STATE OF FLORIDA AUDITOR GENERAL

Quality Assessment Review

Report No. 2027-023
September 2026

DEPARTMENT OF CHILDREN AND FAMILIES

Office of Inspector General's Internal Audit Activity

For the Review Period
January 2025 Through December 2025

Sherrill F. Norman, CPA
Auditor General

Inspector General of the Department of Children and Families

The Chief Inspector General of the Executive Office of the Governor appointed the Inspector General. Keith R. Parks served as the Inspector General during the review period.

The review team leader was Jim Parker, CPA, and the review was supervised by Barry Bell, CPA.

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DEPARTMENT OF CHILDREN AND FAMILIES

Office of Inspector General's Internal Audit Activity

SUMMARY

In our opinion, the Department of Children and Families, Office of Inspector General's internal audit activity generally conformed with applicable professional auditing standards and principles and fully achieved the Purpose of Internal Auditing and performance objectives during the review period January 2025 through December 2025. Also, the Office of Inspector General generally complied with those provisions of Section 20.055, Florida Statutes, governing the operation of State agencies' offices of inspectors general internal audit activities.

While not material to overall conformance to professional auditing standards, the internal audit activity can improve its audit management and work processes by: improving access controls to workpapers; updating its internal audit manual to reflect current professional auditing standards; conducting periodic self-assessments in accordance with applicable standards; and updating assurance reports to reference the correct applicable professional auditing standards. Additionally, while not material to overall compliance with the provisions of Section 20.055, Florida Statutes, the internal audit activity can better demonstrate compliance by: conducting activities related to the development, assessment, and validation of performance measures; providing responsible parties the opportunity to respond to preliminary findings and including in assurance reports the auditor's recommendations and responsible party's response; and including in annual reports required information regarding recommendations for corrective action.

BACKGROUND

Section 20.055(2), Florida Statutes, established in each State agency, as defined by Section 20.055(1)(d), Florida Statutes, the Office of Inspector General. The Secretary assigned 64 positions to the Office of Inspector General and the Inspector General dedicated 8 positions to the internal audit activity. As authorized by statute, the Inspector General delegated internal audit responsibilities to the Director of Auditing. The 8 audit positions performed internal audit activities and other accountability and oversight activities.

Section 20.055(6)(a), Florida Statutes, requires that internal audits be conducted in accordance with applicable professional auditing standards. The *Global Internal Audit Standards*, issued by The Institute of Internal Auditors, and *Government Auditing Standards*, issued by the Comptroller General of the United States, generally provide comparable guidance for the conduct of assurance engagements. The *Global Internal Audit Standards* also provide guidance related to advisory engagements.

The Director of Auditing identified one assurance engagement and no advisory engagements that had been completed as part of the Office's internal audit activity during the review period pursuant to the *Global Internal Audit Standards*.

REPORT ON QUALITY ASSESSMENT REVIEW

Pursuant to Section 11.45(2)(i), Florida Statutes, we have reviewed the Office of Inspector General's internal audit activity for the period January 2025 through December 2025. We also reviewed compliance with specific provisions of Section 20.055, Florida Statutes, governing the operation of State agencies' offices of inspectors general internal audit activities.

The Office of Inspector General's internal audit activity encompasses the mandate, charter, strategy, methodologies, processes, risk assessments, internal audit plans, policies and procedures, performance criteria and measures, qualifications and competencies, and organizational governance and other risk management and control processes established to provide management with reasonable assurance that the internal audit activity conforms with applicable professional auditing standards and achieves the principles and Purpose of Internal Auditing and performance objectives. Conformance with applicable professional auditing standards and the achievement of the principles and Purpose of Internal Auditing and performance objectives are the responsibility of the Office of Inspector General's internal audit activity.

In conducting our review, we obtained an understanding of the Office of Inspector General's internal audit activity and performed such tests and other procedures as we considered necessary. Because of inherent limitations in an internal audit activity's quality assurance and improvement program, departures from the program may occur and not be detected. Also, projection of any evaluation of the internal audit activity's quality assurance and improvement program to future periods is subject to the risk that the program may become inadequate because of changes in conditions, or that compliance with policies and procedures may deteriorate.

In our opinion, the Office of Inspector General's internal audit activity generally conformed with applicable professional auditing standards and principles and fully achieved the Purpose of Internal Auditing and performance objectives during the review period. Also, the Office of Inspector General generally complied with those provisions of Section 20.055, Florida Statutes, governing the operation of State agencies' offices of inspectors general internal audit activities.

As illustrated in Table 1, while not material to overall conformance to professional auditing standards or overall compliance with those provisions of Section 20.055, Florida Statutes, governing the operation of State agencies' office of inspectors general internal audit activities, our review identified opportunities to improve the internal audit activity.

