

EXECUTIVE OFFICE OF THE GOVERNOR

OFFICE OF THE CHIEF INSPECTOR GENERAL



2010-2011 Annual Report

Presented

September 30, 2011

The Honorable Rick Scott
Governor of Florida

Melinda M. Miguel
Chief Inspector General



RICK SCOTT
GOVERNOR

STATE OF FLORIDA

Office of the Governor

THE CAPITOL
TALLAHASSEE, FLORIDA 32399-0001

www.flgov.com
850-488-7146
850-487-0801 fax

September 30, 2011

The Honorable Rick Scott
Governor of the State of Florida
The Capitol, PL 05
Tallahassee, Florida 32399-0001

Dear Governor Scott:

In accordance with Section 20.055, Florida Statutes, I am pleased to submit the Chief Inspector General's Annual Report for Fiscal Year 2010-2011 to highlight our efforts and activities during the year.

We are committed to providing leadership in the promotion of accountability and integrity and it is a privilege to serve in our effort to enhance public trust in government.

Sincerely,

A handwritten signature in blue ink that reads "Melinda M. Miguel".

Melinda M. Miguel
Chief Inspector General



Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011



TABLE OF CONTENTS

EXECUTIVE SUMMARY 2

INTRODUCTION..... 4

INDEPENDENCE..... 4

PROFESSIONAL STANDARDS AND CODE OF ETHICS 4

CHIEF INSPECTOR GENERAL INITIATIVES 7

INVESTIGATIVE ACTIVITY..... 8

AUDIT ACTIVITY 15

FINANCIAL EMERGENCY RESPONSIBILITIES..... 19



Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011

EXECUTIVE SUMMARY



In accordance with Sections 14.32 and 20.055, Florida Statutes (F.S.), the Office of the Chief Inspector General is responsible for promoting accountability, integrity, and efficiency in the Executive Office of the Governor and in agencies under the direction of the Governor.

Consistent with these responsibilities, the Office of the Chief Inspector General completed the following activities during Fiscal Year 2010-2011:

- Received and processed 1273 complaints by Florida's citizens and government employees;
- Reviewed 278 whistle-blower recommendations made by Agency Inspectors General for compliance with Sections 112.3187-112.31895, F.S., the Whistle-blower's Act, resulting in 14 individuals meriting whistle-blower designation;
- Provided oversight for 14 whistle-blower investigations completed by Agency Inspectors General, including reviews of final investigative reports for compliance with statutes;
- Completed 11 investigations, reviews and audits that resulted in recommendations for improvement of efficiency, effectiveness and accountability in state programs;
- Reviewed a significant number of investigative reports for sufficiency and accuracy at the request of Agency Inspectors General;
- Contacted 84 local governmental entities to determine their financial emergency status in accordance with the provisions of Section 218.503, F.S.;
- Collaborated with Agency Inspectors General and Audit Directors in the performance of an Enterprise Risk Assessment and the development of an Enterprise Audit Plan related to audit topics applicable to multiple state agencies;
- Collaborated with Agency Inspectors General regarding legislation affecting Inspectors General;
- Received a report from the Auditor General's Office that the Chief Inspector General's internal audit activity conformed to the *International Standards for the Professional Practice of Internal Auditing* published by the Institute of Internal Auditors and complied with Section 20.055, F.S., the Inspector General Act;



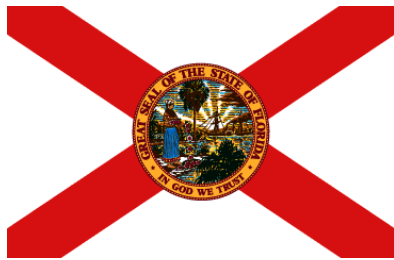
Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011

- Served as a liaison between the Executive Office of the Governor and external auditors;
- Continued to provide leadership to the Inspector General community on American Recovery and Reinvestment Act of 2009 activities to ensure appropriate oversight of these funds;
- Provided guidance to Agency Inspectors General on investigations and audit issues, including those related to the Gulf oil spill and background checks by the Shared Resource Centers;
- Served on the State Board of Administration Audit Committee to assist the Trustees in fulfilling oversight responsibilities; and
- Provided training for trade associations such as the National Association of Inspectors General, the Institute of Internal Auditors, Inc. and the Association of Government Accountants.



Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011

INTRODUCTION



The Chief Inspector General has a broad range of responsibilities outlined in Sections 14.32 and 20.055, F.S. including a duty to perform certain liaison and monitoring responsibilities relating to the agencies under the jurisdiction of the Governor. These responsibilities include: providing leadership on preventing and detecting fraud, waste and abuse; investigating; coordinating Whistle-blower's Hotline activities; internal auditing; monitoring Inspectors General activities; and conducting reviews at the request of the Governor. The Chief Inspector General also assists Agency Heads with the selection of Agency Inspectors General.

Our mission is to assist the Executive Office of the Governor in the accomplishment of its objectives by the conduct, supervision and coordination of accountability activities in order to enhance public trust in government. During the past year, the Office of the Chief Inspector General has worked diligently to meet statutory mandates and to ensure standards of excellence are applied consistently across state agencies by Agency Inspectors General. This report details our efforts toward achieving our mission.

INDEPENDENCE

According to Sections 14.32(3) and 20.055(3), F.S., the Chief Inspector General serves as the Inspector General for the Executive Office of the Governor and reports directly to the Governor to ensure audits, investigations and other activities are independent and that results are communicated in accordance with professional standards. Additionally, by Statute the agency head or staff shall not prevent or prohibit the Chief Inspector General from initiating, carrying out or completing any audit or investigation.

PROFESSIONAL STANDARDS AND CODE OF ETHICS

Pursuant to Section 20.055(2)(j), F.S., the Office of the Chief Inspector General complies with the *Principles and Standards for Offices of Inspector General* published by the Association of Inspectors General. Staff abide by the Florida Code of Ethics for Public Officers and Employees as codified in Sections 112.311-112.326, F.S. and Governor Scott's Executive Order Number 2011-03.

Internal audits are conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and *Code of Ethics* published by the Institute



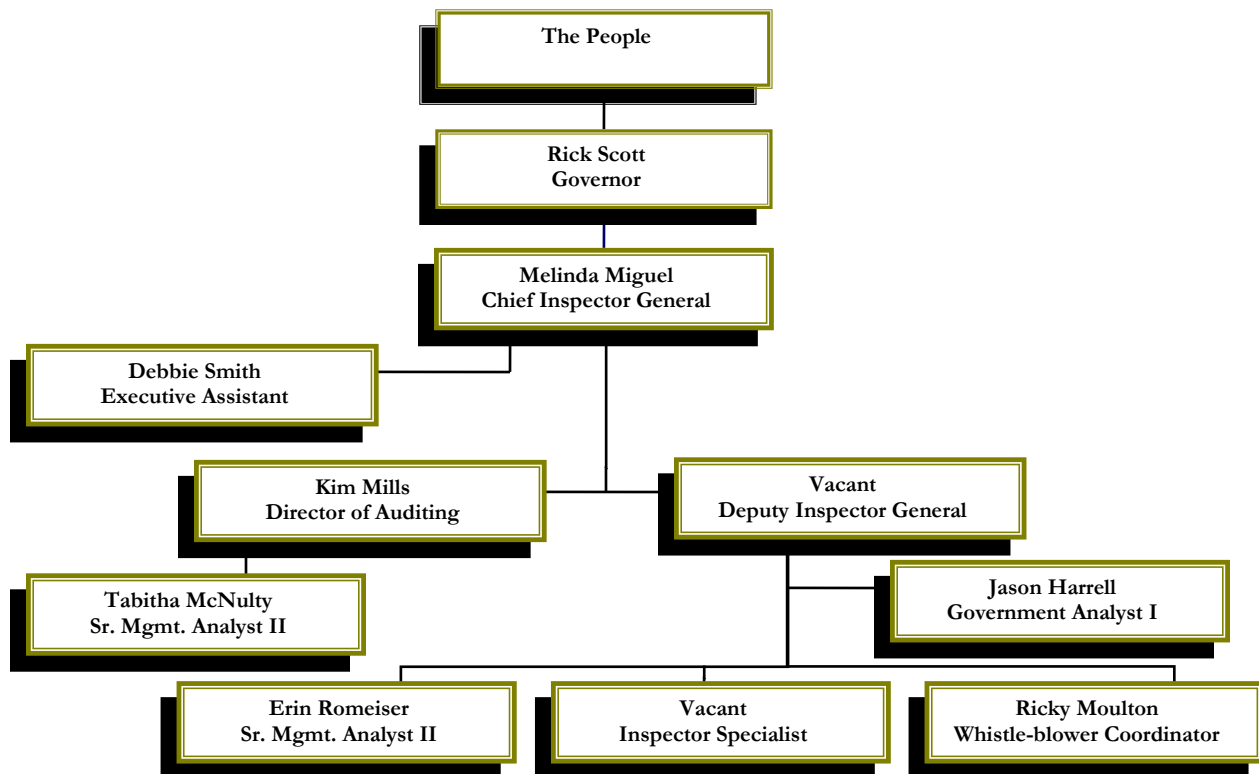
Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011

