

Audit Plan
Fiscal Year 2017-2018

Long Range Plan
Fiscal Years 2018-2019 and 2019-2020

Office of Inspector General
Internal Audit Section
Florida Department of Environmental Protection

July 1, 2017



Candie M. Fuller
Inspector General



Florida Department of Environmental Protection

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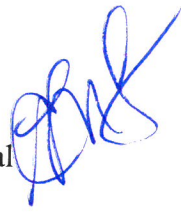
Rick Scott
Governor

Carlos Lopez-Cantera
Lt. Governor

Noah Valenstein
Secretary

Memorandum

TO: Noah Valenstein, Secretary

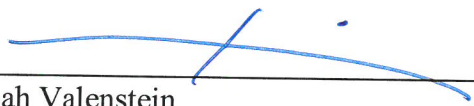
FROM: Candie M. Fuller, Inspector General 

SUBJECT: Audit Plan for Fiscal Year 2017-2018 and Long Range Plan for Fiscal Years 2018-2019 and 2019-2020

DATE: June 19, 2017

Attached is the Department's Annual Audit Plan for fiscal year 2017-2018 and Long Range Plan for fiscal years 2018-2019 and 2019-2020. The Audit Plan is designed to assist management's efforts to monitor and improve programs, processes and internal controls. The development of the Audit Plan was based on a review of statutory requirements, discussions with senior and key management, and a risk assessment to ensure the most efficient use of audit resources.

Please acknowledge below, acceptance of the Annual Audit Plan for fiscal year 2017-2018 and Long Range Plan for fiscal years 2018-2019 and 2019-2020.



Noah Valenstein
Secretary
Department of Environmental Protection

6.26.2017
Date

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Office of Inspector General
Internal Audit Section
Florida Department of Environmental Protection
Audit Plan
Fiscal Year 2017-2018

INTRODUCTION

In accordance with Section 20.055(6)(i), Florida Statutes, the Office of Inspector General Annual Audit Plan and Long-Range Audit Plan has been developed based on assessment of risk to Department of Environmental Protection (Department) programs and processes. Department goals, objectives and priorities, prior audits, budgets, program funding, organizational changes, and input from Department staff were considered when developing the Audit Plan.

BACKGROUND

The Office of Inspector General was established within the Department to provide a central point for coordination of, and responsibility for activities that promote accountability, integrity, and efficiency in government. Section 20.055(2), Florida Statutes (F.S.), designates responsibilities of the Inspector General, which include the following:

- Advising in the development of performance measures, standards, and procedures for the evaluation of Department programs, and assess the reliability and validity provided by the Department on performance measures and standards.
- Providing direction for supervising and coordinating audits, investigations, and management reviews relating to the programs and operations of the Department
- Reviewing actions taken by the Department to improve program performance
- Conducting, supervising, and coordinating activities that promote economy and efficiency and prevent or detect fraud and abuse in Department programs and operations
- Reviewing and evaluating internal controls to ensure fiscal accountability, efficiency, and integrity of the Department's programs

Audits released by the Office of Inspector General are conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* published by the Institute of Internal Auditors, or where appropriate, in accordance with Government Auditing Standards published by the United State General Accounting Office.

AUDIT PLAN DEVELOPMENT METHODOLOGY

The Office of Inspector General Audit Plan has been developed for Fiscal Year 2017-2018 using a risk assessment. The risk assessment evaluated a number of factors to equitably identify programs and functions in the Department, and the associated risks of operating those programs and functions. Factors considered in the evaluation of programs and functions include:

- Value of the financial resources applicable to the program or function
- Dollar amount of program expenditures
- Statutes, rules, internal controls, procedures, and monitoring tools applicable to the program or function; concerns of management; impact on the public safety, health, and welfare
- Complexity and/or volume of activity in the program or function
- Input from Department management and staff
- Previous audits performed

Programs and functions were scored based upon these factors, then reviewed further to determine the most efficient schedule of auditing the selected programs and functions given available resources.

