



FLORIDA DEPARTMENT of

# management SERVICES

We serve those who serve Florida



# Office of Inspector General

Annual Report

Fiscal Year 2014-2015

Rick Scott, Governor

Chad Poppell, Secretary

Sept. 30, 2015

Chad Poppell, Secretary  
Department of Management Services  
4050 Esplanade Way, Suite 285  
Tallahassee, FL 32399-0905

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

Secretary Poppell and Chief Inspector General Miguel:

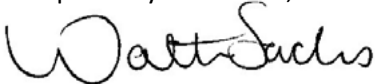
I am pleased to submit our annual report on the activities of the Office of the Inspector General for the fiscal year ending June 30, 2015, as required by section 20.055, Florida Statutes.

The annual work plan portion of the report includes planned projects for the current fiscal year and our projected activities for the next two fiscal years. Our work plan is risk based to provide the most effective coverage of the department's programs, processes, systems and contracts with outside entities. Surveys and meetings with key department managers and a review performed by the Office of the Inspector General's staff provide the basis for our risk assessment.

The activities outlined in our work plan for fiscal year 2015-16 address the major operations of the department and optimize the use of our resources. We have reserved approximately 20 percent of internal audit time for management assistance projects, including those that may be requested by either of your offices.

We look forward to working with you and our fellow employees in meeting the challenges and opportunities that face the department. Thank you for your continued support.

Respectfully submitted,



Walter Sachs  
Inspector General

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*"Promoting effectiveness, efficiency, and quality"*

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# Introduction

Section 20.055, Florida Statutes (F.S.), establishes the Office of Inspector General (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.

This annual report is presented to the Secretary and the Chief Inspector General to comply with statutory requirements and to provide department staff and interested parties with information on the OIG's progress in accomplishing its mission.

During 2015, the Florida Legislature passed HB 371, and the Governor signed the act into law on June 16, 2015 (Chapter 2015-173, Laws of Florida). The legislation revises definitions; provides additional hiring requirements, employment qualifications and terms of employment for inspectors general and staff; establishes the duty of specified persons and entities with respect to cooperation with an inspector general's official duties; requires contracts and other specified documents to contain a statement regarding compliance with an inspector general's official duties; amends section 14.32, F.S.; authorizes the Chief Inspector General to retain legal counsel and to issue and enforce subpoenas under certain circumstances; and provides an effective date. Other than renumbering the paragraph, the legislation did not revise the annual reporting requirement found in section 20.055, F.S.

## Mission Statement

Our mission is to promote effectiveness, efficiency and quality within the Department of Management Services. We provide independent reviews, assessments, and investigations of department programs, activities and functions to assist the department in accomplishing its overall mission.

## Duties and Responsibilities

The OIG's duties and responsibilities include the following:

- Advise in the development of performance measures, standards and procedures for the evaluation of agency programs;
- Assess the reliability and validity of performance measures and standards and make recommendations for improvement;
- Review actions taken to improve program performance, meet program standards and make recommendations for improvement;
- Guide, supervise, and coordinate audits, investigations and management reviews related to department programs and operations;
- Keep the department Secretary informed of and recommend corrective action for fraud, abuse and deficiencies relating to agency programs and operations; monitor and report to the Secretary progress made in implementing corrective action;
- Review rules relating to agency programs and operations;
- Receive complaints and coordinate all activities of the agency as required by the Whistleblower's Act; for complaints that do not meet the criteria for an investigation under the Whistleblower's Act, conduct, supervise, or coordinate such inquiries, investigations or reviews, as appropriate;
- Initiate, conduct, supervise, and coordinate investigations designed to detect, deter, prevent, and eradicate fraud, waste, mismanagement, misconduct and other abuses in state government;
- Ensure that an appropriate balance is maintained between audit, investigative and other accountable activities;
- Comply with the General Principles and Standards for Offices of Inspector General as published by the Association of Inspectors General;
- Perform Level II background screening activities for incoming department employees and some contractors' employees; and
- Conduct retirement compliance audits in accordance with section 121.193, F.S.

## Diverse Department Services

The Department of Management Services is a customer-focused agency responsible for providing a diverse complement of products and services to state agencies, employees and other entities that serve the citizens of Florida. As the administrative arm of state government, the department has the responsibility to carry out the following duties:

- Consolidate the state's buying power for the purchase of commodities and services;
- Serve as the centralized authority for operation, maintenance and construction of state-owned facilities and oversee the state's process for leasing privately owned space;
- Manage the acquisition, use, operation, maintenance, and disposal of state-owned and -operated motor vehicles, watercraft and heavy equipment;
- Coordinate the procurement and distribution of available federal surplus assets;
- Contract for private correctional facilities and monitor the effective and efficient operation and maintenance of such facilities;
- Develop human resource policies, practices and strategies designed to attract and support the employees who serve the people of Florida;
- Provide a high-quality, competitive portfolio of insurance products and services for the state workforce;
- Administer the statewide retirement program and monitor the actuarial soundness of local government retirement plans; and
- Provide quality and cost-effective telecommunications and radio services statewide to public entities that serve Florida's citizens.