of Internal Auditors, Inc. Staff within the Office of the Chief Inspector General holding professional certifications and licenses are also held to the standards of those various governing authorities.

ORGANIZATION AND STAFFING

The Office of the Chief Inspector General staff include the Chief Inspector General, the Deputy Inspector General, the Director of Auditing, two Senior Management Analysts, a Government Analyst, a Executive Assistant, an Inspector Specialist and a Whistle-blower's Hotline Coordinator.

Office Organizational Chart



As of June 30, 2011



Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011

Professional Certifications

Staff of the Chief Inspector General's Office hold the following professional certifications:

- Certified Inspector General (2);
- Certified Inspector General Investigator (1);
- Certified Public Accountant (1);
- Certified Fraud Examiner (1);
- Certified Information Systems Auditor (1);
- Certified Government Financial Manager (2);
- Certified Project Management Professional (1);
- Certified Financial Services Auditor (1);
- Certified Business Manager (1);
- Certified Internal Controls Auditor (1); and
- Notary Public (2).



Professional Organization Affiliations

Members of the Chief Inspector General's Office are affiliated with the following professional organizations:

- National Association of Inspectors General;
- Florida Chapter of the Association of Inspectors General;
- The Institute of Internal Auditors, Inc.;
- Tallahassee Chapter of The Institute of Internal Auditors, Inc.;
- Florida Institute of Certified Public Accountants;
- Audit Directors' Roundtable;
- Association of Certified Fraud Examiners;
- Tallahassee Chapter of the Association of Certified Fraud Examiners;
- Association of Government Accountants;
- Tallahassee Chapter of the Association of Government Accountants; and
- Florida Audit Forum.





Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011

Leadership in Professional Organizations

The Chief Inspector General served in the following leadership roles in professional organization during the fiscal year:

- President of the National Association of Inspectors General;
- A member on the Board of Directors for the Florida Chapter of the Association of Inspectors General; and
- Co-chair of the Association of Government Accountants' Fraud Prevention Toolkit Workgroup.



CHIEF INSPECTOR GENERAL INITIATIVES

During the fiscal year, the Office of the Chief Inspector General performed the following liaison and monitoring responsibilities relating to the agencies under the jurisdiction of the Governor.



Enterprise Risk Assessment and Audit Plan

In February 2011, the Chief Inspector General asked agency inspectors general and audit directors to consider the efficiencies of working together on common topics. A pilot project was successfully undertaken where 23 agencies worked together to evaluate organizational ethics in each of their respective agencies. The results of the project are detailed on the Florida Inspectors General website (www.floridaoig.com.)

