

RICK SCOTT
Governor



JIM POPPELL
Secretary

September 28, 2017

Eric Miller
Chief Inspector General
400 S. Monroe Street
Tallahassee, Florida 32399

Re: OIG Annual Report for Fiscal Year 2016-17

Dear Chief Inspector General Miller:

In accordance with Section 20.055(8), Florida Statutes, I am pleased to submit our Annual Report for the Florida Lottery, Office of Inspector General (OIG). The report reflects the activities and accomplishments of the OIG for fiscal year 2016-17.

We remain committed to the goals of the Florida Lottery and to our work to provide a central point for coordination of and responsibility for activities that promote accountability, integrity, and efficiency. Thank you for your continued support of our efforts.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "A. Mompeller", written over the typed name.

Andy Mompeller
Inspector General



September 28, 2017

OIG Annual Report For Fiscal Year 2016-17



Andy Mompeller
Inspector General

FLORIDA DEPARTMENT OF LOTTERY
OFFICE OF INSPECTOR GENERAL

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INTRODUCTION

OVERVIEW

In 1986, Florida voters authorized a lottery through a constitutional amendment, enacted by a two-to-one margin, which would use its proceeds to enhance public education in Florida. The Florida Legislature established the Florida Lottery with the mission of maximizing revenues for education to allow the people of Florida to benefit from significant additional monies while providing the best lottery games available. Over the history of the Florida Lottery, both goals have been accomplished. Consistent with this, the mission of the Florida Lottery is to maximize revenues in a manner consonant with the dignity of the state and the welfare of its citizens.

The Office of Inspector General (OIG) provides support to the agency's mission through its function. This annual report is presented to the Secretary of the Florida Lottery and the Governor's Chief Inspector General to comply with statutory requirements and to provide departmental staff and interested parties with information on the OIG's progress in accomplishing its mission.

MISSION STATEMENT

The mission of the Florida Lottery OIG is to protect and promote public integrity and accountability within the Lottery through audits and investigations that detect fraud, waste and abuse, and administrative violations. The goal of the OIG is to prevent and decrease the reoccurrence of such violations through employee awareness and cooperation while providing the Lottery with a timely, accurate, objective, and useful work product that promotes confidence and provides transparency for the citizens of the State of Florida.

OIG RESPONSIBILITIES

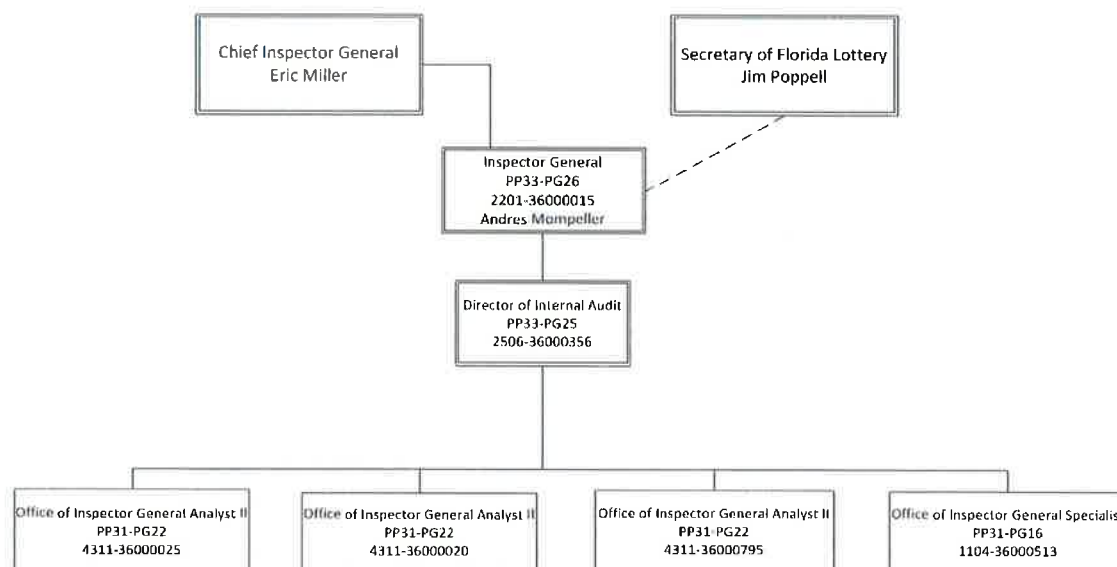
Section 20.055, Florida Statutes, establishes the Office of Inspector General within each state agency to provide a central point for coordination of, and responsibility for, activities that promote accountability, integrity, and efficiency in government. The OIG's responsibilities include:

