN.15103
77938
LYNN.1510377938 Date: 2024.07.17 08:54:29
-04'00'

Jennifer L. Ranick
Inspector General
Department of Military Affairs

Distribution:

Melinda Miguel, Chief Inspector General of Florida
COL Adam Curry, State Quartermaster



DEPARTMENT OF MILITARY AFFAIRS

Office of Inspector General

Audit Plan

For The Period July 1, 2024, Through June 30, 2025

Introduction:

Section 20.055(6)(i), Florida Statutes, requires that the Inspector General develop long-term and annual audit plans based on the findings of periodic risk assessments. Standard 9.4, International Professional Practices Framework, published by The Institute of Internal Auditors, Inc. (IIA Standards), requires that risk-based plans be established to determine the priorities of the internal audit activity, consistent with the organization's objectives. The plan will show the individual audits to be conducted during each year and related resources to be devoted to the respective audits. The plan shall include a specific cybersecurity audit plan. By statute, the plan is submitted to the agency head for approval with copies submitted to the Governor's Chief Inspector General and the Auditor General.

Mission Statement:

The mission of the Office of the Inspector General is to ensure that the Department of Military Affairs and its employees maintain the highest level of accountability, integrity, efficiency, and compliance within programs and activities.

Risk Assessment Methodology Used to Determine Areas Selected for Audit:

The Office of the Inspector General conducted a risk assessment that included all programs with the Department of Military Affairs (Department). The risk assessment process is used to evaluate potential work based upon the knowledge of the current events and accumulated knowledge of senior staff to ensure that we meet the Office of Inspector General mission of promoting accountability, integrity, efficiency and compliance within the Department's programs and activities. Our risk assessment methodology included:

- Reviewing program objectives, financial information, applicable laws, various reports including internal and external audit reports, and other available program data.
- Inquiring with directorates and key employees regarding the complexity of their operations and obtaining their insight into operations and associated risks.
- Considering the potential for loss or theft of assets, possibility of not meeting program objectives, and whether or not there were any health, safety or welfare issues for the public, employees, clients, users, or recipient of program benefits.
- Ranking the information based on the unit's relative risk factors such as: size of budget and flow of funds; complexity and decentralization of operations; existence of certain internal control elements (i.e., policies and procedures, monitoring systems); experience of management; and the last time the program was audited by the Office of Inspector General, the Auditor General, or other oversight authority.



DEPARTMENT OF MILITARY AFFAIRS

Office of Inspector General

Enterprise Audit:

Section 14.32(2)(a) and (2)(c), Florida Statutes, provides that the Governor's Chief Inspector General (CIG) shall initiate and coordinate activities designed to deter, detect, prevent, and eradicate fraud, waste, abuse, and mismanagement in government. Additionally, the CIG shall request such assistance as may be necessary to perform the duties of the CIG. At the direction of the Governor's CIG, approximately 20% of our available time has been allocated to enterprise audit projects.

Enterprise-wide Cybersecurity Audit of Asset Management¹

The objective of this audit is to evaluate Department controls and compliance with asset management requirements contained in the Florida Cybersecurity Standards (Rules 60GG-2.001 through 60GG-2.006, F.A.C.).

NOTE: The Florida Cybersecurity Standards establish cybersecurity standards that state agencies must comply with in the management and operation of state information technology (IT) resources. The rules are modeled after the National Institute of Standards and Technology (NIST) Framework for Improving Critical Infrastructure Cybersecurity. (See Rule 60 GG-2.001(1)(b), F.A.C., for additional information.)

Enterprise-wide Audit of Vendor Preference in Contracting

The purpose of this audit will be to determine and evaluate whether there is a trend in vendor preference in Department contracts. This will be a risk based compliance audit of all contracts executed by the Department for the preceding three fiscal years.

Planned Audits:

Cooperative Agreement Federal Reimbursements

The purpose of this audit will be to determine the efficiency and effectiveness of Federal reimbursements to the State under applicable cooperative agreements (i.e., Federal reimbursement for a percentage of State bills that are covered by a cooperative agreement).

