



STATE OF FLORIDA
DEPARTMENT OF CITRUS

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MARTIN McKENNA
CHAIRMAN
FLORIDA CITRUS COMMISSION

August 5, 2014

Mr. Douglas Ackerman, Executive Director
Florida Department of Citrus
605 E. Main St.
Bartow, FL 33831

Dear Mr. Ackerman,

In accordance with Section 20.055(7), Florida Statutes, I am submitting the Annual Report for the Office of Inspector General for fiscal year 2013-14.

Activities in this office were conducted according to the audit work plan that was developed with the input of executive management and the Florida Citrus Commission, and received your approval July 2, 2013. Full cooperation was given by Department and contract agency staff members in support of the audits and reviews conducted this year.

I look forward to working with you and Department staff in the upcoming year in supporting the FDOC Values Statements.

Respectfully submitted,

A handwritten signature in cursive script, reading "Debra J. Funkhouser".

Debra J. Funkhouser, CPA, CIG
Inspector General

Enclosure

C: Melinda Miguel, Chief Inspector General
Florida Citrus Commission

Maximize consumer demand for Florida citrus products to ensure the sustainability and economic well-being of the Florida citrus grower, the citrus industry and the State of Florida.

The Florida Department of Citrus is an Equal Opportunity Employer and Agency.

Introduction

The Office of the Inspector General, under the authority of Section 20.055, Florida Statutes, is responsible to promote accountability, integrity, and efficiency. Duties include conducting audits, reviews, and investigations; assessing the reliability and validity of performance measures and standards; the promotion of economy and efficiency; and the administration of other activities designed to prevent fraud and abuse within the Department.

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

- A description of activities relating to the development, assessment, and validation of performance measures.
- A description of significant abuses and deficiencies relating to the administration of programs and operations of the agency disclosed by investigations, audits, reviews, or other activities during the reporting period.
- A description of recommendations for corrective action made by the Inspector General during the reporting period with respect to significant problems, abuses, or deficiencies identified.
- The identification of each significant recommendation described in previous annual reports on which corrective action has not been completed.
- A summary of each audit and investigation completed during the reporting period.

This document was prepared in accordance with these statutory requirements.

Internal Audit Activities

Two audits of contract vendors were completed, one was substantially completed, and two management reviews of internal operations were completed during the year.

Engagement Type	Subject	Activity	Results
Contract audit & validation of data collection	Issues and Answers Network, Inc	Vendor provides continuous consumer tracking services; some results measure program performance	Deliverables documentation is sufficient; Vendor processes validated. No Recommendations
Contract audit for compliance with policies	BBDO Atlanta	Contract: domestic marketing/ advertising services	Adequate internal controls & procedures to meet objectives; Two recommendations
Contract audit & validation of performance measures	MARS Advertising Inc	Contract: shopper marketing services	80% completed; final report due August 20, 2014
Management Review	Scientific Research	Internal scientific research programs	One Recommendation implemented
Management Review	Administrative Staff	Internal accounting, support services & executive office	Four Recommendations – implementation in process

Although seven recommendations resulted from these activities, no significant abuses or deficiencies relating to administration of programs and operations were identified. One audit that was planned was not performed due to time constraints. That audit has been moved to 2014-15.

Other Activities

The Office of Inspector General also provided services in the following areas:

- Review and validation of data sources of Long Range Program Plan performance measures; recommended replacement of two measures
- Initial response and six-month follow up to the operational audit report issued by the Auditor General in August 2013
- Follow up to internal audit/review reports
- Assistance with tangible personal property inventory
- Review of bonus plan results
- Analyze and implement changes resulting from House Bill 1385
- Conduct risk assessment with input by executive management and Florida Citrus Commission; prepare 2014-15 annual work plan based on the risk assessment results
- Review and discussion of internal policies and procedures as requested

Other Comments

No investigations were conducted during fiscal year 2013-14. All audit and review recommendations in this and prior years were administrative or efficiency in nature; executive management was in agreement with all recommendations.