

**Florida Department of Juvenile Justice
Office of the Inspector General**

**ANNUAL AUDIT PLAN
FISCAL YEAR
2014 – 2015**


**Robert A. Munson, CIG
Inspector General**

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STATE OF FLORIDA
DEPARTMENT OF JUVENILE JUSTICE

INTEROFFICE MEMORANDUM

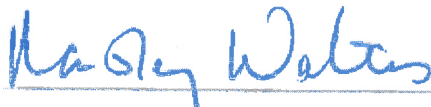
DATE: June 26, 2014
TO: Wansley Walters, Secretary
FROM: Robert A. Munson, Inspector General 
SUBJECT: Annual Audit Plan for Fiscal Year 2014-2015

The Office of Inspector General, Bureau of Internal Audit, is pleased to present our proposed Annual Audit Plan for Fiscal Year 2014-2015. Our audit plan is risk-based and considers the most effective coverage of the Department's systems, functions, programs, and operations. We developed our audit plan based on the Department's management input and a risk assessment involving input from each of the Department's program and administrative areas, in order to provide a systematic approach for selecting audit projects.

The activities outlined in this plan address management priorities and the most vulnerable areas of the Department. We look forward to working with management to improve the effectiveness and efficiency of our agency's programs and services while achieving our other statutory responsibilities.

With your approval, we will implement the Annual Audit Plan for Fiscal Year 2014-2015.

We appreciate your support.

Approved: 
Wansley Walters, Secretary

RM/my

Attachment

cc: Christy Daly, Deputy Secretary
Jason Welty, Chief of Staff

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Rick Scott, Governor

Wansley Walters, Secretary

The mission of the Department of Juvenile Justice is to increase public safety by reducing juvenile delinquency through effective prevention, intervention, and treatment services that strengthen families and turn around the lives of troubled youth.

Introduction

Statutory Duties and Responsibilities

Section 20.055(5)(i), Florida Statutes (F.S.) requires the Inspector General to develop long-term and annual audit plans based on findings of periodic risk assessments.¹ The *Office of the Inspector General's Annual Audit Plan for Fiscal Year 2014-2015* shows individual audits to be conducted during the fiscal year and related resources to be devoted to each audit. Our most recent risk assessment was completed in June 2014.

The Office of the Inspector General (OIG), Bureau of Internal Audit (BIA), conducts compliance, financial, information technology, operational, and performance audits of the Department. Such audits are conducted in accordance with "*International Standards for the Professional Practice of Internal Auditing*" published by the Institute of Internal Auditors, Inc. (Red Book).

Mission Statement

The Office of the Inspector General's mission is to ensure that the Florida Department of Juvenile Justice, its employees and partners, maintain the highest level of integrity, accountability and efficiency as we work together to increase public safety by reducing juvenile delinquency through effective prevention, intervention, and treatment services.

The Office of the Inspector General (OIG) is committed to assist the Department of Juvenile Justice in accomplishing its vision, mission, and strategic plans; provide independent and reliable audit, investigation, and consulting services; and ensure:

- compliance with statutory mandates pursuant to section 20.055, F.S.;
- integrity, accountability, and efficiency are promoted within the Department;
- quality programs and services are provided to youth;
- resources are used efficiently and consistent with laws, regulations, and policies;
- resources are safeguarded against waste, loss, and misuse; and
- reliable data are obtained, maintained, and fully disclosed.

Goals

The OIG has established four essential goals to accomplish its mission. We will strive to: provide for quality audits, reviews, studies, consultations, and investigations; perform audits, reviews, studies, and investigations in a timely manner; use our resources in an efficient manner; and provide adequate audit coverage to mitigate the Department's risks. We believe the OIG can best achieve its goals by addressing the

¹ A risk assessment is an organized methodology to identify and evaluate risk exposures relating to the Department's governance, operations, and information systems.

Department's needs, developing our staff, and emphasizing continuous improvement in the delivery of services.

Risk Assessment and Annual Audit Planning

Purpose

The purpose of developing an annual audit plan is to identify, select, and plan for the review of vulnerable areas of the Department using a risk-based approach. Selection of appropriate projects provides an opportunity to enhance control and operational efficiency. During the development of the audit plan, primary consideration was to provide the greatest possible benefit to the Department using available audit resources.

Methodology

For fiscal year 2014-2015, we prepared a staffing allocation based on 1,596 available hours (estimated hours excluding leave, holidays, training, and administrative tasks) for each auditor. Available audit resources for fiscal year 2014-2015 total 3,830 hours (1,596 hours x 2 audit staff + 40% X 1,596 supervisor review hours).

Once available resources were established, results of our risk assessment and concerns of management were used to determine coverage, timing, and intensity of the audit efforts. As part of our planning for future audit coverage, we also considered recent and planned external audits of the Department to prevent audit duplications, to the extent possible.

In the risk assessment process, we solicited input from the Department's Executive Leadership Team members and program managers. In addition, we evaluated data related to FY 2013-2014 investigations, Quality Improvement reviews, external audits, and last year's proposed annual audit plan. Requests from management are given special consideration as they usually address immediate risks and concerns.

FISCAL YEAR 2014-2015 AUDIT PLAN

Based on our risk assessment, we have selected the audit areas that we believe present the greatest risks to the Department in fiscal year 2014-2015 and that are the greatest concern of management.

An unallocated reserve of 930 audit hours is set aside for possible enterprise audit projects initiated by the Office of the Chief Inspector General; coordinating Department responses to the Auditor General, Office of Program Policy Analysis and Government Accountability (OPPAGA), the Department of Financial Services, and Federal audits and reviews; providing consulting services to program offices upon request; performing special projects requested by the Secretary and executive management; and assisting investigations.

