

FLORIDA FINANCIAL SERVICES COMMISSION

OFFICE OF FINANCIAL REGULATION

OFFICE OF INSPECTOR GENERAL  
ANNUAL REPORT  
FY 2014-2015



**September 28, 2015**

**Drew Breakspear, Commissioner**

**Karen Fisher, Inspector General**

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## Introduction

### Mission

Section 20.055, Florida Statutes (F.S.), established 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. The OIG conducts independent and objective audits, investigations and reviews of agency issues and programs in order to assist the Office of Financial Regulation (OFR) in accomplishing its mission. The mission of the OIG is to promote integrity, accountability and process improvement within the OFR. The OIG follows the General Principles and Standards for Offices of Inspector General as published and revised by the Association of Inspectors General<sup>SM</sup> (May 2004).

### Office of Inspector General

There are two positions within the OIG: Inspector General and Investigations Manager.

Karen Fisher is the Inspector General. She is a Certified Public Accountant, Certified Inspector General and Certified Internal Controls Auditor. The Inspector General conducts the internal audit activities.

Bradley Perry is the Investigations Manager, effective February 16, 2015. He is a Certified Fraud Examiner and Notary Public. The Investigations Manager processes complaints and conducts OIG investigations.

## Office of Inspector General Functions

The OIG is comprised of two main functions: internal audit activities and investigations.

**Internal auditing** is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

**Investigations** are usually initiated by an internal or external complaint concerning agency operations or the conduct of an OFR employee. The purpose of the OIG Investigations Section is to initiate, conduct, supervise, and coordinate investigations designed to detect, deter, prevent, and eradicate fraud, waste, mismanagement, misconduct, and other abuses in the Office of Financial Regulation. In accordance with Section 20.055, F.S. and the Florida Inspectors General Standards Manual, the OIG expeditiously reports suspected violations of criminal law to the Florida Department of Law Enforcement or other appropriate law enforcement officials when there are reasonable grounds to believe a criminal violation has occurred.

The responsibilities of the Inspector General are outlined in Section 20.055, F.S. and include:

- Preparing an annual audit plan, which is approved by the Commissioner

- Provide direction for, supervise, and coordinate audits, investigations, and management reviews relating to the programs and operations and prepare reports of the findings
- Review and evaluate internal controls necessary to ensure fiscal accountability
- Advise in the development of performance measures, standards, and procedures
- Assess the reliability and validity of the information provided by the OFR on performance measures and standards, and make recommendations for improvement, if necessary, prior to submission of those measures and standards to the Executive Office of the Governor
- Review the actions taken to improve program performance and meet program standards and make recommendations for improvement, if necessary
- Conduct, supervise, or coordinate other activities carried out or financed by the OFR for the purpose of promoting economy and efficiency in the administration of, or preventing and detecting fraud and abuse in, its programs and operations
- Keep the Commissioner informed concerning fraud, abuses, and deficiencies in the OFR and the progress made in implementing corrective action
- Ensure effective coordination and cooperation between the Auditor General, federal auditors, and other governmental bodies with a view toward avoiding duplication
- Review, as appropriate, rules relating to the OFR programs and operations and make recommendations concerning their impact
- Receive complaints and process appropriately
- Supervise, and coordinate investigations designed to detect, deter, prevent, and eradicate fraud, waste, mismanagement, misconduct, and other abuses in the OFR
- Submit in a timely fashion final reports on investigations conducted by the Inspector General to the Commissioner, except for whistle-blower investigations, which shall be conducted and reported pursuant to Section 112.3189, F.S.

### **Internal Audit Activities**

- **Assurance Service**- an objective examination for the purpose of providing an independent assessment of risk management, control, or governance processes for the organization. (E.g.-financial, operational, performance, compliance, and system security engagements.)
- **Consulting Services**- an advisory and related client-service activity, the nature and scope of which is agreed upon with the client and is intended to add value and improve an organization's operations. (E.g. - counsel, advice, facilitation, process design and training.)
- The OIG follows the International Standards for the Professional Practice of Internal Auditing when conducting internal audit activities.
- The OIG uses the Automated Internal Audit Management System to capture the internal audit activity information and work-papers.