The varied nature of department programs and activities requires a unique approach to conducting OIG reviews, audits and investigations. While some agencies audit the same subject matter from year to year, our auditors and investigators are engaged in different functional areas from one review to the next. This diverse operational environment fosters continual learning for OIG staff.

## Affiliated Entities

The department uniquely hosts several affiliated entities under its support umbrella, including the Division of Administrative Hearings (DOAH), the Florida Commission on Human Relations (FCHR), the Public Employees Relations Commission (PERC), and the newly created the Agency for State Technology (AST), which is also administratively affiliated with the department.

The department routinely enters into memorandums of understanding (MOUs) with each affiliated entity to document the support relationships and administrative services provided. During Fiscal Year 2014-15, at the request of the Executive Director of FCHR, OIG services with FCHR were formally agreed to in an MOU. The department does not provide OIG support services through an MOU to DOAH or PERC; however, support services are available if requested. The Agency for State Technology recently recruited and hired an employee to fill its vacant Inspector General position; we will continue to support that office as requested.

## A Risk-Based Program

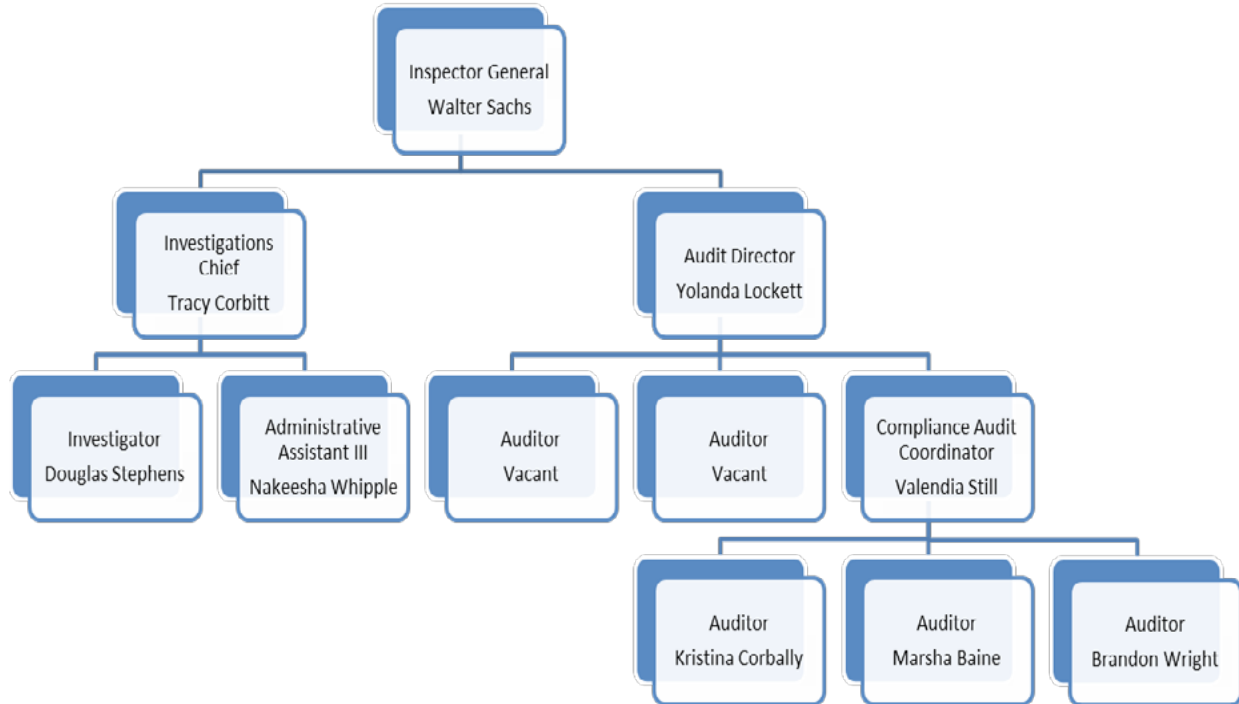
Annually, the OIG conducts a comprehensive risk assessment to help ensure that we provide adequate audit coverage of the department's many programs and activities. The risk assessment helps ensure that we remain responsive to management issues and concerns and that we identify and schedule for review those programs and activities that pose the greatest risk to the department.

The risk assessment process for Fiscal Year 2015-16 included staff surveys and one-on-one interviews with senior leaders. Subsequently, the OIG conducted an analysis of past audits, reviews and investigations to refine the risk profile for the agency.

Following the risk assessment process, the OIG shared the results and a tentative audit plan with the leadership team, and the audit plan was finalized and submitted to the Secretary for review and approval. The completed plan was submitted to the Chief Inspector General and the Auditor General in accordance with subsection 20.055(6)(i), F.S.