Agency inspectors general and audit directors identified the enterprise audit population and assessed the risk associated with each of those potential projects. Forty-one potential audit topics were identified. Risk assessment criteria were applied to each topic and risk rankings determined. The eight top ranking projects were included in an enterprise audit plan for Fiscal Year 2011-2012 which was approved by the Governor and the Chief Inspector General. The projects are:

- Contract and Grant Monitoring
- IT – Mobile Technology
- IT – Service Level Agreements with Primary Data Centers
- Cost Savings and Efficiencies (Survey and Evaluation)
- Background Screening



Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011

- IT – Agency Risk Assessment Survey
- IT – Data Classification – Where is the Sensitive Data?
- IT – Computer Security Incident Response Teams – Inspector General Role

Accreditation

With changes to the Florida Inspector General Act in 2008, the Chief Inspector General's Office and Agency Inspectors General, in collaboration with the Commission for Florida Law Enforcement Accreditation, Inc. (Commission), continue our efforts to enhance the professionalism of investigations conducted by Agency Inspectors General. These activities enhance compliance with the *Principles and Standards for Offices of Inspector General* through the advancement of the accreditation program. During the fiscal year, three additional Offices of Inspector General attained accreditation status from the Commission.

Requested Review: Home and Community – Based Care Waiver Program

On February 22, 2011, the Office of the Chief Inspector General initiated a review to validate information from the Agency for Persons with Disabilities (Agency) concerning an alleged budget shortfall in the Home and Community – Based Care Waiver. Additional assistance was provided by staff from the Offices of Inspector General for the Agency for Persons with Disabilities, the Agency for Health Care Administration, the Department of Children and Families, and the Department of Health.

Our review found if there were no changes, the Home and Community – Based Care Waiver could experience an estimated deficit of \$174 million. The Agency management proposed measures to reduce the projected deficit.

INVESTIGATIVE ACTIVITY

Summary of Investigative Activity



Many investigations begin with allegations received by telephone, letter, fax, website or e-mail. Additionally, in accordance with Sections 112.3187 – 112.31895, F.S., the Whistle-blower's Act, the Office of the Chief Inspector General maintains a Whistle-blower's Hotline where employees of the state or contract providers may disclose allegations of misconduct or other activities prohibited by the Act.



**Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011**

During Fiscal Year 2010-11, this office received 1,839 complaints or request for assistance from various sources as follows:

Complaints or Request By Source

Source	Number
Telephone	765
Email	381
Letter	326
Fax	34
Website	43
Other	290
Total	1839

Any complaint or request for assistance received which required additional action was recorded in our case management tracking system. Overall, 1273 complaints were recorded and 1276 complaints were closed during the fiscal year as outlined below.

**Summary of Complaint Activity by Quarter
Fiscal Year 2010-2011**

	Q1	Q2	Q3	Q4	TOTAL
Number of Complaints Opened	314	193	315	451	1273
Number of Complaints Closed	318	211	270	477	1276
Number of Whistle-blower Hotline Calls Received	147	95	32	32	306
Number of Complaints Referred for Handling or Review	278	167	240	331	1016

Summary of Whistle-blower Activity



During the fiscal year, this office played a vital role in processing requests for whistle-blower protection in accordance with the Whistle-blower's Act (Act). This office, in cooperation with Agency Inspectors General, made the final whistle-blower determinations to ensure a consistent assessment process for applying statutory requirements by Agency Inspectors General and to provide coordination and oversight of investigative activities involving the most serious allegations of gross mismanagement and public safety violations.

The 1273 complaints received were screened for compliance with the provisions of the Act. A total of 278 complaints warranted a more in-



**Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011**

depth review resulting in 14 individuals being designated as whistle-blowers by Agency Inspectors General in consultation with this office. Allegations made included serious law violations or gross mismanagement of agency resources or funds.

During the fiscal year, Agency Inspectors General closed 14 cases that included allegations made by 15 individuals designated as whistle-blowers. The 14 cases involved serious allegations such as falsification of official records, misuse of state resources, and threats of physical violence. This office monitored each case for completion and compliance with statutory timeframes and granted extensions when circumstances warranted. In addition, investigative reports were submitted to and independently reviewed by this office for investigative sufficiency prior to final release. Whistle-blower cases which produced evidence of criminal violations were referred, as required in statute, to the Florida Department of Law Enforcement.