Planned Audit Projects

Prior to audit fieldwork, preliminary surveys will be conducted to gain an understanding of the audit area and assess existing risks. From the preliminary survey and auditor's assessment of risks particular to the subject area, specific audit objectives will be developed. Government auditing standards require that all audits include a review and evaluation of the system of internal controls. The internal control review and evaluation includes identifying policies, procedures, practices, and systems used to ensure Department objectives are achieved. For this reason, an internal control objective is not listed in the individual audit description. A table² listing proposed audit coverage is included after the brief descriptions of planned audits. Our proposed Annual Audit Plan for fiscal year 2014-2015 includes the following audit areas.

I. Statewide Transportation of Youth Program (STOP)

Estimated Hours: 550.....Report Completion Date: Dec. '14

The STOP is established to ensure the proper and safe transportation of youth who are detained and/or are in the care and custody of the Department. Detention headquarters supervises the operation of STOP. This audit will review STOP to evaluate the implementation of regulations, policies and procedures, and the proper and safe transportation of youth.

II. Central Communications Center

Estimated Hours: 550.....Report Completion Date: Dec. '14

The Central Communications Center (CCC) is a call-in center with an emphasis on assisting the Department and service providers with collection, retention, and dissemination of information related to the care, safety, and humane treatment of all youth served by the Department. Florida Administrative Code 63F-11 requires both department staff and service provider staff to report certain prescribed incidents to the CCC within 2 hours of the incident occurrence. A daily report is generated from the CCC Tracking System and e-mailed to the OIG, Secretary, and various department representatives to notify them of incidents received, within the prior 24-hour period. The audit will review the incidents recording and distributing process to assess the accuracy and timeliness of the information collection and dissemination.

² See Page 6.

III. Mobile Devices

Estimated Hours: 450..... Report Completion: Oct. '14

Many Department and service provider staff use mobile devices to access the Department's information technology (IT) resources and store data on the mobile devices. The Department has developed policy and procedures to protect the confidentiality, integrity, and availability of IT resources accessed by mobile devices. This audit will assess whether adequate controls are in place to mitigate the risks associated with mobile devices accessing the Department's IT resources and maintain the security of data stored on the mobile devices.

IV. Residential Programs Behavior Management System

Estimated Hours: 550 Report Completion: May '15

Behavior Management is an organized system designed to promote positive behavior through the giving or taking of rewards or privileges based on youth behavior. A behavior management system (BMS) shall foster accountability for behavior and compliance with the residential community's rules and expectations. Contracts with Residential service providers include the following language: the provider shall develop and implement a behavioral management and positive behavior reinforcement system that fosters accountability and complies with Departmental Rule 63E-7.009, Florida Administrative Code. This audit will review the compliance of service providers' BMS with Department rules and evaluate the effectiveness of the providers' BMS.

V. Staff Development & Training Operations

Estimated Hours: 550.....Report Completion Date: May '15

Staff Development and Training (SD&T) provides professional training, development, and support for all the Department staff and service provider staff, as requested, through instructor-led and online courses. SD&T is responsible for directing, planning, developing, implementing, and evaluating juvenile justice training programs statewide. The audit will review SD&T training program planning, development, implementation, and evaluation to assess the effectiveness of meeting the Department's training needs.

VI. 2015-2016 Department Risk Assessment & Audit Planning

Estimated Hours: 250.....Report Completion Date: Jun. '15

Internal Audit will identify the Department's auditable units and solicit management input in assessing and prioritizing risks facing the Department. This risk assessment will be used to develop the annual audit plan for fiscal year 2015-2016.

VII. External Audit Follow-Up

Estimated Hours: 350.....Report Completion: Various

Pursuant to the amended Section 20.055(5)(h), Florida Statutes, the Inspector General is required to submit to the Chief Inspector General a written statement of the implementation status of corrective actions to reports issued by the Auditor General and the Office of Program Policy Analysis and Government Accountability (OPPAGA). These reports are required to be issued no later than six months after the Auditor General or OPPAGA publishes a report on a state Department. Audit staff also acts as a liaison between external auditors and the Department.

Long Range Audit Planning

Section 20.055(5)(i), F.S., requires the Inspector General to develop long-term and annual audit plans based on the results of periodic risk assessments. Utilizing the results of our risk assessment, we considered internal and external audits and reviews in developing the annual and long-term audit plan. Our long range audit plan includes the following audit areas:

- Statewide Contract Monitoring
- Probation Intake and Screening
- JJIS Access Controls
- Psychotropic Medication Oversight
- Statewide Contract Management
- JJIS Data Integrity Controls
- Background Screening
- Residential Program Mental Health Services
- Purchasing

FY 2014-2015 Planned Audit Coverage

Plan Section	Project Title	Coverage	Draft Finish Dates	Est. Hours
I.	Statewide Transportation of Youth Program (STOP)	Agency-wide	12/14	550
II.	Central Communication Center	OIG	12/14	550
III.	Mobile Devices	Agency-wide	10/14	450
IV.	Residential Programs Behavior Management System	Agency-wide	05/15	550
V.	Staff Development & Training Operations	SD&T	05/15	550
VI.	2015-2016 Department Risk Assessment & Audit Planning	Agency-wide	06/15	250
VII.	External Audits Follow-Up	Agency-wide	Various	350
Total Hours				<u>2900</u>
Total Available Hours				3,830
Unallocated Hours - Reserve				930