## OIG Organization and Staff

To carry out our duties and responsibilities, the OIG is organized into two sections: Internal Audit and Investigations. The OIG has a staff of 11 positions. Our organizational structure is shown below:



The Compliance Audit unit (four FTEs) performs the activities authorized by section 121.193, F.S. This unit conducts audits of the payroll and personnel records of agencies participating in the Florida Retirement System. These audits determine the accuracy of reports submitted to the department and assess their degree of compliance with applicable statutes, rules and coverage agreements. Audits are scheduled on a regular basis either as the result of concerns known to exist at an agency or as a follow-up to ensure that agency action was taken to correct deficiencies found in an earlier audit.

Office of Inspector General employees have a wide range of experience in both the public and private sectors. Staff members have supervised and conducted audits or investigations at state and local levels and within the private industry. Office of Inspector General staff have backgrounds and experience in accounting, auditing, law enforcement, program evaluation, management, and computer science.

## OIG Staff Certifications

Office of Inspector General staff holds the following professional certifications:

- 1 – Certified Inspector General
- 2 - Certified Inspector General Investigator
- 1 - Certified Internal Auditor
- 1 - Certified Information Systems Auditor
- 1 - Certified Public Manager

## Foundational Obligations

### Internal Audit

Internal Audit staff performs independent audits, reviews, and examinations to identify, report and recommend corrective actions for control deficiencies or for non-compliance with applicable laws, policies and procedures. Staff also conducts performance audits to evaluate and make recommendations to improve the effectiveness and efficiency of department programs, activities and functions.

Audits are conducted in accordance with the current International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors, Inc. Financial audits may be subject to the generally accepted auditing standards promulgated by the Auditing Standards Board, a division of the American Institute of Certified Public Accountants. Office of Inspector General Audit Reports are submitted to the department Secretary and the Auditor General. They are then distributed to the Office of the Chief Inspector General, department managers and others, as appropriate.

The Internal Audit section's major functions are as follows:

- Conduct Performance Audits to ensure the effectiveness, efficiency and economy of department programs. Elements of financial, compliance and information systems audits are often included within the scope of such audits;
- Conduct Compliance Audits to assess external agencies' compliance with statutes and rules pertaining to participation in the Florida Retirement System (FRS). This activity includes providing technical assistance to agencies in their attempt to meet FRS participation and report requirements;
- Provide Management Assistance Services to advise management on emerging issues and concerns;
- Perform Consultant Services to partner with and assist management by providing advisory and related services aimed at adding value to the department and improving the department's governance, risk management and control processes;
- Coordinate Audit Responses and conduct Follow-ups to findings and recommendations made internally by the OIG and externally by the Auditor General, Office of Program Policy Analysis and Government Accountability (OPPAGA) and other oversight units; and
- Assist management with the development of Performance Measures and assess the reliability and validity of the department's information on performance measurement and standards.

### Internal Investigations

The mission of the Internal Investigations section is to protect Florida taxpayers through independent, fair, and objective investigative activities designed to detect, deter, and prevent fraud, waste and abuse within department operations.

In fulfilling its mission, the section investigates complaints of department employees' and contractors' alleged violations of law, rule or policy. Department employees, other agencies and the public may file complaints, and the section may receive them in a variety of ways—for example, through regular mail and email, via telephone calls or in person. The section may receive complaints submitted through the Whistleblower's Hotline, the Comptroller's Get Lean Hotline, the Office of the Chief Inspector General, and the Governor's Office. The department has MOUs with several independent agencies to provide them with OIG investigative services.

A thorough fact-finding investigation determines whether an alleged violation of law, rule or policy actually happened. These investigations may include witness(es) and subject interviews, a review of documentation such as department email and internal records, or through observation.

When an allegation is proved by a preponderance of the evidence (greater than 50 percent) that the alleged violation occurred, Internal Investigations publishes a report, and the department uses it, in part, for the basis of any disciplinary or corrective action that needs to be taken. For informational purposes, the section publishes reports of allegations not resulting in proved findings.

Internal Investigations sends all reports in which a Department of Management Services employee is the subject of the investigation to the department's Secretary, Chief of Staff, Director of Human Resources, Office of General Counsel, and the director of the division in which the subject of the investigation is employed. If the investigation involves a

complainant who has met the requirements for whistleblower protection, the Internal Investigations section completes the investigation and drafts the report that is subsequently published by the Chief Inspector General in the Executive Office of the Governor. Cases involving criminal activity are referred to the appropriate law enforcement agency, such as the Florida Department of Law Enforcement.

When a complaint is filed without enough specificity to determine whether an investigation should be opened but it is of serious enough nature as to require fact-finding to determine if an investigation is warranted, the section opens a preliminary inquiry case.

The Internal Investigations section may receive complaints that, after analysis, are determined to be below the level requiring an OIG investigation. The section classifies these complaints as management referral cases and sends them to the appropriate division director for handling. The section monitors the case to ensure that the division addresses the complaint.