Table 1
Opportunities for Improvement (OFIs)

Reference No.	Applicable *Global Internal Audit Standard* or State Law	OFI	Chief Audit Executive's Plans to Address the OFI
OFI - 1	Standard 5.2 – Protection of Information	Internal audit activity access controls over working papers need improvement. Appropriate internal audit activity management was notified of the specific areas needing improvement.	The Office of Inspector General (OIG) has drafted a policy to establish appropriate access controls over workpapers, and the forthcoming implementation of new audit management software is expected to address the identified access-control improvements. We will incorporate recommendations from the Auditor General into these enhancements.
OFI - 2	Standard 9.3 – Methodologies	The internal audit activity had not updated their internal audit manual to reflect the *Global Internal Audit Standards*.	The OIG is currently updating the internal audit manual to fully reflect the Global Internal Audit Standards. While revisions continue, we have issued comprehensive interim guidance and updated audit workpaper templates to ensure that engagement work is conducted and documented in accordance with the Global Internal Audit Standards and other related methodologies.
OFI - 3	Standard 12.1 – Internal Quality Assessment	Our review found that the most-recent self-assessment of the internal audit activity was completed in April 2023 and evaluated the 2021-22 fiscal year. The internal audit activity should ensure that periodic self-assessments are conducted in accordance with the *Global Internal Audit Standards* which emphasize that periodic self-assessments provide a more holistic, comprehensive review of the *Standards* and of the internal audit function that enables the function to validate its performance with the *Standards* and allows the chief audit executive to assess the quality of and adherence to the function's methodologies.	The OIG is taking active steps to strengthen the timeliness of periodic internal quality assessments. We maintain a comprehensive Internal Conformance Readiness Assessment to evaluate alignment with the Global Internal Audit Standards and will integrate the guidance provided by the Auditor General into our quality assurance and improvement program. In addition, a schedule for future periodic internal assessments has been established and an internal quality assessment will be included on each annual audit plan.
OFI - 4	Standard 11.2 – Effective Communication Standard 15.1 – Final Engagement Communication	Our review of the report for the one assurance engagement completed under the *Global Internal Audit Standards* during the review period found that the report incorrectly stated that the audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*. Internal audit activity assurance reports should be updated to reference the correct applicable standards.	The OIG has updated its audit report templates to align with the terminology set forth in the International Professional Practices Framework (IPPF) promulgated by The Institute of Internal Auditors.

Reference No.	Applicable *Global Internal Audit Standard* or State Law	OFI	Chief Audit Executive's Plans to Address the OFI
OFI - 5	Section 20.055(2)(a), (b), and (8)(c)1., Florida Statutes	Although required by State law, the internal audit activity had not advised in the development of performance measures nor assessed the reliability and validity of such measures since the 2020-21 fiscal year. Additionally, the Office of Inspector General's annual report description of activities relating to the development, assessment, and validation of performance measures needs enhancement.	The OIG has implemented procedures to ensure that advising on the development of performance measures and assessing their reliability and validity are appropriately documented and reported. Our annual reporting process now includes applicable activities that are underway during the reporting period, and such activities were included in the recently published OIG Annual Report for Fiscal Year (FY) 2025-2026. We have also revised our workpaper templates to clarify that a performance measures review for each auditee is required.
OFI - 6	Section 20.055(6)(d), Florida Statutes	Our review of the working papers and report for the one assurance engagement completed under the *Global Internal Audit Standards* during the review period found that, although required by State law, the Office of Inspector General did not submit to the responsible party for response the two preliminary findings. Additionally, the report did not include the internal auditor's recommendations or the responsible party's response regarding the two adverse findings. Instead, the report incorporated a description of the corrective actions initiated to address the findings.	During the engagement, the OIG maintained ongoing communication with the auditee regarding emerging issues and received information about corrective actions taken by the auditee; however, a formal Preliminary and Tentative draft report was not issued for auditee response. We have reinforced our procedures to ensure that Preliminary and Tentative draft reports are issued and that recommendations are included in final reports, in accordance with applicable statutory requirements.
OFI - 7	Section 20.055(8)(c)3., Florida Statutes	Although required by State law, the Office of Inspector General's 2024-25 fiscal year annual report did not include a description of the recommendations for corrective action made by the inspector general with respect to significant problems, abuses, or deficiencies identified during the reporting period.	The OIG Annual Report for FY 2025-2026 includes the findings and recommendations issued during the reporting period, as well as the recommendations associated with findings for which a corrective action status report was issued. We will also ensure that such information is consistently included in all subsequent annual reports.

OBJECTIVES, SCOPE, AND METHODOLOGY

We conducted this quality assessment review in accordance with generally accepted government auditing standards and in conformance with The Institute of Internal Auditors' *Quality Assessment Manual*. Generally accepted government auditing standards require that we plan and perform the review to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our review objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our review objectives.

The objectives of this review were to:

- Assess the internal audit activity's conformance with the *Global Internal Audit Standards*.
- Report on the internal audit activity's achievement of the principles and Purpose of Internal Auditing and performance objectives.
- Determine compliance with those provisions of Section 20.055, Florida Statutes, that relate to the operation of offices of inspectors general internal audit activities.
- Identify opportunities to enhance the internal audit activity's management and work processes, as well as its value to Department of Children and Families management.

Our review included an evaluation of the one assurance engagement completed by the Office's internal audit activity during the review period for conformance with applicable professional auditing standards and the achievement of the principles and Purpose of Internal Auditing. Our review was modeled on the methodology presented in The Institute of Internal Auditors' *Quality Assessment Manual* and was conducted by an independent assessment team.

AUTHORITY

Section 11.45(2)(i), Florida Statutes, requires that the Auditor General, once every 3 years, review a sample of internal audit reports to determine compliance by the Office of Inspector General with applicable professional auditing standards. Pursuant to the provisions of Section 11.45(2)(i), Florida Statutes, I have directed that this report be prepared to present the results of our review.

Sherrill F. Norman

Sherrill F. Norman, CPA
Auditor General