I. BACKGROUND

Section 20.055, Florida Statutes requires that the Inspector General develop annual and long-term audit plans based on the findings of periodic risk assessments. The plan is to be approved by the Chief Justice and a copy provided to the Auditor General.

The Office of Inspector General's (OIG) methodology for assessing risk for purposes of establishing the work plan focuses on identifying at-risk functions, programs and operational units as well as areas of management interest. The methodology places an emphasis on qualitative evaluation techniques as opposed to quantitative rankings.

II. METHODOLOGY

We canvassed senior managers, reviewed the long-term plan, and considered information received during the last year in order to solicit feedback into the development of the work plan.

III. ASSESSMENT OF RISK

In developing this work plan, topics identified, either through surveys or interviews, were evaluated based on criteria which includes:

- Significance to core mission of the judicial branch
- Time since last evaluation
- Management interest
- Changes in systems of operation
- Financial impact of transactions
- External audit coverage
- Results of prior audits or evaluations

IV. ALLOCATION OF AVAILABLE STAFF HOURS

The OIG staff consists of an Inspector General, a Senior Internal Auditor and an Internal Auditor. The total direct hours available for conducting audits is 2,912 calculated as follows:

1. 2,080 hours x 2 staff = 4,160 total auditor hours available
2. $4,160 - 1,248 \times 30\% = 2,912$ direct hours

3. IG time is primarily consultation, administration, and other accountability activity.

* Includes professional training as required by statute and auditing standards.

V. RESULTS

Based on the criteria identified above and available staff hours, the following projects are recommended. This plan is flexible, as the Chief Justice may at any time direct OIG to perform an audit of a special program, function, or organizational unit. Additionally, projects may be added or deleted as required by time constraints and priorities. Recurring audits or projects that are considered less critical or not yet ripe are included on the long-term audit plan.

WORK PLAN FOR 2018-19

Scheduled Audits

Courts (location and year last audited):

1. Second District Court of Appeal (Lakeland, 2014)
2. Sixteenth Judicial Circuit (Key West, 2014)
3. Third District Court of Appeal (Miami, 2015)
4. Seventh Judicial Circuit (Daytona, 2015)
5. Ninth Judicial Circuit (Orlando, 2015)
6. Thirteenth Judicial Circuit (Tampa, 2015)
7. Nineteenth Judicial Circuit (Port St. Lucie, 2015)

Each court audit estimated at 320 hours for a total of 2,240.

Other:

8. Contract/grant management. Select a contract or grant and determine compliance with applicable law and procedures.

9. Annual leave payments. Select a sample of retired employees and evaluate accuracy of annual leave payments and compliance with applicable guidance.

Other than court audits estimated at 350 hours.
Total auditing hours = 2,940 hours

Consulting Services

1. Judge Conferences financial reporting. Review financial statements from the three judge conferences and prepare a consolidated report. Perform verification testing as needed. (Continuing project)

Estimated hours: 40

Investigations

Investigations are primarily reactive based on complaints received from various sources.

Estimated hours: TBD

LONG-TERM/PERIODIC AUDIT PLAN

This long-term plan (including recurring audits) is predicated upon the overall risk assessment of the SCS and existing OIG staffing:

- **District Courts of Appeal** – Visit at least one DCA per year to audit financial records, collection of fees, personnel issues, property records, procurement and other administrative areas.

- **Judicial Circuits** – Visit at least five circuits per year to audit financial records, collection of fees, personnel issues, property records, procurement, and various programs and services within the circuit.

- **Contract and grant administration** – Evaluate deliverables against the terms of the contract or grant. Determine the reliability of reporting.

- **Court revenues** – Determine whether effective procedures and controls are in place.

- **Purchasing function** – Test for compliance with purchasing guidelines.

- **Property management** – Verify a sample of tangible property items in the Supreme Court building and the court annex.

- **Travel** – Select a sample of Supreme Court and OSCA travel reimbursements and determine compliance with applicable law and policy.
• **Payroll/Personnel** – Test for compliance with statutes and policy.
• **Construction projects** – Test for contract compliance.

Submitted by:

[Signature]
Greg White
Inspector General
Date: 21 June 2018

Plan, and travel needed to complete the plan, approved by:

[Signature]
Charles Canady
Chief Justice
Date: 1 July 2018