Department management or other agencies may request assistance from OIG for the Internal Investigations section's expertise in areas such as interviewing and document analysis. Such requests are handled as management support cases. After Internal Investigations completes the case, the section reports the findings to the requesting entity.

There are times when a vendor or contractor with the department is convicted of a crime that may make the entity ineligible to do business with the State of Florida. When the OIG receives notice of such a conviction, it opens a Public Entity Crime case, gathers information regarding the conviction, and sends the information to the appropriate division within the department.

The Internal Investigations section is responsible for handling background screenings on persons selected for employment with the Department of Management Services, several independent agencies and some vendors. Background screenings involve conducting a criminal record check and may require that the potential employee visit the OIG for fingerprinting.

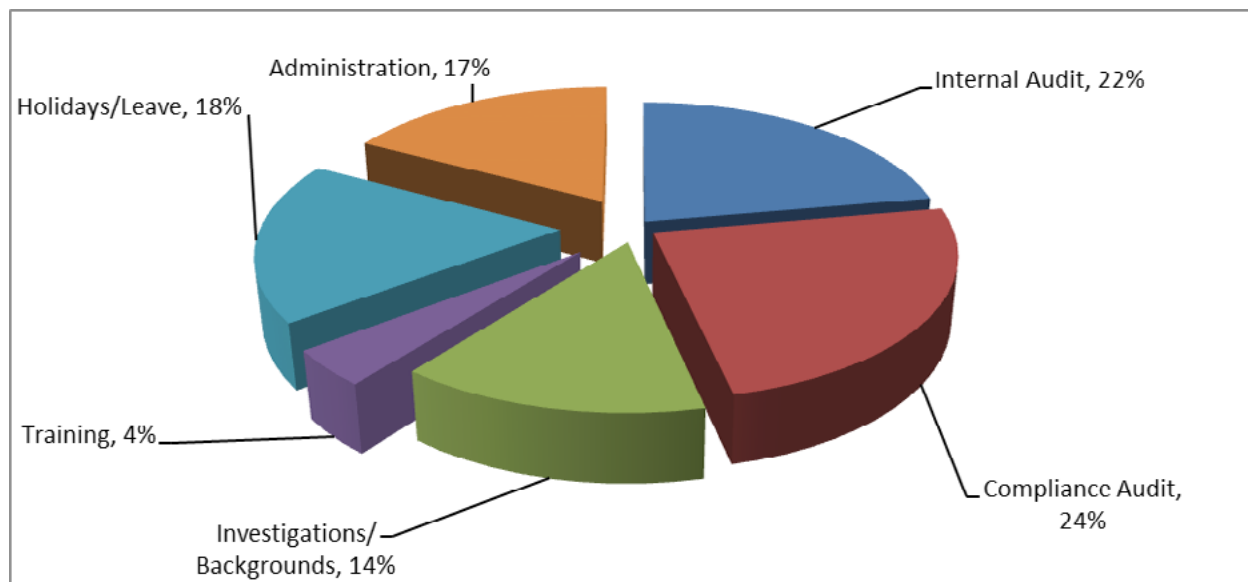


## Accomplishments

During fiscal year 2013-14, the OIG accomplished the following work:

Activity	Quantity	Potential Cost Savings/ Recovery/Avoidance
Compliance Reviews (Retirement)	26	\$194,152
Performance Audits	1	\$102,753
Management Reviews	3	
Response Coordination	9	
Audit Follow-ups	5	
Investigations	12	
Background Inquiries	916	

To accomplish our goals, the OIG used personnel time resources as shown in the following chart:



\* Chart does not total 100 percent because of rounded figures.

## Summary of Major Activities

### Performance Audits

The Internal Audit section completed one performance audit in Fiscal Year 2014-15. All completed reports are available online at the below link: [http://www.dms.myflorida.com/agency\\_administration/inspector\\_general/publications](http://www.dms.myflorida.com/agency_administration/inspector_general/publications)

The following are highlights of the audit completed during Fiscal Year 2014-15.

#### Bureau of Private Prison Monitoring Inmate Welfare Trust Fund Internal Audit - Report No. IA 2014-8555

The objectives of the audit included the following:

- An assessment to determine whether adequate controls existed to safeguard inmate trust funds from loss, errors or irregularities. This assessment was limited to the DMS responsibilities.
- A conclusion detailing whether the expenditures were being made in accordance with established policies.
- Recommendations regarding what process improvements were needed.

The auditors determined that the bureau could do the following:

- Establish specific objectives and guidance regarding the program request and budget submission process to help ensure that contractors are submitting program requests that align with allocation, policy and administrative code.
- Develop a process that would allow contractors to submit information electronically regarding revenue receipts and reimbursement requests, thus eliminating the need for data entry by the bureau.
- Update current policy and implement additional guidance and monitoring procedures for monthly and annual reporting.
- Partner with the Department of Corrections to establish an MOU or some other type of agreement that outlines specific roles and responsibilities between the two departments for trust fund management and oversight.