Whistle-blower Case Highlights

Case #	Date Received	Date Closed	Referred To Agency	Allegation Types	Nature of Complaint
201011160002	11/16/2010	3/22/2011	Agency for Health Care Administration, Department of Children and Families	Violation of Law, Rule or Procedure	Complainant alleged various allegations concerning patient care at Mill House. Mill House is run by Daniel Memorial, Inc. The allegations were unsubstantiated.
201008310001	8/31/2010	6/15/2011	Department of Transportation (DOT)	Contract Improprieties	Complainant alleged that Volkert, Inc., a DOT contractor, conducted improper bridge inspections and falsified bridge inspection reports. The allegation was disproved.



**Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011**

Case #	Date Received	Date Closed	Referred To Agency	Allegation Types	Nature of Complaint
201007290006	7/29/2010	6/23/2011	Agency for Workforce Innovation, EOG/Chief Inspector General	Contract Improproprieties	Complainant alleged mismanagement by Pitney Bowes, a state contractor for mail services. Four allegations were reviewed and found unsubstantiated.
201006230003	6/23/2010	5/9/2011	Department of Health, Florida Commission on Human Relations	Financial Improproprieties Retaliation - State Govt.	Complainant alleged purchasing irregularities concerning the purchase of furniture for the south Florida regional office of Children's Medical Services. Five allegations were reviewed and 4 were substantiated.
201006010005	6/1/2010	9/1/2010	EOG/Chief Inspector General	Misuse of Position	Complainant alleged that five fire-officials, while off-duty, were taken into custody by the Fish and Wildlife Commission (FWC) for illegal poaching and fishing in federal waters and that an FWC Commissioner interfered with the arrest. The allegations were reviewed and not supported.
201004230003	4/22/2010	11/1/2010	Department of Children and Families, Florida Commission on Human Relations	Fraud Retaliation	Complainant alleged misconduct by Department employees. Three allegations were reviewed and all were not supported.
201001040007	1/4/2010	6/15/2011	Department of Children and Families	Hostile Work Environment Retaliation - State Govt.	Complainant alleged staffing concerns in the Forensic Unit(s) at Florida State Hospital. The allegations were reviewed and not supported.



**Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011**

Case #	Date Received	Date Closed	Referred To Agency	Allegation Types	Nature of Complaint
201004210001	4/26/2010	9/15/2010	Department of Agriculture and Consumer Services	Misuse of State Resources	Complainant alleged misconduct by a Department employee. In accordance with the provisions of the Whistleblower's Act, the Department's Office of Inspector General notified the Florida Department of Law Enforcement of potential criminal violations and proceeded with conducting a criminal investigation. The subject employee was charged with violations of Florida laws.
200912280001 and 201002190002	12/28/2009	5/11/2011	Department of Children and Families	Contract Improprieties	Complainants alleged procurement and contracting improprieties by Our Kids of Miami-Dade/Monroe, Inc., the lead Community-Based Care agency contracted by the Department of Children and Families. Nine allegations reviewed, 5 allegations were not supported, 2 were supported, and 2 were neither supported nor refuted.
200912080001	12/8/2009	7/8/2010	Department of Children and Families	Safety Issues	Complainant alleged misconduct by Florida State Hospital employees. Two allegations were reviewed and both were supported.