- Conducting audits, investigations, and management reviews relating to the programs and operations of the Lottery;
- Reviewing and evaluating internal controls necessary to ensure the fiscal

- accountability of the Lottery;
- Keeping the Secretary and Chief Inspector General informed concerning fraud, abuse, and deficiencies relating to programs and operations administered or financed by the Lottery, recommending corrective action, and reporting on the progress made in implementing corrective action;
 - Advising in the development of performance measures, standards, and policies and procedures for Lottery programs;
 - Conducting or coordinating other activities carried out or financed by the Lottery for the purpose of promoting economy and efficiency in the administration of, or preventing and detecting fraud and abuse in, its programs and operations;
 - Coordinating, and monitoring the implementation of, the Lottery's response to recommendations made by the Auditor General, the Office of Program Policy Analysis and Government Accountability (OPPAGA), the Florida Department of Financial Services, and other external agencies; and
 - Ensuring that an appropriate balance is maintained between audit, investigative, and other accountability activities.

ORGANIZATION AND STAFF

Effective July 1, 2014, requirements of section 20.055, Florida Statutes, changed the reporting structure for inspectors general in agencies under the jurisdiction of the Governor. The Lottery Inspector General remains under the administrative supervision of the Secretary but now reports directly to the Governor's Chief Inspector General. The OIG consists of six professional positions that perform internal audit and investigative functions, as shown below.



OIG STAFF QUALIFICATIONS AND CERTIFICATIONS

OIG personnel are highly qualified and bring various backgrounds and expertise to the Lottery. The collective experience spans a variety of disciplines, including auditing, accounting, investigations, and information systems.

The *International Standards for the Professional Practice of Internal Auditing* as published by the Institute of Internal Auditors, and the *Association of Inspectors General's Principles and Standards for Offices of Inspector General* require internal auditors to maintain their professional proficiency through continuing education and training. In addition, the OIG has received accreditation by the Commission for Law Enforcement Accreditation, Inc., and must meet minimum training standards in order to maintain accreditation.

OIG staff members continually seek to enhance their abilities and contributions to the office and the Lottery. Many staff members have obtained certifications that demonstrate their knowledge, motivation, and commitment to the profession. The accomplishments of the staff in obtaining professional certifications represent significant time and effort by each staff member, reflecting positively on the individual as well as the Lottery. During Fiscal Year 2016-17, professional certifications held by OIG staff members include:

- Certified Inspector General (CIG)
- Certified Internal Auditor (CIA)
- Certified Information Systems Auditor (CISA)
- Certified Governmental Auditing Professional (CGAP)
- Certified Inspector General Investigator (CIGI)



AFFILIATIONS

OIG staff members participate in a number of professional organizations to maintain proficiency in their areas of expertise and certification. These associations allow them to establish and advance professional networks and participate in professional development activities. OIG staff members are affiliated with the following professional organizations that support audit and investigation activities:

- Association of Inspectors General (AIG)
- Institute of Internal Auditors (IIA)
- Association of Government Accountants (AGA)
- ISACA (previously known as the Information Systems Audit and Control Association)

INTERNAL AUDIT

The purpose of internal auditing is to provide independent, objective assurance and consulting activities designed to add value and improve the Lottery's operations. Our vision is to help the Lottery by facilitating change directed toward improving efficiency, effectiveness, accountability, and teamwork.