### Compliance Audits

During Fiscal Year 2014-15, the OIG completed 26 compliance audits of local government participants in the Florida Retirement System. These reviews resulted in revenue adjustments of \$194,152 to the retirement system trust fund. Compliance audits consist mainly of reviews of payroll records, personnel files, and earnings records.

Compliance audits are performed on participating entities such as the following:

• County Commissions	• County Sheriffs
• County Property Appraisers	• County Supervisors of Elections
• County Tax Collectors	• Community/State Colleges
• County School Boards	• Cities and Special Districts
• County Clerks & Comptrollers	• Charter Schools
• State Universities	• State Agencies

## Management Reviews/Consulting

The Internal Audit section completed one management review and two consulting projects during fiscal year 2014-15. They are as follows:

### Information Security Assessment

The Internal Audit section conducted a review of the business processes used by the Office of Supplier Diversity to approve and maintain certified minority business enterprises. Also, the review included an analysis of existing technology solutions and opportunities for improvement. Based on the results of the review, the section made conclusions and recommendations regarding existing business processes and technology solutions.

The OIG, in cooperation with the Office of Information Technology, performed a limited review of the department's Information Security Program. The scope of this review included a limited assessment of some of the key elements of such a program. The assessment was based on the requirements outlined in statute and rule. The review was also limited because it did not include specific testing and because not every element of an information security program was addressed. Based on the results of the review, Internal Audit made recommendations as to how to address identified gaps. Management concurred with the audit findings and recommendations and has begun to plan corrective action to address the recommendations.

### Real Estate New System Development Consulting

The OIG consulted and collaborated with the Division of Real Estate Development and Management to ensure that issues identified in the previous internal and external audits related to the Facilities Accountability and Communications Tool system are addressed in the current project to replace the system. Furthermore, in anticipation of the implementation of the new system, the OIG partnered with management to provide assurance services related to the proposed system. Throughout the project process, the OIG participated in the implementation project team as an independent consultant in order to provide management with assurance of the project's goals and objectives.

### Review of People First Vendor's Audit Report

Annually, Internal Audit reviews the Statement on Standards for Attestation Engagements (SSAE 16) Service Organization Controls report to confirm the adequacy of the vendor's internal control environment relative to the systems that we rely upon. In addition to conducting this yearly review, Internal Audit provided consultant services related to the procurement of a new contract.

### Consulting for New Contract for Florida State Employees' Charitable Campaign's

During the procurement process, the OIG participated on the procurement project team as an independent consultant in order to review the goals and objectives of this new contract.

### Response Coordination and Follow-up

In Fiscal Year 2014-15, the OIG coordinated the department's response to six audits issued by the Auditor General and actively supported three audits that were in progress. The completed audits contained a total of 13 recommendations to the department or affiliated agencies. External reviews are listed in Appendix A. The OIG also performed statutorily required follow-up reviews regarding the status of implementation of 14 recommendations contained in five Auditor General reports (see Appendix B).

In addition to conducting statutorily required follow-ups, we periodically review unresolved internal audit recommendations. In fiscal year 2014-15, the OIG followed up on nine outstanding internal audit recommendations from one previously issued report. Seven of the nine recommendations have been resolved, and two recommendations have been partially resolved. It is the OIG's practice to continue to monitor outstanding recommendations until implementation or until management accepts the risk of not implementing the recommendations.

## Internal Investigations Section

During fiscal year 2014-15, the Internal Investigations section closed the following case types:

<b>Investigations</b>	<b>12</b>
<b>Preliminary Inquiries</b>	<b>9</b>
<b>Management Referrals</b>	<b>29</b>
<b>Management Support</b>	<b>22</b>
<b>Law Enforcement Referrals</b>	<b>3</b>
<b>Background Screenings</b>	<b>916</b>

### Summary of Investigations:

Cases opened in fiscal year 2013-14 but closed in fiscal year 2014-15:

- Case Number 2014.98: Three allegations were made against an employee. First, it was alleged that the employee sexually harassed a subordinate, harassment which created an intimidating, hostile or offensive working environment. The allegation was disproved. Second, it was alleged that the employee displayed conduct unbecoming a public employee by failing to treat subordinate staff in a courteous, considerate and respectful manner. The allegation was proved. Third, the employee was alleged to have engaged in misconduct by joking with employees in a manner inappropriate for a supervisor and by cursing in the office. The allegation was proved. The employee was demoted and relocated.
- Case Number 2014.103: An employee, while employed as a correctional officer for a contracted entity, failed to report to superiors that a sibling was on probation for violation of Florida and Georgia laws regarding controlled substances. The allegation was proved, and the employee was terminated.
- Case Number 2014.112: An employee was alleged to have displayed conduct unbecoming a public employee for expressing to a subordinate the desire not to have any more Puerto Ricans or Cubans doing work on their building. The allegation was inconclusive. A second allegation against the employee was proved. This allegation consisted of the employee displaying conduct unbecoming a public employee by kicking a Department of Management Services motor vehicle, making sexually suggestive hand motions, cursing, kicking a container of Freon, and failing to care for a department-issued cell telephone properly, all in the presence of subordinates. The employee was terminated.
- Case Number 2014.114: An employee was accused of being negligent by participating with a subordinate in the sale of scrap metal belonging to the department and failing to document the sales and safeguard the proceeds properly. Additionally, the employee violated department policy by failing to forward the sale proceeds and disbursed cash proceeds obtained from the recycle sales to the Bureau of Financial Management Services and. The allegation was proved, and the employee was counseled.