## Investigation Activities

The OIG used the following disposition types to classify the work products produced during the fiscal year 2014-2015:

- **Investigation** - a process by which information is obtained by an OIG staff member in an effort to assess, prove or disprove a specific allegation involving an OFR employee or contracted entity or an employee thereof.
- **Whistle-blower Investigation** – an investigation involving an individual certified as a whistle-blower pursuant to Sections 112.3187-112.31895, F.S.
- **Preliminary Inquiry** - an analysis of a complaint to determine the validity of the allegation(s) and to determine whether statutes, rules, policies, or procedures may have been violated. A preliminary inquiry may be closed without further OIG action; referred to management for inquiry or handling; or converted into an investigation.
- **Management Inquiry** - a complaint which is sent to management with a requested response to the OIG. A review of management's response to the OIG will determine whether additional OIG action is required.
- **Tracking** – a complaint which remains open within the OIG while awaiting additional information. Tracking cases are usually associated with complaints relating to the report of an employee's arrest, incarceration or criminal charge and disposition, which employees are required to report to the OIG per agency policy.
- **Referral** - a complaint which is referred to management or an outside entity for handling with no required response to the OIG.
- **No Jurisdiction/No Referral** – a complaint which falls outside the jurisdiction of the OIG and referral to management or an outside entity is not possible.
- **Public Records Request** - A request for inspection or copying of public records.

## Other Accountability Activities

Other accountability activities include management reviews<sup>1</sup>; participation on various taskforce/workgroups such as the Computer Security Incident Response Team (CSIRT), and coordination and support of functions involving OFR, performed by or for the Auditor General or the Office of Program Policy Analysis and Government Accountability in compliance with their statutory functions.

Special projects are usually limited in scope and not considered an internal audit activity or an investigation. These projects may include: to determine the status of certain operations, to identify particular needs within the OFR, to examine planned or current procedures and suggest improvements where needed, to focus on particular objectives identified by management, or to

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<sup>1</sup> Management Reviews are projects initiated by the Inspector General when concerns are received from management that a problem may exist within a program area. They are less formal than an assurance and generally take less time to complete. Findings are reported and recommendations for corrections are made to management. Depending on the seriousness of the findings, corrective measures may be tracked to completion.

accomplish the routine tasks necessary to maintain a functional office as a contributing member of the overall organization.

### Activity and Case Summary

#### Internal Audit Activities

|                             |   |
|-----------------------------|---|
| <b>File # A-1415OFR-008</b> | <b>Audit of the Money Services Businesses (MSB) Examination Process</b> |
|-----------------------------|---|

**Objective:** The audit objective was to evaluate the effectiveness of the MSB examination scheduling and monitoring process to ensure compliance with Florida Statute and ensure that the Division has completed examinations within the five-year statutory requirement.

#### Findings:

1. The OIG commends the Division for completing 589 MSB examinations within the five-year statutory requirement. Only one MSB examination was started 19 days after the five-year due date.
2. During the audit, a glitch in the REAL reporting of the MSB population was noted, which resulted in the omission of three MSB entities.
3. The position description for the Financial Specialist should list the MSB examination scheduling and monitoring responsibilities.

#### Recommendations:

1. This was a commendation, recommendation was not needed.
2. We recommend the Division continue to work with the REAL contract vendor to ensure the MSB information generated from REAL used in the scheduling and monitoring of examinations, is complete and reliable.
3. We recommend that Division management revise the Financial Specialist's position description to include the MSB examination scheduling and monitoring responsibilities.

