



STATE OF FLORIDA
DEPARTMENT OF CITRUS

605 EAST MAIN STREET / BOX 9010 / BARTOW, FLORIDA 33831

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SHANNON R. SHEPP
EXECUTIVE DIRECTOR
PHONE: 863-537-3999
FAX: 877-352-2487



J. NED HANCOCK
CHAIRMAN
FLORIDA CITRUS COMMISSION

July 29, 2020

ANNUAL REPORT FOR THE OFFICE OF INSPECTOR GENERAL FOR FY2019-2020

To: Shannon R. Shepp, Executive Director, Florida Department of Citrus (FDOC)

In accordance with Section 20.055(7), Florida Statutes (F.S.), I am submitting the Annual Report for the Office of Inspector General for FY2019-2020.

The Office of the Inspector General, under the authority of Section 20.055, F.S., 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, F.S. also requires that an annual report be submitted to the department head not later than September 30 each year, summarizing the activities during the preceding fiscal year.

A handwritten signature in blue ink, appearing to read "Kevin Eaton".

Kevin Eaton
Inspector General

cc: Melinda Miguel, Chief Inspector General

**Office of Inspector General
Annual Report
FY2019-2020**

Audits:

Eight (8) audits were completed as follows:

Assessments on Domestic Fruit was audited for 2018-2019 season. The objective of this audit was to evaluate compliance with Chapter 601.15 and other applicable statutes, rules, and policies. Overall, the processes and procedures in place at the Department were sufficient to ensure the accurate and timely collection of assessments on processed citrus products. No recommendations were noted for this audit.

Edible Inc. Contracts 15-09d and 15-09e were audited for the period July 1, 2018 through June 30, 2020. 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 accessible for follow-up audit; and test the system of internal controls as it relates to Department programs. The Department established and maintained policies and internal controls that were relied upon to meet the audit objectives. No recommendations were noted for this audit.

Information Technology (IT) Department was audited to document the activities and resources of the IT Department and the objectives were to evaluate compliance with FDOC and State of Florida policies and procedures; review duties and responsibilities of IT Department employees; ensure all required reports were prepared and submitted in a timely manner; and review contracts, purchase orders, purchases, travel, training, inventory, and other relevant functions of the IT Department. Overall, the audit of the IT Department did not identify any significant issues relative to the objectives stated above. There were two recommendations noted to increase accountability and efficiency within the IT Department.

Sohn's Market Makers Contract 17-08 was audited for the period July 1, 2017 through June 30, 2019. 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 accessible for follow-up audit; and test the system of internal controls as it relates to Department programs. The Department established and maintained policies and internal controls that were relied upon to meet the audit objectives. No recommendations were noted for this audit.

Toluna USA, Inc. Contracts 12-10, 12-10a, and 12-10b were audited for the period July 1, 2017 through December 31, 2019. The objectives of the audit were to verify compliance with contract terms and document the process in place for managing the contract. Overall, the Department established and maintained adequate internal controls, which were relied upon to meet the objectives of the audit. The department contract manager sufficiently documented activities to verify that contract deliverables were received in compliance with criteria established in the Toluna contracts. No recommendations were noted for this audit.

State Purchasing Card Program was audited for the period July 1, 2019 through June 30, 2020. The objectives of the compliance audit were to provide reasonable assurance that internal controls were in place to prevent and detect errors, misuse or abuse, or inappropriate purchases; monitor purchasing card transactions to provide reasonable assurance that purchases comply with State law and are valid obligations of the State; and ensure transactions in Works are supported by receipts and other required documentation. The Department established and maintained policies and internal controls that were relied upon to meet the audit objectives. No recommendations were noted for this audit.

Travel Payments were audited for the period July 1, 2018 through June 30, 2019. The objective was to evaluate compliance with FDOC policies and Florida statutes. Overall, the Department established and maintained adequate internal controls, which were relied upon to meet the objective of the audit. Overall, the processes and procedures in place at the FDOC were sufficient to ensure travel payments were made for travel expenditures that were authorized in advance, mission critical to the Department, and properly substantiated through expenditure documentation. No recommendations were noted for this audit.

Yamano and Associates Contract 17-11 was audited for the period July 1, 2018 through December 31, 2019. 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 accessible for follow-up audit; and test the system of internal controls as it relates to Department programs. The Department established and maintained policies and internal controls that were relied upon to meet the audit objectives. One recommendation was noted to increase compliance with Department policy.

Investigations:

No investigations were conducted during FY2019-2020.

Other Activities:

Additional activities included conducting monthly reviews of the personal use of Department cell phones; conducting a risk assessment and completing the Audit Plan; conducting follow-up audits; coordinating an audit of the Department by the Auditor General; coordinating an audit of the Department by the Department of Financial Services; preparing for and attending Florida Citrus Commission meetings; and other miscellaneous activities.