Recurring Projects:

Internal Quality Assurance Review

Preparation of all required documents for a Quality Assurance Review. This is a self assessment to ensure the Office of Inspector General at the Department of Military Affairs is in compliance with all International Standards for the Professional Practice of Internal Auditors. This self assessment will be used by the State Auditor General during their Quality Assurance Review of the Office of Inspector General every three years.

¹ We consider this Cybersecurity audit to also satisfy the requirements of Section 20.055(6)(i), F.S., requiring that the annual audit plan include a specific cybersecurity audit plan.



DEPARTMENT OF MILITARY AFFAIRS

Office of Inspector General

Family Readiness Program

Section 250.5206, Florida Statutes, requires the Office of Inspector General to conduct a semiannual review and an annual audit of the Family Readiness Program.

Performance Measure Assessment

Section 20.055(2)(a)(b), Florida Statutes, requires each state agency's Office of Inspector General to advise in the development of performance measures, standards, and procedures for the evaluation of state agency programs. Further, the Office of Inspector General is to assess the reliability and validity of their agency's performance measures, and make recommendations for improvement, if necessary.

Audit Follow-Up

Section 20.055(8)(c)4, Florida Statutes, requires the identification of each significant recommendation described in previous annual reports on which corrective action has not been completed. This office will conduct follow-up assessments of outstanding significant recommendations at six-month intervals until all corrective actions have been completed.



DEPARTMENT OF MILITARY AFFAIRS

Office of Inspector General

Calculation of Available Hours:

Based on the current audit staff within the Office of Inspector General, for the twelve month period ending June 30, 2025, there is potentially approximately 4,200 hours available for all activities and projects, including audits, investigations, administration, leave and holidays. Based on the results of our assessment and audit priorities, the following represents the time allocation per current State position:

Total hours for twelve-months (2 position x 52 weeks x 40 hours adj. for alternate work schedule)	4,194
Less: Estimated annual leave	(240)
Estimated sick leave	(160)
Training	(80)
Estimated personal leave	(18)
Holidays	(154)
	<u>(652)</u>

Estimated available work hours **3,542**

Hours available for audits (80%):

Audits: Enterprise Audit – Vendor Preference	748
Enterprise Audit – Asset Management	748
Cooperative Agreement Federal Reimbursements	900
Recurring Projects:	
Internal Quality Assurance Review	216
Family Readiness Program	10
Long Range Program Plan and Performance Measures	80
Prior Audit Follow-Up	<u>140</u>
Total audit hours	2,842

Hours available for non audit services (20%):

Investigations/complaints	200
Consultation with management	200
Administrative	<u>300</u>
Total non audit hours	700

TOTAL HOURS **3,542**



DEPARTMENT OF MILITARY AFFAIRS
Office of Inspector General

Long-Term Plan:

For the fiscal years 2025-2026 and 2026-2027, we plan to ensure the services of the Office of the Inspector General provide the most benefit to the Department and provide coverage for those areas identified as the highest risks. Our goal is to achieve and maintain an appropriate balance between audit, investigative, and other accountability services. Based on our estimation, the following represents the time allocation per current State position:

Total hours for a two year period (2 position x 104 weeks x 40 hours)	8,320
Audit/Program evaluation and management assistance	3,984
Enterprise audits	400
Investigation activities (10%)	832
Administrative (10%)	832
Office management (10%)	832
Training (2 position x 40hrs/year)	160
Holidays and leave	<u>1,280</u>
Total available hours	8,320

The long-term plans are subject to change based on the results of the periodic risk assessment conducted in accordance with Section 20.055, Florida Statutes, and any requests made by the Governor and Chief Inspector General to evaluate particular programs.

Audit Plan Approval

RANICK.JENNIFER. Digitally signed by
LYNN.1510377938 RANICK.JENNIFER.LYNN.151037
7938
 Date: 2024.07.17 08:55:30 -04'00'

Submitted by Jennifer L. Ranick, State Inspector General/Date

Approved by Major General John D. Haas, The Adjutant General/Date