#### Management Response:

“The Division of Consumer Finance concurs with your Preliminary Audit Findings Report and recognizes the commendation it has received. Furthermore, the position description for the Financial Specialist has been updated with DFS HR effective March 9, 2015. Finally, we will continue to complete the MSB scheduling and monitoring process to ensure compliance with the statutory examination requirement. The Division has submitted a request for a new report from the REAL System and awaiting the successful completion.”

|                             |  |
|-----------------------------|--|
| <b>File # A-1415OFR-003</b> | <b>Audit of the Encryption of Confidential Information (Cancelled)</b> |
|-----------------------------|--|

**Objective:** To gain an understanding of the current limitations OFR employees are dealing with when sending confidential information to work-related recipients that do not want to deal with

encryption, and to establish if on the whole the OFR is complying with the requirement to encrypt confidential information when sent outside the DFS network.

On June 19, 2015, the Inspector General sent a memorandum to the Commissioner indicating that the audit had been cancelled because of relevant issues encountered with the Department of Financial Services (DFS), Division of Information Services (DIS) pertaining to the CISCO IronPort application. To accomplish the audit objectives the OIG relied on this newly installed software (installed by DFS-DIS) called CISCO IronPort. The OIG was using the application throughout the audit, however, later in the audit it was determined that the application actually did not produce the initially understood functions.

## Investigations

The Office of Inspector General closed six investigations during the fiscal year. The following is a summary of the completed investigations:

|                             |                                |
|-----------------------------|--------------------------------|
| <b>Investigation #15003</b> | <b>Closed Date: 08/04/2014</b> |
|-----------------------------|--------------------------------|

This investigation was initiated after management contacted the OIG to request an investigation into the alleged misuse of a privileged database by an employee. The allegation was **proved** and the employee resigned.

|                             |                                |
|-----------------------------|--------------------------------|
| <b>Investigation #15004</b> | <b>Closed Date: 07/25/2014</b> |
|-----------------------------|--------------------------------|

This investigation was initiated after management contacted the OIG to request a review of an employee's department e-mail and internet usage in response to concerns over the employee's performance problems, excessive absenteeism and truthfulness. The review corroborated the employee's reports of ongoing personal issues and revealed no policy violations. The OIG found **no cause to substantiate** a violation.

|                             |                                |
|-----------------------------|--------------------------------|
| <b>Investigation #15012</b> | <b>Closed Date: 10/29/2014</b> |
|-----------------------------|--------------------------------|

The OIG provided investigative assistance to Employee Relations regarding an allegation of racial discrimination by an employee. Employee Relations found **no cause to substantiate** the allegation; however, it recommended that OFR management review its process relative to the management of probationary employees including monitoring the expiration of the probationary period.

|                             |                                |
|-----------------------------|--------------------------------|
| <b>Investigation #15013</b> | <b>Closed Date: 11/13/2014</b> |
|-----------------------------|--------------------------------|

The OIG provided investigative assistance to Employee Relations regarding a U.S. Equal Employment Opportunity Commission charge of racial discrimination and retaliation by an employee. The OFR found **no cause to substantiate** the allegation.

|                             |                                |
|-----------------------------|--------------------------------|
| <b>Investigation #15021</b> | <b>Closed Date: 01/14/2015</b> |
|-----------------------------|--------------------------------|

This investigation was initiated after the DFS referred a complaint to the OIG that included allegations of a hostile work environment and workplace violence. Upon its request, the OIG provided investigative assistance to Employee Relations, which found **no cause to substantiate** the allegations.

|                             |                                |
|-----------------------------|--------------------------------|
| <b>Investigation #15039</b> | <b>Closed Date: 06/18/2015</b> |
|-----------------------------|--------------------------------|

This investigation was initiated after the OFR received a complaint from a former employee that included allegations of retaliation. Upon its request, the OIG provided investigative assistance to Employee Relations, which found **cause to terminate the investigation** in deference to a settlement agreement.

## Complaints

A complaint is defined as the report of an issue, matter or allegation to the OIG. Complaints include allegations or accusations against entities regulated by the OFR, department employees or contract/sub-contract employees, either verbally or in writing, and can be made by a citizen, employee, or an anonymous source.