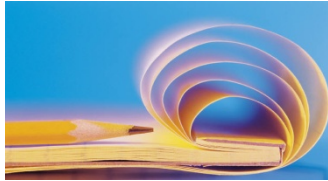
**Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011**

Case #	Date Received	Date Closed	Referred To Agency	Allegation Types	Nature of Complaint
200908250001	8/25/2009	8/16/2010	Department of Children and Families	Hostile Work Environment	Complainant alleged misconduct by Northeast Florida State Hospital employees. Four allegations were reviewed, 2 allegations had multiple findings that were both supported and not supported, 1 allegation was not supported, and 1 was neither supported nor refuted.
200908100006	8/10/2009	7/6/2010	Department of Children and Families (DCF), Florida Commission on Human Relations	Complaint Against DCF Retaliation - State Govt.	Complainant alleged various violations within DCF Circuit 4's Family Safety Program. Three allegations were reviewed and were not supported.
200907070003	7/7/2009	11/18/2010	Department of Children and Families	Violation of Law, Rule or Procedure	Complainant alleged misconduct by St. Johns County Board of County Commissioners Family Integrity Program, Inc. employees. Two allegations were reviewed, 1 allegation had multiple findings that were both supported and not supported and 1 allegation was supported.



**Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011**

Investigation Summaries



The following case summaries provide an overview of investigations or investigative reviews completed by this office or cases in which we played a significant role:

Completed Investigations or Investigative Reviews

Case #	Date Received	Date Closed	Allegation Types	Nature of Complaint
201104150010	4/15/2011	4/29/2011	Abuse of Position	Complainant expressed concerns about an Inspector General abusing his position by failing to work a 40-hour week. Inquiry was closed after complainant would not provide additional information.
201104080005	4/8/2011	5/6/2011	Abuse of Authority/ Misconduct	Complainant alleged that the Interim Executive Director at the Agency for Persons with Disabilities had state employees drive him around on state time. The review was closed due to insufficient evidence.
201102180001	2/18/2011	2/19/2011	Conflict of Interest	Complainant alleged a possible conflict of interest by the head of the Agency for Persons with Disabilities approving of a provider contract. The Agency Head subsequently resigned.
201009020006	9/2/2010	12/1/2010	Sexual Harassment	Complainant alleged that her immediate supervisor has treated her unfairly after her refusal to accept sexual advances. There was insufficient evidence to support the allegation.
201001060007	1/6/2010	8/23/2010	Misuse of State Funds	Assistance was provided in reviewing the Secretary of the Department of Elder Affairs' travel for compliance with State Law.



**Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011**

Case #	Date Received	Date Closed	Allegation Types	Nature of Complaint
200808250005	8/25/2008	8/23/2010	Complaint Against an Inspector General	Complainant alleged that the Department of Health, Office of Inspector General management improperly directed the complainant to change findings in an Office of Inspector General Investigation. The allegation was not supported.
200805050002	5/5/2008	12/21/2010	Complaint Against Inspector General's Office	The Inspector General of the Department of Business and Professional Regulation requested that this office look into a possible conflict of interest involving the Director of Investigations. The review found the investigation was conducted sufficiently.
200910050004 and 201006300003	10/5/2009	12/14/2010	Misconduct	Complainants alleged possible misconduct by a Commissioner and staff for the Commission on Transportation Disadvantaged. Eight allegations were presented, 4 were not supported, 2 were supported, and the remaining 2 were inconclusive and not determined.

AUDIT ACTIVITY

Summary of Audit Activity



During Fiscal Year 2010-2011, this office completed an internal audit, monitored the status on the implementation of audit recommendations and coordinated audit communications between the Executive Office of the Governor and external auditors. We monitored the activities of the Florida Energy Office (Energy Office) programs receiving funding through the *American Recovery and Reinvestment Act of 2009* (Recovery Act).

Additionally, we provided audit assistance to other Agency Inspectors General and fulfilled our responsibilities related to local governmental entities meeting financial emergency conditions. The annual risk assessment was completed and the results were used in the development of the Audit Plan for Fiscal Year 2011-2012. The following summaries provide an overview of the activities completed by the audit section:



Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011

Audit of the Ethics Program (Report Number 2010-17)

As part of the Enterprise audit efforts, we conducted an internal audit of the Ethics Program within the Executive Office of the Governor. The audit focused on the implementation of the Governor's Executive Order Number 11-03 and the design and effectiveness of the ethics-related objectives, guidance, and activities in order to identify areas of potential weakness and best practices. Specifically the report focused primarily on recent actions taken by the Executive Office of the Governor to design, communicate, monitor, promote and enforce ethical standards.