Audit responsibilities of the OIG include:

- Conduct compliance, electronic data processing, performance, and financial audits of the Lottery to identify and recommend corrective action for deficiencies or matters of noncompliance;
- Conduct consulting activities in order to provide independent advisory services to Lottery management;
- Assess the reliability and validity of Lottery performance measures;
- Ensure effective coordination and cooperation with the Office of the Auditor General, OPPAGA, and other governmental bodies to ensure proper coverage and minimize duplication of effort;
- Conduct risk assessments of the Lottery annually, taking into consideration the input of senior management;
- Develop annual and long-term audit plans outlining the audits to be conducted during each year and related resources to be devoted to the respective audits;
- Monitor the implementation of the Lottery's response to audit reports issued by the Inspector General, Office of the Auditor General, OPPAGA, or other oversight agency;
- Develop and maintain a quality assurance and improvement program that covers all aspects of the internal audit activity, with an external assessment conducted every three years; and
- Participate in enterprise projects and provide assistance as requested by the Chief Inspector General.



The OIG conducts assurance and consulting activities in accordance with the *International Standards for the Professional Practice of Internal Auditing*, published by the Institute of Internal Auditors, Inc. Audit reports are distributed to the Secretary of the Florida Lottery, the Governor's Chief Inspector General, the Office of the Auditor General, the Office of Program Policy Analysis and Government Accountability, and affected Lottery managers.

ACCOMPLISHMENTS

During fiscal year 2016-17, the OIG completed five internal audits and six management reviews. Additionally, the OIG followed up on the status of 8 internal engagements, which consisted of 27 open findings and 35 recommendations. The results of those engagements are summarized below.

16-000-1004, Draw Process

Florida Lottery drawings are conducted under strict security guidelines and procedures, and are monitored by the Lottery's Division of Security (Security). The draw process is based on a series of numbered balls and game-specific machines that select the specified number of balls particular to the Lottery game. The OIG conducted this audit to determine if the draw process operates in compliance with the direction of Lottery management and demonstrates an adequate system of internal controls that appropriately safeguard the assets and integrity of the Lottery.

The audit identified instances where improvements could be made to strengthen controls addressing the Draw Foul Practice Log and draw studio access. We therefore recommended the enhancement of procedures that should help to strengthen those controls.

16-000-1007, Orlando District

The Orlando district functions as a Lottery retailer and prize redemption center, which includes selling scratch-off and terminal game tickets and redeeming winning tickets with a value of up to \$1 million for Powerball® and Mega Millions® and up to \$250,000 for all other Lottery games. The district office serves as an operations center for lottery sales representatives, and operates a warehouse that receives, stores, and distributes items needed to support the Lottery retailers located within the district.



The OIG conducted an audit of the Orlando district office to determine whether the Orlando district operates in compliance with the direction of Lottery management, and demonstrates an adequate system of internal controls that safeguard the assets and integrity of the Lottery. Our audit disclosed opportunities for improvement in the areas of cash drawer accountability, compliance with district office operation procedures, security of resources and assets, claims payments, scratch-off ticket handling, fleet management, and MICS inventory. To address the noted deficiencies, we made 15 recommendations,

which if implemented, would strengthen the internal control structure of the Orlando district.

16-000-1008, Tampa District

The Tampa district functions as a Lottery retailer and prize redemption center, which includes selling scratch-off and terminal game tickets and redeeming winning tickets with a value of up to \$1 million for Powerball® and Mega Millions® and up to \$250,000 for all other Lottery games. The district office serves as an operations center for lottery sales representatives, and operates a warehouse that receives, stores, and distributes items needed to support the Lottery retailers located within the district.

The OIG conducted an audit of the Tampa district office to determine whether the Tampa district is operating in compliance with the direction of Lottery management, and demonstrating an adequate system of internal controls that safeguard the assets and integrity of the Lottery. Our audit disclosed opportunities for improvement in the areas of compliance with district office operation procedures, claims payments, scratch-off ticket handling, fleet management, district office cameras, and MICS inventory. To address the noted deficiencies, we made six recommendations, which if implemented, would strengthen the internal control structure of the Tampa District.

16-000-1009, Confidential and Sensitive Information

In order to accomplish the mission of the Lottery, certain divisions are charged with functions that require the collection, transmission, and storage of confidential and sensitive information. This includes information relating to scratch-off and draw game tickets, Lottery security systems, personnel records, security personnel records, credit information, tax information, winners, trade secrets, background investigations, contractual or bid information, and confidential information received from another agency.



The OIG conducted a review to evaluate the internal controls over the Lottery's confidential and sensitive information, including the collection, transmission, and storage of sensitive information in electronic and paper forms. We found that many business units had not formalized policies and procedures to address confidential and sensitive information. We recommended the enhancement of policies and procedures and the addition of access controls.