During the fiscal year, the OIG addressed 49 “complaints.” The following is a listing of the complaints received:

| Case file # | Case Type                   | Complaint   | Disposition   |
|-------------|-----------------------------|---|---|
| 15001       | No Jurisdiction/No Referral | Complainant made various criminal allegations against non-OFR parties.                      | Closed after complainant was contacted explaining law enforcement jurisdiction over criminal matters.   |
| 15002       | Referral                    | Complainant expressed concerns about a purchased annuity.                                   | Referred to the Department of Financial Services.   |
| 15005       | Referral                    | Complainant expressed concerns about companies making under Chapter 516.                    | Referred to OFR Division of Consumer Finance.   |
| 15006       | No Jurisdiction/No Referral | Complainant expressed concerns about federal immigration and Social Security fraud.         | Closed after complainant was contacted regarding U.S. Immigration and Customs Enforcement and the Social Security Administration’s OIG Hotline. |
| 15007       | Referral                    | Complainant expressed concerns about the process for obtaining a Mortgage Broker's License. | Referred to OFR Division of Consumer Finance.   |



| Case file # | Case Type                   | Complaint   | Disposition   |
|-------------|-----------------------------|---|---|
| 15008       | No Jurisdiction/No Referral | Complainant stated a federally regulated bank refused to exchange currency.   | Closed after complainant was contacted on how to contact a federal regulator.   |
| 15009       | No Jurisdiction/No Referral | Complainant alleged violations of law involving an insurance company and its regulator.   | Closed after complainant was contacted explaining the OFR OIG's lack of jurisdiction over the insurance industry. The complaint was forwarded to the OIG offices at OIR and Citizens Insurance Corporation. |
| 15010       | Preliminary Inquiry         | Complainant alleged OFR violated an employment settlement agreement.  | Closed after no cause for further investigation was found.  |
| 15011       | Referral                    | Complainant alleged excessive charges for an examination of a business.   | Referred to OFR Division of Consumer Finance.   |
| 15014       | Referral                    | Complainant against a collection agency that allegedly did not adhere to its agreement with a creditor.   | Referred to OFR Division of Consumer Finance.   |
| 15015       | Preliminary Inquiry         | Complainant raised concerns about customer service he received from OFR staff.  | Referred to OFR Division of Consumer Finance.   |
| 15016       | Referral                    | Complainant raised concerns with OFR instructions received pertaining to the consumer complaint intake process.   | Referred to OFR Division of Consumer Finance.   |
| 15017       | No referral                 | Complainant alleged OFR staff violated law and civil rights protections regarding a mailed complaint response.  | Closed after consultation with Agency Counsel.  |
| 15018       | Referral                    | Complainant expressed concerns regarding the lack a responsiveness to correspondence sent to an OFR employee.   | Referred to OFR Division of Consumer Finance.   |
| 15019       | Referral                    | Complainant alleged a bank caused a fraudulent claim and an insurance policy to not be processed.   | Referred to OFR Division of Financial Institutions.   |
| 15020       | Referral                    | Complainant expressed concerns about a possible scheme involving real estate transactions and mortgage fraud.   | Referral to OFR Bureau of Financial Investigations.   |
| 15022       | No Jurisdiction/No Referral | Complainant expressed concerns about the OFR Division of Securities' response to allegations of a possible scheme involving securities fraud and the sale of notes. | Closed after consultation with OFR Division of Securities showed no jurisdiction by OFR.  |
| 15023       | No Jurisdiction/No Referral | Complainant expressed concerns about a possible scheme involving insurance fraud.   | Closed after consultation with Office of Insurance Regulation and no jurisdiction by OFR.   |