The following pages contain the Audit Plan for Fiscal Year 2017-2018. Included is a summary of the assigned hours by project and the available resources within the Office of Inspector General staff. The hours assigned for each project are estimates and may be revised when objectives and necessary fieldwork are determined.

Audit Plan for Fiscal Year 2017-2018

DIVISION / OFFICE	PROJECT TITLE	Number of Hours
Department		
Department	Review of Trust Fund Support of Department Positions	250
Department	Review of Delegations of Authority	250
Administrative Services		
Administrative Services	Review of Department Processes for Background Checks	250
Administrative Services	Review of Department Cell Phone Use	250
Administrative Services	Review of Department Fuel Card Controls	250
Office of Information Technology		
Technology and Information Systems	Review of Information Technology Procurement Processes	300
Technology and Information Systems	Review of Department Information Technology Contract Staff Augmentation Services	300

Ecosystems Projects		
Water Restoration Assistance	Audit of the Clean Water and Drinking Water Revolving Fund Programs' Special Purpose Financial Presentations (Fiscal Year 2016-2017)	400
Water Restoration Assistance	Review of State Revolving Fund Loans and Grant Agreements with the City of Archer	300
Water Restoration Assistance	Review of State Revolving Fund Loans and Grant Agreements with the City of Sanford	300
Water Restoration Assistance	Review of State Revolving Fund Loans and Grant Agreements with Everglades City	300
Water Restoration Assistance	Review of Select Beach Restoration Grant Agreements	300
Water Restoration Assistance	Review of Grant Agreement G0412 City of Cocoa Beach	300
Water Restoration Assistance	Review of Grant Agreement G0414 with Martin County	300
Water Restoration Assistance	Review of King's Bay Restoration Agreement, Save Crystal River, Inc.	300
Water Restoration Assistance	Review of Select Section 319 Grants	300
Water Restoration Assistance	Review of Select Total Daily Maximum Load (TMDL) Non-Point Source Grants	300

Environmental Assessment and Restoration	Review of Select Task Assignments for Bureau of Labs Contract Services	300
Florida Coastal Office	Review of Friends of Guana-Tolomato-Matanzas National Estuarine Research Reserve, Inc. Citizen Support Organization	300

Land and Recreation		
Recreation and Parks	Review of Concession Capital Improvements at Oleta River State Park, Hugh Taylor Birch State Park, and Dr. Von D. Mizell-Eula Johnson State Park	350
Recreation and Parks	Audit of Concession Agreement MY-0611 with Myakka Wildlife Tours, Inc.	250
Recreation and Parks	Audit of Myakka River State Park and Friends of Myakka River Citizen Support Organization	350
Recreation and Parks	Review of Concession and Special Use Agreements for Services at Anclote Key Preserve State Park	250
Recreation and Parks	Audit of Hillsborough River State Park and the Hillsborough River State Park Historic Preservation Society Citizen Support Organization	350
Recreation and Parks	Audit of Bahia Honda State Park and Friends of Bahia Honda State Park, Inc. Citizen Support Organization	350
Recreation and Parks	Audit of Nature Recreation Management, LLC Concession at Lovers Key State Park	250
Recreation and Parks	Audit of Friends of Highlands Hammock State Park, Inc. Citizen Support Organization	250
Recreation and Parks	Audit of Ybor City Museum Society, Inc. Citizen Support Organization	250
Recreation and Parks	Audit of Friends of Florida State Parks, Inc. Citizen Support Organization	250
Recreation and Parks	Review of Park Honor Box Collection Controls	300
Recreation and Parks	Review of Concession Agreement Services with Coin-O-Matic, Inc.	250
Recreation and Parks	Review of Concession Agreement Services with Fancy Camps, LLC	250
Recreation and Parks	Review of Concession and Special Use Agreements for Services at St. Andrews State Park	250
Operations	Review of Agreement PL352 with Forestech Consulting, Inc.	300
Operations	Review of Agreement with Reserve America, LLC	360
Operations	Review of Select Florida Recreation Development Assistant Program Grant Agreements	250
Operations	Review of Select Land and Water Conservation Fund Grant Agreements	250