17-1001, Internal Control Assessment

The Internal Control Integrated Framework published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) is the recognized standard for establishing internal controls. Under the COSO model, the five interrelated components of internal control are control environment, risk assessment, control activities, information and communication, and monitoring. The OIG completed an assessment of the Lottery's internal control structure in accordance with the COSO framework. The purpose was to provide reasonable assurance on the effectiveness of the internal controls over the Lottery's financial reporting.



Based on the work performed, we determined that Lottery management has established an adequate system of internal controls for financial reporting and all five components of internal control were present. We identified minor deficiencies in the areas of access privilege reviews, segregation of duties, and bank signature cards. We made recommendations to management to assist in resolving the deficiencies.

This assessment was provided to the Auditor General as part of their Financial Statement audit for the fiscal year ended June 30, 2016.

17-1002, Performance Measures

Section 20.055, Florida Statutes, requires the OIG in each state agency to advise in the development of performance measures, standards, and procedures for the evaluation of state agency programs; assess the reliability and validity of the information provided by the state agency on performance measures and standards; and make recommendations for improvement, if necessary. The Lottery OIG conducted an annual review of the performance measures for the Lottery's annual Long Range Program Plan. The OIG assessed the reliability and validity of the five performance measures provided to the Legislature and found them to be reliable and valid in all material respects. We made two recommendations to ensure the consistency of the calculation methodology for one of the performance measures.

17-1003, IT Governance

IT governance is defined as the processes that ensure the effective and efficient use of IT in enabling an organization to achieve its goals. The purpose of IT governance is to align IT strategy with organization strategy to ensure the organization is successfully implementing its strategies and achieving its goals. The OIG conducted a review of IT governance to determine if the processes adequately support the Lottery's mission and strategic objectives.

During this review, we noted that the Division of Operations had not formally adopted a governance framework or developed an IT strategic plan. The OIG made recommendations that included utilization of an IT governance framework, development of an IT strategic plan, and creation of IT performance measures. Additionally, we recommended enhancements to Operations processes that impact staffing and the work environment.

17-1004, Security Evidence Vault

The Forensic Laboratory within the Lottery's Division of Security (Security) is responsible for providing a secure storage facility and maintaining a system of documentation to track property from its receipt to its eventual disposition. In response to a request by Security, the OIG conducted a review of the evidence vault located in the Forensic Laboratory. The purpose of our review was to verify the accuracy of property records against the property stored in the evidence vault. We found all items to be appropriately sealed and preserved, and properly reconciled to the property records.

17-1005, DHSMV MOU

Services provided by Security include background investigations for vendors, retailers, and Lottery personnel. In order to complete the background screenings and investigations, Security is permitted access to driver license and motor vehicle data through a memorandum of understanding (MOU) with Department of Highway Safety and Motor Vehicles. At the request of Lottery management, we conducted a review of the MOU in order to provide an attestation that the Lottery's internal controls are adequate to protect the personal data from unauthorized access, distribution, use, modification, or disclosure. We were able to confirm that Security was operating in compliance with the terms set forth by the data exchange MOU.



17-1006, Information Security Management

Information security is the most critical factor in protecting information assets and privacy. The Lottery's Information Security Management (ISM) office develops and coordinates the information security infrastructure and program to provide protection and ensure integrity for the Lottery's computers, data, and networks. The OIG conducted a review of ISM in order to evaluate ISM's core functions and the internal controls that follow. The review revealed areas where internal controls could be strengthened, specifically noting a lack of information security awareness training, instances where processes did not align with the cybersecurity framework, failure to complete the gap assessment, and the need to

enhance some policies and procedures. We made ten recommendations to management that, if implemented, should strengthen the internal control structure of ISM.

17-1007, Jacksonville District

The Jacksonville district functions as a Lottery retailer and prize redemption center, which includes selling scratch-off and terminal game tickets and redeeming winning tickets with a value of up to \$1 million for Powerball® and Mega Millions® and up to \$250,000 for all other Lottery games. The district office serves as an operations center for lottery sales representatives, and operates a warehouse that receives, stores, and distributes items needed to support the Lottery retailers located within the district.