Our review disclosed that the Executive Office of the Governor has a very favorable ethical climate and has implemented the provisions of the Executive Order. The ethics program encompasses the elements necessary for an effective program, except the policy for reporting unethical conduct needs to be specified.

We recommended that management enhance the current policy to include information on how to report suspected ethical violations and to whom. The enhanced policy should also be included in the ethics training materials.

Review of Corrective Actions for Prior Audits

In accordance with auditing standards and Florida Statutes, we monitored the implementation of corrective actions for eight audit recommendations resulting in resolution of four recommendations. The recommendations were from the following four prior audits:



- *Audit of the State of Florida – Compliance and Internal Controls Over Financial Reporting and Federal Awards* – Report Number 2010-165 was issued by the Auditor General. Corrective action was completed.
- *Stronger Reporting Needed for the Black Business Loan Program; Some Statutory Provisions Outdated* - Report Number 09-41 was issued by the Office of Program Policy Analysis and Government Accountability. Corrective action was completed.
- *Audit of Office of Tourism, Trade and Economic Development's Management of the Funding and Program Agreements with Enterprise Florida, Inc.* - Report Number 2009-09 was issued by the Office of the Chief Inspector General. Corrective action is in progress. Additionally, this program was transferred to the newly created Department of Economic Opportunity, effective July 1, 2011. The



Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011

results of this review were forwarded for the Department's Office of Inspector General for additional follow-up as deemed appropriate.

- Audit of the Programs Funded Through the American Recovery and Reinvestment Act of 2009 – Report Number 2010-12 issued by the Office of the Chief Inspector General. Corrective action is in progress. Additionally, this program was transferred to the Department of Agriculture and Consumer Services, effective July 1, 2011 and the results of this review were forwarded to their Inspector General for additional follow-up as deemed appropriate.

External Audit Liaison Activities

In accordance with 20.055(2), F.S., staff of the Office of the Chief Inspector General served as the liaison between the Executive Office of the Governor and external auditors on the following projects:

- Audit of the State of Florida – Compliance and Internal Controls Over Financial Reporting and Federal Awards – Report Number 2011-167 was issued by the Auditor General.
- Local Government Financial Reporting System – Performance Audit – Report Number 2011-196 was issued by the Auditor General.

Audit Plan for Fiscal Year 2011-2012

Section 20.055(5)(i), F.S., requires that annual and long-term audit plans be developed based on the findings of periodic risk assessments. Based on the results of a risk assessment, top priorities for audits, reviews and special projects were identified and the audit plan for Fiscal Year 2011-2012 was developed and approved by the Governor in June 2011. The 2,560 staff hours available for audits and audit activities have been allocated as follows:



1,390 staff hours are allocated to the following audits and management reviews:

- Audit of Information Technology Controls within the Executive Office of the Governor;



**Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011**

- Enterprise Audits;¹
- Audit of Public-Private Partnerships;²
- Validation of Agency for Enterprise Information Technology Risk Assessment of the Executive Office of the Governor's Information Technology; and
- Review of Executive Office of the Governor's Performance Measurement Data.

120 staff hours are allocated to performing duties related to financial emergencies as defined in Sections 218.50 – 218.504, F.S.

160 staff hours are allocated to follow-up on the following audits and reviews:

- Audit of the Ethics Program, CIG Report Number 2010-17;
- Review of the Employee Separation Process, CIG Report Number 2011-12;
- Auditor General's 2010 Audit of the Local Government Financial Reporting System, Auditor General Report Number 2011-196;
- Audit of Information Technology Controls; and
- Any other audits released during the fiscal year.

830 staff hours are allocated to:

- Performing Recovery Act quarterly data quality reviews and other accountability activities for the quarter ended June 30, 2011;
- Coordinating external audits;
- Setting-up of the Paperless Auditing System;
- Assisting the Investigations Section;
- Preparing the Office of the Chief Inspector General's 2010-2011 Annual Report;
- Preparing the Florida Inspectors General's 2010-2011 Annual Report;
- Performing the 2012-2013 Annual Risk Assessment;
- Preparing of the 2012-2013 Audit Plan; and
- Performing other duties as required and assigned pursuant to Sections 14.32 and 20.055, F.S.