Cases opened and closed in fiscal year 2014-15:

- Case Number 2015.1: This case presented possible contract procurement fraud. The case was closed after withdrawal of complaint and when no prima facie evidence of wrongdoing in materials was provided.
- Case Number 2015.26: An allegation was made against an affiliated agency's employee. The supervisor was alleged to have displayed conduct unbecoming a public employee by speaking harshly and in a raised voice during work-related conversations. The allegation was proved. The supervisor was also accused of displaying conduct unbecoming a public employee by engaging in religious persecution and making inappropriate racial comments in front of subordinates. The allegation was disproved. The supervisor subsequently attended training designed to improve supervisor's relationships with employees.
- Case Number 2015.31: An allegation was made that an employee displayed conduct unbecoming a public employee by anonymously telephoning a coworker and informing the coworker to watch what was said to the ladies in a specific DMS building. The allegation was proved, and the employee received counseling.

- Case Number 2015.5: Two allegations were made against an employee. First, it was alleged that the employee displayed conduct unbecoming a public employee by using official position for personal gain; failing to safeguard ability to make objective, fair and impartial decisions; and undermining public trust while employed by the department. Second, it was alleged that the employee failed to obtain supervisor approval prior to accepting additional employment outside the department. Both allegations were proved, and the employee was terminated.
- Case Number 2015.18: An employee was accused of displaying conduct unbecoming a public employee by speaking to a supervisor in a manner that was not courteous, considerate or respectful. The employee was also alleged to have been insubordinate by failing to carry out a directive given by the same supervisor. Both allegations were disproved. In the course of conducting the investigation, allegations against the employee's supervisor were made. The supervisor was charged with displaying conduct unbecoming a public employee by telling subordinates that the employee would be fired and put on a "hit list." The allegation was proved, and the supervisor was terminated.
- Case Number 2015.24: Two supervisors found dried "goo" on their work telephones. Interviews were conducted, but findings were inconclusive.
- Case Number 2015.41: An employee was accused of displaying conduct unbecoming for using state employment for personal gain and maintaining an inappropriate social relationship with a vendor. It was also alleged that the employee failed to obtain permission for employment outside state government. All of the allegations against the employee were disproved.
- Case Number 2015.51: An employee was alleged to have displayed conduct unbecoming a public employee by failing to be courteous, considerate and respectful when dealing with and serving coworkers; addressing coworkers in a manner described by them as "bullying" and "blasting"; intentionally deleting 134 electronic disbursement documents prepared by a coworker; and broadcasting intent to cause a coworker to lose employment by reducing coworker's hours. Additionally, the employee was alleged to have displayed unethical conduct by requesting and accepting lodging establishment VIP upgraded accommodations and amenities when arranging for monthly meetings. Both allegations were proved, and the employee was terminated.

## Performance Measurement

The OIG participated in the review of four requests for modifications to the performance measures contained in the department's Long Range Program Plan document. The OIG continued to review and advise department programs on the development of performance measures and standards and to ensure that the department accomplished the recommended revisions.

### Continuing Projects

The OIG staff also assists the department in other ways. Staff participated in the following departmental activities during the past year:

#### *Computer Security Incident Response Team (CSIRT)*

The CSIRT is a first-responder unit that performs vital functions in regard to mitigating and investigating apparent information security incidents to minimize damage to the department's computer systems, networks and data. The CSIRT activities are available 24 hours a day, seven days a week.

The OIG is a core member of the CSIRT team for the department. As part of this response team, OIG's CSIRT duties include the following:

- Convene as required upon notification of a reported computer security incident;
- Respond to activities that might interrupt information technology services;
- Classify agency security incidents;
- Maintain confidentiality of information related to computer security incidents;
- Perform all investigative activities; and
- Refer any suspected criminal activity to the appropriate law enforcement agency.

## Background Investigations

The OIG has the responsibility to conduct fingerprinting and review of criminal histories for any employees being hired or promoted within DMS or its affiliated agencies. Additionally, some contractors who are filling positions of special trust are required to have background screenings. Background investigations or fingerprinting of employees in positions of special trust are conducted in accordance with established procedures of the OIG and sections 110.1127 and 435.04, F.S.