The OIG conducted an audit of the Jacksonville district office to determine whether the Jacksonville district operates in compliance with the direction of Lottery management, and demonstrates an adequate system of internal controls that safeguard the assets and integrity of the Lottery. Our audit disclosed opportunities for improvement in the areas of cash handling, opening and closing procedures, claims payments, scratch-off ticket handling, and fleet management. We made six recommendations that, if implemented, should strengthen the internal control structure of the Jacksonville district office.

17-2001, Internal Follow-Up

The OIG reviewed the status of open corrective action plans from eight internal audits. There were 27 open findings, which included 35 recommendations. We verified the completion of 26 recommendations, which resulted in closure of 19 findings. We will continue to follow up on the outstanding recommendations until all corrective actions have been completed.

REVIEW OF CORRECTIVE ACTIONS FOR PRIOR YEAR AUDITS

Section 20.055(8)(c), Florida Statutes, requires the identification of each significant recommendation described in previous annual reports on which corrective action has not yet been completed. There have been no significant recommendations described in previous annual reports for which corrective actions have not been implemented.

AUDIT RESPONSE COORDINATION AND FOLLOW-UP

The OIG provides a single point of contact for external agencies auditing the Lottery. This is done to ensure effective coordination and cooperation between the Office of the Auditor General, OPPAGA, and other governmental bodies and to minimize duplication of effort. We coordinate information requests and responses and assist in scheduling meetings for these entities. We provide coordination of the required responses to preliminary and tentative findings issued by the Office of the Auditor General, OPPAGA, Department of Financial Services, and other oversight agencies. We also coordinate the six-month response on the status of corrective actions taken by the Lottery on any audit findings and recommendations issued by the Office of the Auditor General or OPPAGA. Florida Statute 20.055 requires the OIG to provide a written report on the status to the Chief Inspector General and the Joint Legislative Auditing Committee. During the 2016-17 fiscal year, we coordinated the following external projects and follow-ups:



OFFICE OF THE AUDITOR GENERAL	
2016-080	SIX-MONTH STATUS: FINANCIAL AUDIT FOR THE FISCAL YEARS ENDED JUNE 30, 2015, AND 2014
2017-019	SELECTED ADMINISTRATIVE ACTIVITIES AND PRIOR AUDIT FOLLOW-UP
2017-103	FINANCIAL AUDIT FOR THE FISCAL YEARS ENDED JUNE 30, 2016, AND 2015
2017-019	SIX-MONTH STATUS: SELECTED ADMINISTRATIVE ACTIVITIES AND PRIOR AUDIT FOLLOW-UP
OFFICE OF PROGRAM POLICY ANALYSIS AND GOVERNMENT ACCOUNTABILITY	
16-01	SIX-MONTH STATUS: LOTTERY SALES HAVE INCREASED; TRANSFERS TO EETF REMAIN STABLE
17-01	REVIEW OF THE FLORIDA LOTTERY, 2016

RISK ASSESSMENT AND AUDIT PLAN

Section 20.055, Florida Statutes, requires the Inspector General to develop long-term and annual audit plans based on periodic risk assessments of the Lottery. This helps ensure the OIG is responsive to management concerns and that those activities judged to have the greatest risks are identified and scheduled for review.

The risk assessment included identifying programs and activities administered by the Lottery and evaluating each activity based on indicators of risk exposure, or risk factors. Each program or activity was given a score for the seven risk factors: financial impact, internal control and risk management, operation complexity, public perception, change in operations/systems, audit coverage, and management concerns. The risk assessment included administration of a risk assessment survey to Lottery management, and meetings with executive management to discuss enterprise risk exposures and internal controls.

