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## OFFICE OF INSURANCE REGULATION

**MICHAEL YAWORSKY**  
COMMISSIONER

November 21, 2023

Michael Yaworsky  
Commissioner of Insurance Regulation  
200 E. Gaines Street  
Tallahassee, FL 32399-0326

**Re: Auditor General Report No. 2023-189 – OIR Certificates of Authority, Selected Administrative Activities, and Prior Audit Follow-Up**

Commissioner Yaworsky,

Pursuant to Section 20.055(6)(h), Florida Statutes, the Office of Inspector General is required to provide a written response to the agency head on the status of corrective actions taken no later than six months after publication of a report on the state agency by the Auditor General. A copy of the response is also filed with the Legislative Auditing Committee. The status of management's corrective action in response to the audit findings has been provided in the attached documentation.

Please let me know if you have any questions regarding this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Deanna Sablan".

Deanna Sablan, CIG, CIA, CISA, CFE, CIGA, CIGI  
Inspector General

Enclosure

cc: Alexis Bakofsky, Chief of Staff  
Legislative Auditing Committee

**Project Name:** First Follow-up to Auditor General – OIR Operational Audit (Report No. 2023-189)  
**Project Number:** AR-2324-076  
**Follow-Up Date:** 10/09/2023  
**Due Date:** 10/23/2023

**External Audit Title:** Office of Insurance Regulation –  
Certificates of Authority,  
Selected Administrative Activities,  
and Prior Audit Follow-Up

**External Report Date:** 05/23/2023

**OIG Project Number:** AR-2122-058

Finding Number	Finding Summary	Recommendation	Management Response (Included in Audit Report)	Management Follow-Up Response	Status (Open or Closed)
1	Office telework controls established in response to the COVID-19 pandemic did not always capture the information necessary to maintain accountability for telework arrangements and equipment assigned to teleworking employees.	<p>We recommend Office management ensure the following:</p> <ul style="list-style-type: none"> <li>A. All telework arrangements are supported and documented by complete and approved telework agreements and equipment inventory forms</li> <li>B. A comprehensive list of all equipment in use by teleworking employees is maintained</li> </ul>	OIR’s primary goal when facilitating temporary telework was to ensure the safety of employees and to transition swiftly from in-office to telework operations. OIR management stressed the importance of filling out paperwork properly to each employee and supervisor and provided detailed instructions on how to access technology and files remotely. OIR acknowledges, however, that a limited number of forms did not include all required signatures. Accordingly, OIR, in the future, will ensure that any and all telework arrangements are supported and documented by complete and approved telework agreements and equipment inventory forms. Further, OIR has updated its policies and	<p><u>November 03, 2023</u></p> <p>Same as official response included in audit report.</p>	<p><u>Recommend</u></p> <ul style="list-style-type: none"> <li>A. Open</li> <li>B. Open</li> </ul>

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			procedures to ensure maintenance of a comprehensive list of all equipment in use by teleworking employees.		
2	The Office did not maintain a complete contract listing or ensure that all contract managers and administrators adhered to the training, certification, and assignment requirements specified in state law.	<p>We recommend Office management enhance contract management controls to ensure the following:</p> <ul style="list-style-type: none"> <li>A. A complete listing of all Office contracts is maintained</li> <li>B. All contract managers complete the training and certification requirements specified in state law</li> <li>C. Contract administrators do not serve as the contract manager for any contract in excess of \$500,000</li> </ul>	OIR acknowledges the finding related to contract management and continues to work to ensure contract management personnel are fully aware of applicable contract requirements and receive proper training. Additionally, during the 2021 legislative session, OIR received authority and funding for a Contracts Administrator position, which is now filled and incorporated into OIR contract management processes. OIR continues to review its processes to ensure compliance with all contract management requirements and responsibilities.	<p><u>November 03, 2023</u></p> <p>OIR maintains a listing of all contracts within its contract management files through FACTS.</p> <p>Contract managers and the contract administrator within the administration and legal sections of the office have finalized all contract manager training in 2023 administered by DMS and required by statute. OIR contract managers are responsible for liaising with contractors in collaboration with business units to ensure contract deliverables have been met.</p> <p>Policies and procedures within the contract management team clearly</p>	<p><u>Recommend</u></p> <ul style="list-style-type: none"> <li>A. Closed</li> <li>B. Open</li> <li>C. Closed</li> </ul>

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				outline that contract administrators cannot serve as contract managers for contracts over \$500,000.	
3	As similarly noted in our report No. 2020-065, the Office did not always timely post contract information and documents to the Florida Accountability Contract Tracking System (FACTS) as required by state law.	We recommend Office management ensure that all contract information and documents are timely posted to FACTS in accordance with state law.	OIR acknowledges the finding related to contract information reporting and has since updated its policies and procedures to ensure timely reporting.	<u>November 03, 2023</u> Same as official response included in audit report.	<u>Recommend</u> Closed