The OIG is also the custodian of background investigation records. The OIG conducts reviews of employees or contractors identified as having a criminal record. The office shares information with the Human Resource Director and the Office of the General Counsel for consideration of appropriate action.

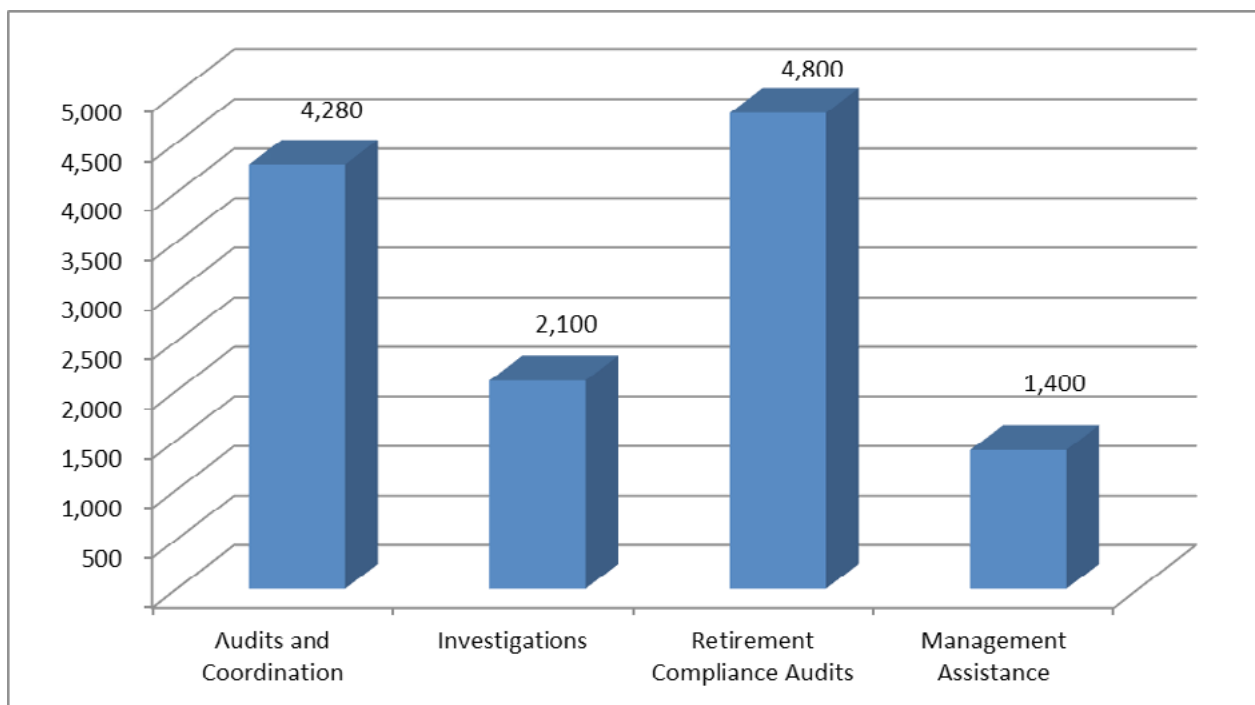
In addition to conducting screenings on DMS employees and some contractors, the OIG performs background screenings for the FCHR, the DOAH, and the PERC. During fiscal year 2014-15, the OIG processed almost 900 background screenings.

## Annual Work Plan Fiscal Year 2014-15

The annual work plan is based on the results of the annual risk assessment. The purpose of developing the plan is to identify, select and plan the allocation of resources for the upcoming year. The OIG's overriding consideration is to provide, as efficiently as possible, the greatest benefit to the department.

This work plan details products that OIG will deliver. For the upcoming year, the OIG plans to continue devoting the majority of its resources to internal audits and investigations. Based on current staffing, the OIG expects to have approximately 19,470 hours available for projects. The resource allocation depicted in the following chart represents an appropriate balance between audit, investigative and other accountability activities at the Department of Management Services.

## ANNUAL WORK PLAN – FISCAL YEAR 2014-15



This table shows allocation of staff resources by category for Fiscal Year 2015-16.