| <b>Case file #</b> | <b>Case Type</b>            | <b>Complaint</b>   | <b>Disposition</b>  |
|--------------------|-----------------------------|--|---|
| 15024              | Referral                    | Complainant raised concerns about the renewal process for Mortgage Industry-related licenses.  | Referred to OFR Division of Consumer Finance.   |
| 15025              | No Jurisdiction/No Referral | Complainant disagreed with sanctions imposed by OFR for a previous FINRA violation.  | No referral due to complainant's failure to allege any wrongdoing by OFR staff.                                       |
| 15026              | Referral                    | Anonymous complaint alleging theft by a securities firm.   | Referred to OFR Division of Securities.   |
| 15027              | No Jurisdiction/No Referral | Complainant alleged a previous investment, under OFR investigation, had caused phone solicitations.  | No referral; Informed OFR Bureau of Financial Investigations.   |
| 15028              | Referral                    | Complainant questioned a case disposition involving an alleged sale of an unregistered security.   | Referred to OFR Bureau of Financial Investigations and Division of Securities.  |
| 15029              | Referral                    | Complainant alleged fraud on the part of a bank.   | Referred to OFR Division of Financial Institutions.   |
| 15030              | Referral                    | Complainant raised concerns about OFR's response to a prior complaint.   | Referred to OFR Division of Financial Institutions.   |
| 15031              | Referral                    | Complainant raised concerns that a prospective employee may have disclosed protected and sensitive information in a job application.   | Referred to Financial Crimes Enforcement Network (FinCEN).  |
| 15032              | Referral                    | Complainant alleged wrongdoing by bank employees.  | Referred to OFR Division of Financial Institutions.   |
| 15033              | Preliminary Inquiry         | Complainant alleged that an OFR employee may have violated law by requesting certain information and raised concerns about the person's authority to do.                         | A preliminary inquiry found no cause to substantiate a violation. Referred to OFR Division of Consumer Finance.       |
| 15034              | Preliminary Inquiry         | Complainant alleged wrongdoing during by an OFR employee during an investigation.  | A preliminary inquiry found no cause to substantiate a violation. Referred to OFR Bureau of Financial Investigations. |
| 15035              | Preliminary Inquiry         | Anonymous complaint alleging neglect and breach of supervisory duties by an OFR supervisor.  | A preliminary inquiry found no cause to substantiate a violation. Referred to OFR Division of Securities.             |
| 15036              | Referral                    | Complainant raised concerns about a service agreement on an air conditioner unit and the level of responsiveness to a complaint filed with the Department of Financial Services. | Referred to the Department of Financial Services.   |

| Case file # | Case Type                   | Complaint  | Disposition  |
|-------------|-----------------------------|--|--|
| 15037       | Referral                    | Complainant raised concerns with the way a mortgage application was handled and subsequently denied.   | Referred to OFR Division of Consumer Finance   |
| 15038       | Preliminary Inquiry         | Complainant alleged wrongdoing during by an OFR employee during an investigation.  | A preliminary inquiry found no cause to substantiate a violation. Referred to OFR Bureau of Financial Investigations.  |
| 15040       | Referral                    | Complainant alleged a bank's involvement in a scam regarding a line of credit offer.   | Referred to OFR Division of Financial Institutions.  |
| 15041       | Referral                    | Complainant alleged a mishandling of a Public Adjuster's application.  | Referred to the Department of Financial Services.  |
| 15042       | Preliminary Inquiry         | Complainant alleged mistreatment by an OFR employee and the Office of Insurance Regulation.  | A preliminary inquiry found no cause to substantiate an OFR violation. Referred to the Office of Insurance Regulation. |
| 15043       | No Jurisdiction/No Referral | Complainant raised concerns with the way a payment to the Federal National Mortgage Association (Fannie Mae) was handled and with the recording of a property in Miami-Dade. | Closed after reviewing OFR jurisdiction with the complainant.  |
| 15044       | Referral                    | Complainant alleged the DFS Division of Consumer Services and the DFS Insurance Commission mishandled her complaint against an insurance company.                            | Referred to the Department of Financial Services - OIG.  |

