



STATE OF FLORIDA  
DEPARTMENT OF CITRUS  
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MARTIN McKENNA  
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FLORIDA CITRUS COMMISSION

July 29, 2015

Shannon R. Shepp  
Florida Department of Citrus  
605 E. Main Street  
Bartow, FL 33830

Dear Ms. Shepp:

In accordance with Section 20.055(7), Florida Statutes, I am submitting the Annual Report for the Office of Inspector General for fiscal year 2014-2015.

As you are aware, the previous Inspector General, Debra Funkhouser, retired from the Florida Department of Citrus (FDOC) resulting in the Inspector General position being vacant from April 1, 2015 through June 30, 2015. This report covers the nine-month period July 1, 2014 through March 31, 2015.

Activities in this office were conducted according to the audit work plan that was developed with the input of FDOC Executive Management and the Florida Citrus Commission, and received Executive Director approval on June 16, 2014. Full cooperation was given by Department and contract agency staff members in support of the audits and reviews conducted during the fiscal year.

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

Respectfully submitted,

Kevin Ray Eaton  
Inspector General

Enclosure

c: Melinda Miguel, Chief Inspector General

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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 (FS), 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; and the promotion of economy and efficiency and the administration of other activities designed to prevent fraud and abuse within the Department.

Section 20.055, FS, 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. This 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; and
- A summary of each audit and investigation completed during the reporting period.

**Activities**

Three audits of contract vendors were completed as follows:

MARS Advertising, Inc., contract #11-12, was audited for the period July 1, 2012 through March 31, 2014. The objectives of the audit were to ensure compliance with Department and State of Florida policies and procedures regarding contracts; document the system of internal controls in place at MARS; test the system of internal controls as it relates to Department programs; review contract manager activities to verify that deliverables were received, comply with contractual requirements, and accessible for follow up audit; and validate performance measure reporting. The Department and MARS established and maintained policies and internal controls that were relied upon to meet the audit objectives. Three recommendations to increase accountability and efficiency were noted.

Yamano & Associates, Inc., contract #12-07, was audited for the period July 1, 2012 through June 30, 2014. The objectives of the audit were to verify compliance with contract terms; ensure compliance with Department and State of Florida policies for contract agencies; validate performance measurement reporting; and verify that contract manager sufficiently documents management of contract, and retains documentation for follow up audit. The Department and Yamano established and maintained policies and internal controls that were relied upon to meet the audit objectives. Three recommendations to increase accountability and efficiency were noted.

The Food Group, contract #08-08 and #14-06, were audited for the period July 1, 2013 through December 31, 2014. The objectives of the audit were to ensure compliance with Department and State of Florida policies and procedures regarding contracts; review contract manager activities to verify that deliverables were received, comply with contractual requirements, and were accessible for follow up audit; and validate performance measure reporting. The Department and The Food Group established and maintained policies and internal controls that were reliable to meet the audit objectives. There were no recommendations.

Additional activities and reviews included validating performance measure methodology for the Long Range Program Plan (LRPP); Quality Assessment Review – Auditor General; review of internal policies and procedures; review of Department litigation; and other miscellaneous activities.

#### **Other Comments**

No investigations were conducted during fiscal year 2014-2015.

