

# **Florida Supreme Court Office of Inspector General**



## **Florida State Courts System Audit Plan Fiscal Year 2019-2020**

**June 30, 2019**

June 11, 2019

The Honorable Charles T. Canady  
Chief Justice  
Florida Supreme Court  
500 South Duval Street  
Tallahassee, Florida 32399-1925

Dear Chief Justice Canady:

In accordance with Section 20.055, Florida Statutes, the Office of Inspector General has prepared the annual audit plan for fiscal year 2019-2020. We performed a risk assessment that covered all major areas of the State Courts System, for a broad coverage of programs and functions. We received input from executive and senior management included in the preparation of the annual audit plan and the long-term audit plan.

The annual audit plan, along with a description of the methodology utilized, and the long-term audit plan is included on the following pages. Upon your review and approval noted below, we will implement the audit plan and provide a copy to the Florida Office of the Auditor General.

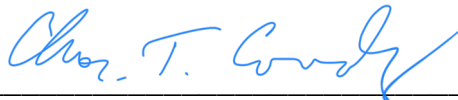
Thank you for your continued support.

Respectfully,

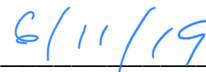


Millicent Burns, CPA, CIA, CFE, CGFM, CISA, CIG  
Inspector General

I approve the audit plan, including required travel, for fiscal year 2019-2020.



Charles T. Canady  
Chief Justice  
Florida Supreme Court



Date

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## Background

The Office of Inspector General (OIG) is established pursuant to Section 20.055, Florida Statutes, to provide a central point for the coordination of, and responsibility for, activities that promote accountability, integrity, and efficiency in the State Courts System.

The OIG fulfills these responsibilities by conducting independent and objective engagements designed to add value and improve the programs and operations of the State Courts System. This is accomplished through internal audits, management reviews and other consulting activities.

The OIG conducts audits in accordance with the *International Standards for the Professional Practice of Internal Auditing (Standards.)*

## Methodology

Section 20.055, Florida Statutes, requires the Inspector General to develop long-term and annual audit plans based on the findings of periodic risk assessments. *Standard 2010 - Planning*, indicates the internal audit activity's plan of engagements must be based on a documented risk assessment, undertaken at least annually. This risk assessment process must include the input of senior management.

We utilized qualitative and quantitative data to evaluate the topics with higher risk. To perform the assessment, we:

- Identified the major auditable units of the State Courts System.
- Held meetings with various State Court System senior management, to include the Supreme Court, the Office of the State Courts Administrator (OSCA), various Judicial Circuit Courts and District Courts of Appeal.
- Provided risk-based surveys to obtain input from executive management of the Supreme Court, the OSCA, the 20 Judicial Circuit Courts, and the five District Courts of Appeal.
- Reviewed results of prior audits, including the severity and number of findings and the time elapsed since the prior audit.
- Assessed various financial impacts of the auditable units.

- Evaluated the complexity of operations of each auditable unit.
- Identified any recent significant changes or new initiatives with each auditable unit.
- Reviewed the significance of each auditable unit to the core mission of the State Courts System.

Using the results of this assessment, we developed the audit plan for fiscal year 2019-2020, along with the long-term audit plan.

### Resource Allocation

The OIG staff consists of a Senior Internal Auditor, an Internal Auditor, and an Inspector General. The total direct hours available for audits, consulting activities, and other management requests is calculated at 4,288, as noted in the following table:

**Calculation of Direct Audit Hours for Fiscal Year 2019-2020**

Staff	Total Work Hours for Fiscal Year	Estimated Administrative Hours*	Direct Audit Hours
Senior Internal Auditor	2,096	500	1,596
Internal Auditor	2,096	500	1,596
Inspector General	2,096	1,000	1,096
<b>Totals:</b>	<b>6,288</b>	<b>2,000</b>	<b>4,288</b>

\*Administrative hours for staff include estimated leave, state holidays, staff training, and other administrative time at approximately 25 percent of total work hours. Administrative hours for the Inspector General include the same areas plus office administration and supervision, liaison with other agencies, complaint handling, and investigations at approximately 45 percent of total work hours.

## Audit Plan for Fiscal Year 2019-2020

Based on the criteria utilized in the risk assessment and available resources, the following projects are included in the audit plan. This plan is subject to change due to needs of the State Courts System, the direction of the Chief Justice, emerging risks, and management requests.

Engagement	Engagement Type	Estimated Budget Hours
First District Court of Appeal (Tallahassee, 2016)	Audit	300
Thirteenth Judicial Circuit (Tampa, 2015)	Audit	500
Ninth Judicial Circuit (Orlando, 2015)	Audit	500
Nineteenth Judicial Circuit (Port St. Lucie, 2015)	Audit	500
Tenth Judicial Circuit (Bartow, 2016)	Audit	500
Office of Human Resources (OSCA)	Audit	400
Fixed Capital Outlay (District Courts of Appeal)	Audit	400
Contract Management (OSCA)	Audit	300
Property Management (OSCA and Supreme Court)	Audit	330
Audit Follow-Up (as needed on prior audit findings)	Follow-Up	158
Information Technology Governance (OSCA)	Consulting	200
Continuity of Operations (OSCA and Supreme Court)	Consulting	100
Judges' Conferences Financial Reporting	Consulting	100
<b>Total Hours:</b>		<b>4,288</b>

Note: Court audits listed above include location and date of last audit.

## Complaint Processing and Investigations

The OIG receives complaints and processes or refers them as needed. Investigations will be conducted as warranted and may be based on complaints received from sources external or internal to the State Courts System.

## Long-Term Audit Plan

The following are the audit topics and consulting engagement topics included on the long-term audit plan (covering fiscal years 2020-2021 and 2021-2022.) These topics will be re-evaluated annually based on risk assessment procedures conducted to ensure that emerging risks impacting the State Courts System are adequately addressed.

Engagement	Engagement Type
District Courts of Appeal (Note 1)	Audit(s)
Judicial Circuit Courts (Note 1)	Audit(s)
Office of Court Education and Improvement (OSCA)	Audit
Travel Reimbursements and Invoice Processing (OSCA)	Audit
Office of Human Resources (OSCA) (Note 2)	Audit
Information Technology (OSCA)	Audit
Court Revenues (all courts)	Audit
Office of Court Services (OSCA)	Audit
Purchasing Cards (OSCA)	Audit
Statewide Contracts (assessments of specific contract types)	Audit
Management Succession Planning (OSCA and Supreme Court)	Audit
Audit Follow-Up (as needed on prior audit findings)	Follow-Up
Judges' Conferences Financial Reporting	Consulting

Note 1: Audits of Judicial Circuit Courts and District Courts of Appeal will be included in each annual plan.

Note 2: The OSCA Office of Human Resources topic will consist of audits of several functions (at the request of the Interim State Courts Administrator) covering multiple fiscal years.