¹ Selected audit and reviews from the Enterprise Audit Plan will be conducted within the Executive Office of the Governor and across multiple state agencies.

² As required by Section 14.32, F.S.



Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011

FINANCIAL EMERGENCY RESPONSIBILITIES

Sections 218.50–218.504, F.S., *Local Governmental Entity and District School Board Financial Emergencies Act*, describes the responsibilities delegated to this office by the Governor for determining if state assistance is needed when a local governmental entity meets one or more of the conditions specified in Section 218.503(1), F.S. This office collaborates with representatives from state agencies, the Joint Legislative Audit Committee, and the Auditor General in carrying out these responsibilities.



Local Governmental Entities in Financial Emergency Status

There are over 2,100 local governmental entities³ in Florida. As of June 30, 2011, there were 40 entities in financial emergency status as defined in statutes. They are as follows:

LOCAL GOVERNMENTAL ENTITIES
1. Caryville, Town of
2. Crossings at Fleming Island Community Development District
3. Disston Island Conservancy District
4. East Manatee Fire Rescue District (formerly Braden River) *
5. Eastpoint Sewer and Water District *
6. Eatonville, Town of
7. Falls Chase Community Development District
8. Gretna, City of
9. Hamilton County Development Authority
10. Hampton, City of *
11. Hawthorne, City of
12. Hendry County Hospital Authority *
13. Heritage Harbor Community Development District
14. Heritage Isles Community Development District
15. Horseshoe Beach, Town of *
16. Indian Creek Village *
17. Indian River County Hospital District *
18. Lanark Village Water and Sewer District
19. Laurel Hill, City of
20. Leon County Educational Facilities Authority
21. Noma, Town of

³ Governmental entities include counties, municipalities, and special districts.



Executive Office of the Governor
Office of the Chief Inspector General
Annual Report 2010-2011

LOCAL GOVERNMENTAL ENTITIES (Continued)
22. Ocean Highway and Port Authority of Nassau County
23. Pahokee, City of
24. Paxton, City of *
25. Reserve Community Development District *
26. Sebastian River Water Control District *
27. South Bay, City of
28. St. John's Water Control District
29. St. Lucie County Expressway and Bridge Authority
30. St. Lucie West Services District *
31. Stoneybrook Community Development District
32. Suwannee Valley Transit Authority *
33. Suwannee Water and Sewer District *
34. Viera East Community Development District
35. Wausau, Town of *
36. Webster, City of
37. Welaka, Town of *
38. West Palm Beach Downtown Development Authority
39. Westville, Town of
40. Yankeetown, Town of *
*16 entities are being analyzed to determine if they are eligible for release from financial emergency status

We contacted 84 local governmental entities that met one or more of the conditions specified in Section 218.503(1), F.S. to determine their financial emergency status. During the fiscal year, no new entities were declared to be in a state of financial emergency as defined in Section 218.503(3), F.S. In addition, we gathered information for analysis from 20 entities whose audit reports indicated they met a financial emergency condition subsequent to the reporting period.

Eatonville

The Executive Office of the Governor entered into a State and Local Agreement of Cooperation (Agreement) with the Town of Eatonville (Town), Florida, in July 2004, to provide state assistance to address the Town's financial emergency condition. The Agreement requires the Town to submit monthly financial statements and the annual proposed budget to this office for review and approval. This office continues to provide technical assistance, financial review, and other assistance as we monitor the financial condition of the Town.



Executive Office of the Governor
Office of the Chief Inspector General
The Capitol, Room 2103
Tallahassee, FL 32399-0001

Office - 850-922-4637
Fax - 850-921-0817
Whistle-blower's Hotline - 800-543-5353

http://wp.flgov.com/inspector_general/