Using the results from these efforts and our professional judgment, we developed the audit plan for the 2017-18 fiscal year. The audit plan provides the most effective coverage of the Lottery's programs and processes, while optimizing the use of internal audit resources. At the request of the Chief Inspector General, we have dedicated 200 audit hours to enterprise projects, which address administrative issues common to most agencies. The annual audit plan was approved by the Lottery Secretary and submitted to the Office of the Chief Inspector General and the Auditor General. During the 2017-18 fiscal year, audit resources will be allocated to the following engagements:

2017-18 Audit Plan

DIVISION/OFFICE	PROJECT
CIO/ISM	IT Operational, Efficiency, and DRP Review
Brand Management	Special Events and Promotions
Claims Processing	Processing and Payment of Claims
Department Wide	Contract Management and Monitoring
Sales	District Offices
Division of Security	Ticket Forensics Testing
Department Wide	Performance Measures
Finance	Purchase Cards

INVESTIGATIONS

The OIG works to deter, detect, and investigate allegations of fraud, waste, abuse or employee misconduct impacting the Lottery. The OIG receives inquiries or complaints regarding Departmental activity from many sources, including the Whistle-blower's Hotline, the Florida Department of Financial Services' Get Lean Hotline, the Chief Inspector General's Office, an online complaint form on the OIG's website, letters, telephone calls, e-mails, and the Executive Office of the Governor.



Investigation Responsibilities of the OIG include:

- Receive complaints and coordinate all activities of the agency as required by the Whistle-blower's Act pursuant to Section 112.3187 – 112.31895, Florida Statutes;
- Receive and consider complaints that do not meet the criteria for an investigation under the Whistle-blower's Act and conduct, supervise, or coordinate such inquiries, investigations, or reviews as the Inspector General deems appropriate;
- Report expeditiously to the Department of Law Enforcement or other law enforcement agencies, as appropriate, whenever the Inspector General has reasonable grounds to believe there has been a violation of criminal law;
- Conduct investigations and other inquiries free of actual or perceived impairment to the independence of the Inspector General or the Inspector General's office. This shall include freedom from any interference with investigations and timely access to records and other sources of information; and
- Submit in a timely fashion, final reports on investigations conducted by the Inspector General to the agency head, except for Whistle-blower's investigations, which shall be conducted and reported pursuant to Section 112.3189, Florida Statutes.

Investigations are conducted in accordance with quality and quantitative standards as set forth in the *Association of Inspectors General Principals and Standards for Offices of Inspector General* and the *Commission for Florida Law Enforcement Accreditation*. If suspicion of potential criminal activity is discovered, it is referred to the appropriate law enforcement agency. The OIG coordinates with law enforcement on any criminal investigation, while ensuring that issues of an internal nature are addressed administratively.

During Fiscal Year 2016-17, the OIG completed six internal investigations, processed 132 complaints, and conducted activities related to maintaining the Commission for Law Enforcement Accreditation.

COMPLAINTS

The OIG received 132 complaints during fiscal year 2016-17. OIG staff responded to each complainant as appropriate and referred 95 complaints to Lottery management for proper handling. OIG staff initiated an investigation for 5 complaints.

COMPLETED INVESTIGATIONS

During the 2016-17 fiscal year, the OIG completed six investigations. A synopsis of those investigations is provided below.

16-000-4006, Promotional Tickets

During an audit of the Orlando district office, the OIG examined promotional ticket distribution and validation. An anomaly was found concerning tickets that were distributed at the Florida Festivals and Events Association Convention and Tradeshow. A Lottery employee was suspected of taking the promotional tickets and cashing the winning tickets. The allegation was substantiated.

16-000-4007, Van Damage

The OIG was notified of a concern regarding an accident report that was filed by a Lottery employee. The police report did not correspond with the damage reflected in the photographs of the accident. The allegation of false representation was substantiated.

16-000-4008, Promotional Tickets 2

During an audit of the Orlando district office, the OIG examined promotional ticket distribution and validation. An anomaly was found concerning tickets that were distributed at the Homestead Race Weekend event. Although the allegation of misappropriation was unsubstantiated, the investigation identified some weaknesses related to promotional events. The OIG recommended management consider enhancing Lottery Policy AP-01-01 and the promotional scratch-off ticket procedures, and prohibit talent from receiving for personal use any promotional scratch-off tickets for those Lottery events at which they are hired to perform.



17-4003, Harassment

This investigation originated from a complaint to Human Resources by a supervisor in General Accounting, who alleged she was being harassed by her senior supervisor. The allegation was unsubstantiated.