## Special Projects

|   |                                      |
|---|--------------------------------------|
| <b>Project Name: Regional Office Administrative Coordinator (ROAC) Review</b> | <b>Project Number: S-1415OFR-006</b> |
|---|--------------------------------------|

It was brought to the attention of the OIG that there appeared to be inconsistencies in the assignment, removal and compensation pertaining to ROAC duties. OIG reviewed the OFR Guidelines and Procedures Memorandum Number 008, *Regional Office Administrative Coordinator* Procedures and applicable documentation and made recommendations to management to ensure that the formal process was evidenced by an audit trail.

|   |                                      |
|---|--------------------------------------|
| <b>Project Name: Annual Risk Assessment and Audit Plan for FY 2015-2016</b> | <b>Project Number: S-1415OFR-009</b> |
|---|--------------------------------------|

Pursuant to Section 20.055(5) (1), Florida Statutes, the Inspector General is required to develop long-term and annual audit plans based on findings of periodic risk assessments. The audit plan was approved and signed by the Commissioner.

|  |                                      |
|--|--------------------------------------|
| <b>Project Name: Department of Financial Services Contract Audit</b> | <b>Project Number: S-1415OFR-007</b> |
|--|--------------------------------------|

The DFS, Bureau of Auditing conducted an audit of selected OFR contracts to evaluate compliance with statutory contract provisions and agency management activities that verify satisfactory receipt of deliverables and compliance with agreement terms and conditions. The OIG acted as liaison between the OFR staff and the DFS auditors and assisted with the OFR response to the audit findings.

## Management Reviews

|   |                                      |
|---|--------------------------------------|
| <b>Project Name: Employee Tardiness</b> | <b>Project Number: M-1415OFR-005</b> |
|---|--------------------------------------|

Pursuant to the annual audit plan (at the request of the Deputy Commissioner), the OIG reviewed the arrival times of Tallahassee employees for the months of July and August 2014. The *OFR Guidelines and Procedures Memorandum Number 002, Flexible Work Schedules*, requires employees to arrive to work at their designated approved time. The *DFS AP&P 5-26, Standards and Procedures of Discipline- Career Service Employees* requires employees to observe established work hours and considers excessive tardiness a violation of the employee standard of conduct. The review results were reported to the Commissioner and appropriate division director.

## Other Projects

|   |                                      |
|---|--------------------------------------|
| <b>Project Name: Follow-Up to Consulting Service Report- Division of Financial Institutions Report of Examination (ROE) Tracking and Review Process</b> | <b>Project Number: O-1415OFR-002</b> |
|---|--------------------------------------|

During fiscal year 2013-2014 the OIG performed a consulting service activity to analyze the ROE review and tracking process and make observations and suggestions concerning efficiency and effectiveness for management's consideration. A consulting service report was released on March 24, 2014. As part of the 2014-2015 fiscal year annual audit plan, the OIG continued to monitor the progress of the proposed revisions made to the operations of the division. A memorandum was provided to the Commissioner on July 14, 2015.

|   |                           |
|---|---------------------------|
| <b>Project Name: Florida Accreditation Status</b> | <b>Project Number: NA</b> |
|---|---------------------------|

On October 8, 2014, the OFR OIG Investigation function, officially received Florida Accreditation status. The on-site assessment took place on July 31, 2104. Since that time, the Investigative Manager has been involved in ensuring compliance to the accreditation standards.

**Project Name: CSIRT Events****Project Number: NA**

The Computer Security Incident Response Team (CSIRT) is comprised of DFS, OFR and the Office of Insurance Regulation Inspectors General and DFS Division of Information Systems personnel. Meetings take place as needed. The CSIRT provides services and support for preventing, handling, and responding to computer security incidents and providing reactive and pro-active approaches to security-incident management. In the event of an incident, it is the CSIRT's responsibility to coordinate a prompt response to limit disruption, degradation, and damage and help speed recovery and restore services to users. This team fulfills requirements established by Section 282.318, Florida Statutes.