Operations	Review of Agreement PL353 with Institute for Service Research, LLC	250
Operations	Review of Recreational Trails Project Grant Agreement T1311 with the City of Safety Harbor	250
Operations	Review of Bureau of Design and Construction Contract for Fort Zachary Taylor Entrance Project	300
State Lands	Review of Purchase Order AFA92C for the Land Management Plan Module Project	300
State Lands	Review of Purchase Order B01CB4 for Mobile Application and Database	300

Regulatory Programs		
Water Resource Management	Review of Florida Rural Water Association Technical Assistance and Training Grants.	300
Water Resource Management	Review of Agreement WQ027 with Watertech, Inc.	300
Waste Management	Review of Select Task Assignments for Contract HW550 with Geosyntec Consultants, Inc.	300
Waste Management	Review of Select Task Assignments for Contract HW551 with AECOM, Inc.	300
Northwest District	Review of District Cash Receipt Process	300
Total Hours		13,560

Inland Protection Trust Fund (IPTF)		
Waste Management (IPTF)	Review of Storage Tank Compliance Inspections of County Owned Facilities	300
Waste Management (IPTF)	Continuous Review of Petroleum Restoration Program Agency Term Contract Purchase Orders and Practices	1500
Waste Management (IPTF)	Review of Contract Agreement GC725 with Northstar Contracting Group, Inc.	300
Waste Management (IPTF)	Review of Contract Agreement GC726 with Ecology and Environment, Inc.	300
Waste Management (IPTF)	Review of Petroleum Restoration Program Agency Term Contract with Handex Consulting, and Remediation, LLC	300
Waste Management (IPTF)	Review of Petroleum Restoration Program Agency Term Contract with URS Corporation Southern	300
Waste Management (IPTF)	Audit of Orange County Cleanup Contract	300
Waste Management (IPTF)	Audit of Duval County Cleanup Contract	300
Total Hours		3,600

Enterprise Chief Inspector General Audits	
PROJECT TITLE	
To be determined	500

Special Assignments	
PROJECT TITLE	Number of Hours
Review of Single Audit Reports	580
Office of Inspector General Audit Plan and Risk Assessment Fiscal Year 2018-2019	170
Chief Inspector General Quarterly Reports	10
Office of Inspector General Annual Report Fiscal Year 2016-2017	75
Review Audit Reports	800
Finalize Audit Reports Fiscal Year 2016-2017	350
Coordinate External Audits	50
Follow-up on Prior Audits	350
Long Range Program Plan and Performance Measures	250
Total Special Assignment Estimates	2,635

Total Planned Audit Hours	
Audit Projects	13,560
IPTF Audit Projects	3,600
Enterprise Inspector General Audits	500
Special Assignments	2,635
Total Planned Audit Hours	<u>20,295</u>

AVAILABLE AUDIT STAFF HOURS

Position Title	Fiscal Year 2017-2018
Audit Director	1,720
Management Review Specialists (8 Positions)	13,760
Operations and Management Consultant II (.8 Position)	1,375
Government Analyst II (OPS) (2 Positions)	3,440
TOTAL HOURS	<u>20,295</u>

Long Range Audit Plan
Department of Environmental Protection
Office of Inspector General
Fiscal Years 2018-2019 and 2019-2020

INTRODUCTION

The Office of Inspector General Long Range Audit Plan evaluates the efficiency and effectiveness of Department processes, and provides consultation services to units of the Department regarding program measurement. A risk assessment and requests by Department staff are all considered when developing the Long Range Audit Plan.