17-4004, Hiring Practices

While conducting the harassment investigation, the OIG identified documents that revealed possible violations of several Lottery policies. The Secretary requested that the OIG investigate the matter to determine if documents were modified, resulting in circumvention of the approved classification and appointment processes. The investigation found four incidents of violation of Lottery policy. Additionally, there was an incidental finding regarding the misuse of information technology resources. The OIG recommended management enhance HR policies and templates, and ensure all Lottery Exempt Service positions are advertised, as per Lottery policy.

17-4005, Workers Compensation

This case involved false statements made by a Lottery employee on a Worker's Compensation form. The allegation was substantiated.

ACCREDITATION

An accreditation program has long been recognized as a means of maintaining and verifying the highest standards. Accreditation is the certification by an independent reviewing authority that an entity has met specific requirements and prescribed standards. In 2009, the Commission for Florida Law Enforcement Accreditation (CFA) expanded its program to include inspectors general offices. The CFA establishes standards, manages accreditation programs, and grants accreditation to Offices of Inspectors General that adhere to the established standards. The OIG first received accreditation status by the CFA in 2010. The accreditation remains in effect for three years. The OIG received its most recent reaccreditation status in October 2016.



OIG staff regularly conducts activities to ensure ongoing compliance with accreditation requirements. Activities relating to this effort include:

- Conduct annual reviews to ensure continued compliance with the standards and the Investigations Manual. This includes a full review of all complaints and investigations and supporting documentation.

- Provide assistance to other agencies with their accreditation process. On several occasions, OIG staff provided assistance (guidance and relevant materials) to other agencies to support them in their accreditation efforts.
- Attend Accreditation Manager meetings to discuss current and future issues regarding accreditation requirements.
- Revise the OIG Investigations Manual to comply with changes in CFA standards.
- Ensure OIG staff submit annual independence attestations and meet annual training requirements for CFA standards.
- Complete the CFA Annual Report.

OVERSIGHT ACTIVITIES

The OIG participates in numerous activities that are classified as oversight. This includes internal quality assessments, OIG work plans, OIG annual reports, and other internal/external assistance activities. OIG staff proactively monitors certain Lottery activities and reviews patterns to determine if additional action is warranted. During fiscal year 2016-17, the OIG performed the following oversight activities.

COMPUTER SECURITY INCIDENT RESPONSE TEAM

The Computer Security Incident Response Team (CSIRT) responds to suspected computer security incidents by identifying and controlling incidents, notifying designated CSIRT responders, and reporting findings to Agency management. The OIG is a core member of the CSIRT team for the Lottery. During fiscal year 2016-17, the OIG attended quarterly CSIRT meetings and reviewed and provided input to management on proposed CSIRT policies and procedures.

RETAILER INTEGRITY PROGRAM

Throughout Fiscal Year 2016-17, the OIG provided administrative support, research, and consulting activities. The IG serves as an advisor to the Retailer Integrity Program and attends the weekly meetings.

LOTTERY DRAWINGS

The facility where Lottery drawings are conducted requires a dual-control environment, necessitating Division of Security staff and audit staff be present during any required maintenance and other activities. OIG staff fulfills this role as needed. Additionally, the

OIG is notified of any draw discrepancies. We monitor these discrepancies and perform additional reviews when necessary.

OTHER OIG ACTIVITIES

ENTERPRISE PROJECTS

To gain efficiencies by working together, the Chief Inspector General (CIG) and agency Inspectors General meet on a regular basis to discuss and evaluate enterprise issues and projects. The CIG appointed several functional working groups made up of inspectors general from various state agencies to evaluate issues crossing agencies.

During fiscal year 2016-17, the Lottery OIG participated on a Contract Management and Monitoring enterprise project for the CIG Executive Office of the Governor. The workgroup surveyed agency contract administrators and collected pertinent information for the project. This enterprise project will carry over and be completed during the 2017-18 fiscal year. The workgroup's efforts are expected to result in a report that identifies best practices, which can be shared with all state agencies in Florida.

AUDIT DIRECTOR ROUNDTABLE

The Director of Internal Audit participates in the Audit Director Roundtable. The mission of the Audit Director Roundtable is to promote the effective and efficient use of internal audit resources toward accountability, productivity, and enhancement of management control over operations. The Roundtable is a voluntary group composed of representatives (primarily Audit Directors) from local companies and organizations, state agencies, and institution of higher education with an internal audit function.

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