## Allocation of Time Resources for Fiscal Year 2014-2015

<b>Audit/Program Evaluation (Internal)</b>	<b>Hours</b>
IT Application Review	720
Retirement Operations Audit	920
Departmental Purchasing Evaluation	240
Cash Management Program	640
Real Estate TRIRIGA Consulting	130
Annual Pension CAFR Consulting	160
DSGI Internal Controls	240
Re-Engineering of the Office of Supplier Diversity	160
Follow-up on IT Security Project	80
<b>Subtotal</b>	<b>3,290</b>
<b>Response Coordination</b>	
Response Coordination	320
Six-Month Follow-ups	320
Internal Follow-ups	320
<b>Subtotal</b>	<b>960</b>
<b>Internal Process Analyses/Report</b>	
Annual Work Plan/Report	80
Annual Risk Assessment	240
<b>Subtotal</b>	<b>320</b>
<b>Special Projects</b>	
Performance Measures	120
Schedule IX Preparation	120
Other	120
<b>Subtotal</b>	<b>360</b>
<b>Management Assistance Services</b>	
Reserved For Department Management	700
Reserved For Chief Inspector General	700
<b>Subtotal</b>	<b>1,400</b>

<b>Holidays and Leave</b>	<b>Hours</b>
Holidays	880
Annual Leave	1,300
Sick Leave	670
Other Leave	120
<b>Subtotal</b>	<b>3,600</b>
<b>Internal Management/Support</b>	
Personnel Issues	100
Staff Meetings	400
Management/Coordination	600
<b>Subtotal</b>	<b>1,100</b>
<b>Professional Training</b>	
Staff Development	450
Professional Training	350
<b>Subtotal</b>	<b>800</b>
<b>Investigation Projects</b>	
Background Screenings	200
Agency Investigations	2,100
<b>Subtotal</b>	<b>2,840</b>
<b>Audit Compliance (Retirement)</b>	
Compliance Reviews	4,800
<b>Subtotal</b>	<b>4,800</b>
<b>Total Hours</b>	<b>19,470</b>

## Long-Term Plan for Fiscal Years 2015-16 and 2016-17

The OIG's long-term plan is to ensure that its services provide the most benefit to the department. The goal is to achieve and maintain an appropriate balance between audit, investigative and other accountability activities.

Based on the Fiscal Year 2015-16 Annual Work Plan, approximately 19,470 work hours will be available for the OIG. The OIG expects to expend the number of hours outlined below for each category during Fiscal Years 2016-17 and 2017-18.

<b>Activity</b>	<b>Hours</b>
Audit/Program Evaluations	3,300
Compliance Reviews	4,800
Investigations	2,100
Management Assistance	1,400
Staff Development and Professional Training	800
Background Screenings	750
Response Coordination/Follow-up	950
Management and Support	1,100
Special Projects	350
Internal Process Analyses/Reporting	320
Holidays and Leave	3,600
<b>Total Available Hours</b>	<b>19,470</b>



## Distribution List

*Sherrill F. Norman, Auditor General*

*R. Philip Twogood, Coordinator Office of Program Policy Analysis and Government Accountability*

*Kathy DuBose, Coordinator, Joint Legislative Auditing Committee*

*Melinda Miguel, Chief Inspector General, Executive Office of the Governor*

*Department of Management Services Staff:*

*Chad Poppell, Secretary*

*Erin Rock, Deputy Secretary for Business Operations*

*Darren Brooks, Deputy Secretary for Workforce Operations*

*Ben Wolf, Chief of Staff*

*Debra Forbess, Director of Administration*

*Taylor Hatch, Director of Legislative Affairs*

*Bob Ward, Chief Information Officer*

## APPENDIX A

Department of Management Service - Office of Inspector General  
External Audits Coordinated for Fiscal Year 2014-15

Office of the Auditor General		
Report Number	Audit Subject	Report Date
2015-002	Contract and Grant Management Processes at Selected State Agencies – Operational	07/02/2014
2015-005	Primary Data Centers Cost Allocation Project	07/31/2014
2015-037	Local Government Financial Reporting System	10/31/2014
2015-104	Statewide Law Enforcement Radio System and Prior Audit Follow-up – Operational Audit	02/23/2015
2015-110	Florida Retirement System Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report (CAFR) Fiscal Year Ended June 30, 2014	02/27/2015
2015-166	Compliance and Internal Controls Over Financial Reporting and Federal Awards	03/30/2015
In Process	DMS Division of Retirement Integrated Retirement Information System (IRIS)	TBD
In Process	Schedules of Employer Allocations and Collective Pension Amounts Related to the Florida Retirement System (FRS) and Retiree Health Insurance Subsidy (HIS)	TBD
In Process	Florida Retirement System Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report (CAFR) Fiscal Year Ended June 30, 2015	TBD

## APPENDIX B

Department of Management Services – Office of Inspector General  
External Audit Follow-ups for Fiscal Year 2013-14

<b>Office of the Auditor General</b>		
<b>Report Number</b>	<b>Audit Subject</b>	<b>Date Completed</b>
2014-187	Six-Month Follow-up to Information Technology Operational Audit-Surplus Computer Hard Drive Disposal Processes	10/06/2014
2014-173	Six-Month Follow-up to Statewide Financial Statement Audit	10/08/2014
2014-184	Six-Month Follow-up to Payroll and Personnel Processes Audit	10/14/2014
2015-002	Six-Month Follow-up to Contract and Grant Management Processes at Selected State Agencies	12/29/2014
2015-037	Six-Month Follow-up to Local Government Financial Reporting System – Performance Audit	04/30/2015