The purpose of this document is to establish a Long Range Audit Plan based on the audit planning process in accordance with Section 20.055(6)(i), F.S.

BACKGROUND

The Office of Inspector General was established within the Department to provide a central point for coordination of and responsibility for activities that promote accountability, integrity, and efficiency in government. Section 20.055(2), F.S., designates responsibilities of the Inspector General, which include the following:

- Providing direction for supervising and coordinating audits, investigations, and management reviews relating to the programs and operations of the Department
- Reviewing and evaluating internal controls to ensure fiscal accountability, efficiency, and integrity of the Department's programs
- Advising in the development of performance measures, standards, and procedures for the evaluation of Department programs
- Reviewing actions taken by the Department to improve program performance
- Preventing fraud and abuse in the Department's programs and operations

Audits released by the Office of Inspector General are conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* published by the Institute of Internal Auditors, Inc., or where appropriate, in accordance with Government Auditing Standards.

The following pages contain the Long Range Audit Plan schedules for Fiscal Years 2018-2019 and 2019-2020. Included is a summary of the assigned hours by project and the available staff resources. The hours assigned for each project are estimates and may be revised when objectives and necessary fieldwork are determined.

AUDIT PLAN FOR FISCAL YEAR 2018-2019

Long Range Planned Projects		
DIVISION / OFFICE	PROJECT TITLE	Estimated Hours
Department		
Technology and Information Systems	Audit of Select Department Information Technology Processes	300
Administrative Services	Audit of Select Administrative Functions	500
Districts	Audits of Select Administrative and District Functions	500
General Counsel	Review of Select Contracted Professional Services	200
Ecosystem Projects		
Environmental Assessment and Restoration	Review of Select Contracts/Grants	500
Ecosystems Projects	Review of Select Contracts/Grants	500
Water Restoration Assistance	Audit of State Revolving Loan Fund Financial Presentation (FY 2017-2018)	400
Water Restoration Assistance	Audit of Select Beach Restoration Grants	400
Water Restoration Assistance	Review of Select Deepwater Horizon Project Agreements	550
Florida Coastal Office	Review of Friends of Rookery Bay National Estuarine Research Reserve Citizen Support Organization	500
Land and Recreation		
Recreation and Parks	Audits of Select Contracted Concessions	800
Recreation and Parks	Audits of Select Citizen Support Organizations	600
Recreation and Parks	Audits of Select State Parks	800
Operations	Review of Select Florida Recreation and Development Program Grants	600
Operations	Review of Professional Services Contracts	600
Operations	Review of Select Construction Contracts	710
Operations	Audit of Select Land and Water Conservation Fund Program (LWCF) Grants	600
Operations	Audit of Select Recreation Trails Program Grants	500
Operations	Audit of Select Florida Recreation Development Assistance Program (FRDAP) Grants	300
Operations	Review of Florida Communities Trust Projects	300
State Lands	Review of Select State Lands Contracts	300

State Lands	Review of Select Division Program Processes	700
Regulatory Programs		
Air Resource Management	Audit of Tag Fee Program	300
Air Resource Management	Audit of Title V Grants	500
Waste Management	Audit of Select Division of Waste Management Contracts	800
Waste Management	Continuous Review of Petroleum Restoration Program (PRP) Purchase Orders to Agency Term Contractors	1,000
Waste Management	Review of Activities Related to Select Agency Term Contractors	1,000
Waste Management	Audits of Select Compliance and Cleanup Local Programs	1,000
Water Resource Management	Audit of Select Division of Water Resource Management Contracts/Grants	500
Water Resource Management	Review of Select Local Delegation Agreements	900
Total		17,160

Enterprise Chief Inspector General Audits	
PROJECT TITLE	Hours
To be determined	500