**Project Name: CJIS Requirements****Project Number: NA**

The OIG worked with the Bureau of Financial Investigations and DFS-DIS to prepare for the FDLE and FBI IT Audits of the Criminal Justice Information Systems. The OIG also participated in the audits and assisted the Bureau with responses to findings.

**Project Name: Internal OIG Training****Project Number: NA**

The Inspector General performed the following three training presentations to OFR employees during the fiscal year:

- Division Financial Institutions – Inspector General gave presentation pertaining to information concerning the Office of Inspector General. (September 2014)
- Division of Securities - Inspector General gave presentation pertaining to information concerning the Office of Inspector General. (October 2014)
- Division of Securities – Inspector General participated in a three- person panel to discuss audit observations and the implementation of E-mail encryption methods. (June 2015)

**Project Name: Standards of Conduct Training for Managers****Project Number: NA**

The OIG developed a Standards of Conduct Training for Managers based on DFS AP&P 5-26, *Standards and Procedures of Discipline – Career Service Employees*. OIG is awaiting approval from the Commissioner to post the training on-line.

**Project Name: 2015 Auditor General Operational Audit (On-going)****Project Number: NA**

The Office of the auditor General is currently conducting an operational audit at the OFR concerning the Bureau of Financial Investigation's operations and follow-up to prior audit findings. Pursuant to Section 20.055(2) (g), Florida Statutes, the OIG is to ensure effective coordination and cooperation between the Auditor General, federal auditors and other governmental bodies with a view toward avoiding duplication. The Inspector General has acted as the liaison between the OFR staff and Auditor General Staff to ensure an effective audit process. After the Preliminary Audit Report is released, the Inspector General will assist in writing the responses to findings.

### Ancillary Support and Training Activities

#### Association of Inspectors General<sup>SM</sup> (AIG)

The AIG promotes accountability and integrity in government by connecting a network of qualified and dedicated officials and researchers. The Association sponsors meetings where ideas and information are exchanged, and provides professional training sessions. The AIG has established three certification programs for the IG community. The Inspector General actively participates in both the national and local level of these organizations.

#### Training

The standards by which the OIG operate require continuing professional education (CPE). In addition, the OIG staff may have certain qualifying certifications for which CPE must be maintained to remain active.

In general, the OIG follows the Principles and Standards for Offices of Inspector General which requires that “each staff person who performs investigations, inspections, evaluations, reviews, or audits should complete, every year, at least 40 hours of CPE that directly enhance the person's professional proficiency. Dependent upon the focus of the office, at least 12 of the 40 hours of CPE should be in subjects directly related to the person's primary responsibility (investigation, inspection, evaluation, review, or audit), the government environment, or the specific or unique environment in which the entity subject to examination operates.”

### Summary of Projects and Cases Completed by Year

|                               | FY 10/11 | FY 11/12 | FY 12/13 | FY 13/14 | FY 14/15 |
|-------------------------------|----------|----------|----------|----------|----------|
| Internal Audits completed     | 0        | 1        | 3        | 3        | 1        |
| Management Reviews            | 1        | 1        | 0        | 0        | 1        |
| Special Projects <sup>2</sup> | 18       | 8        | 8        | 8        | 10       |
| Consulting Service            | NA       | 1        | 1        | 1        | 0        |
| Investigations                | 8        | 11       | 6        | 12       | 6        |
| Complaints <sup>3</sup>       | 26       | 34       | 25       | 49       | 31       |
| Preliminary Inquiry           | NA       | NA       | 12       | 4        | 7        |
| Management Inquiry            | 4        | 1        | 2        | 0        | 0        |

<sup>2</sup> Number includes Other Projects for FY 12/13, FY 13/14 and FY 14/15

<sup>3</sup> Number is for Internal and External Referrals for FY 12/13, FY13/14 and FY 14/15