Special Assignments	
PROJECT TITLE	Hours
Review of Independent Audit Reports	580
Office of Inspector General Audit Plan and Risk Assessment Fiscal Year 2019-2020	170
Chief Inspector General Quarterly Reports	10
Office of Inspector General Annual Report Fiscal Year 2017-2018	75
Review Audit Reports	800
Finalize Audit Reports Fiscal Year 2017-2018	350
Coordinate External Audits	50
Follow-up on Prior Audits	350
Long Range Program Plan and Performance Measures	250
Total Special Assignment Estimates	2,635

Total Planned Audit Hours	
Audit Projects/IPTF Audit Projects	17,160
Enterprise Inspector General Audits	500
Special Assignments	2,635
Total Planned Audit Hours	<u>20,295</u>

ESTIMATED AVAILABLE AUDIT STAFF HOURS

Position Title	2018-2019
Audit Director	1,720
Management Review Specialists (8 Positions)	13,760
Operations and Management Consultant II (.8 Position)	1,375
Government Analyst II (OPS) (2 Positions)	3,440
TOTAL HOURS	<u>20,295</u>

AUDIT PLAN FOR FISCAL YEAR 2019-2020

Long Range Planned Projects		
DIVISION / OFFICE	PROJECT TITLE	Estimated Hours
Technology and Information Systems	Audit of Select Department Information Technology Contracts	600
Administrative Services	Audits of Select Administrative Functions	800
Environmental Assessment and Restoration	Audit of Select Contracts/Grants	900
Water Restoration Assistance	Review of Select 319 and Total Maximum Daily Load (TMDL) Grant Agreements	600
Water Restoration Assistance	Review of Deepwater Horizon Project Agreements	800
Water Restoration Assistance	Audit of the Clean Water and Drinking Water Revolving Fund Programs' Special Purpose Financial Presentations (FY 2018-2019)	500
Water Restoration Assistance	Review of Select Beach Restoration Grants	500
Ecosystems Projects	Review of Select Project Agreements	500
Florida Coastal Office	Review of Select Florida Coastal Office Reserves	475
Recreation and Parks	Audits of Select State Parks/Concessions/Citizen Support Organizations	1,500
Operations	Review of Select Construction Contracts	600
Operations	Review of Select Park Operations Grant Program Projects	1,000
State Lands	Review of Select State Lands Processes/Contracts	1,000
Air Resource Management	Review of Select Division Grants/Contracts	500
Districts	Review of Select Administrative or Program Reviews	400
Waste Management	Review of Select Division Functions/Process Reviews	800
Waste Management	Continuous Review of Petroleum Restoration Program Purchase Orders and Agency Term Contracts	2,700
Waste Management	Audits of Select Compliance and Clean up Local Programs IPTF	1,685
Agency-Wide	Other Audits/Management Reviews to be determined	1,300
	Total	17,160

Enterprise Chief Inspector General Audits	
PROJECT TITLE	Hours
To be determined	500

Special Assignments	
PROJECT TITLE	Number of Hours
Review of Independent Audit Reports	580
Office of Inspector General Audit Plan and Risk Assessment Fiscal Year 2020-2021	170
Chief Inspector General Quarterly Reports	10
Office of Inspector General Annual Report Fiscal Year 2018-2019	75
Review Audit Reports	800
Finalize Audit Reports Fiscal Year 2018-2019	350
Coordinate External Audits	50
Follow-up on Prior Audits	350
Long Range Program Plan and Performance Measures	250
Total Special Assignment Estimates	2,635

Total Planned Audit Hours	
Audit Projects/IPTF Audit Projects	17,160
Enterprise Inspector General Audits	500
Special Assignments	2,635
Total Planned Audit Hours	20,295

ESTIMATED AVAILABLE AUDIT STAFF HOURS

Position Title	2019-2020
Audit Director	1,720
Management Review Specialists (8 Positions)	13,760
Operations and Management Consultant II (.8 Position)	1,375
Government Analyst II (OPS) (2 Positions)	3,440
TOTAL HOURS	20,295