



CHIEF FINANCIAL OFFICER
JIMMY PATRONIS
STATE OF FLORIDA

December 6, 2018

JLAC Received
12/5/2018

The Honorable Jimmy Patronis
Chief Financial Officer
The Capitol, PL-11
Tallahassee, Florida 32399-0301

Dear Jimmy Patronis:

As required by Section 20.055, Florida Statutes, I am providing the Department's six-month status report of corrective actions taken in response to Auditor General Report Number 2018-211, *Department of Financial Services Division of Fire Marshal and Information Technology Controls*, published June 6, 2018.

If you have any questions, please do not hesitate to contact me.

Very Respectfully,

A handwritten signature in blue ink, appearing to read "D. Harper", written over a circular stamp.

David T. Harper
Inspector General

DH:es

Attached

cc: Ryan West, Chief of Staff
Kathy DuBose, Coordinator, Joint Legislative Auditing Committee
Charles Ghini, Chief Information Officer
Julius Halas, Director of Fire Marshal

**DEPARTMENT OF FINANCIAL SERVICES
OFFICE OF INSPECTOR GENERAL**

**SIX-MONTH FOLLOW-UP REPORT
STATUS OF CORRECTIVE ACTION**

Reviewing Entity	Report	Report Title	Date Published
Auditor General	2018-211	Division of State Fire Marshal and Information Technology Controls	June 6, 2018
Finding 1	The Bureau of Fire Prevention could not demonstrate that all buildings subject to fire safety inspections were included in CitizenServe. Additionally, CitizenServe included inaccurate and incomplete building inspection data.		
Recommendation	We recommend that Bureau of Fire Prevention management perform procedures to verify the completeness of CitizenServe data and input into CitizenServe the USNG coordinates for all buildings subject to inspection. We also recommend that Bureau management enhance policies and procedures for documenting building inspection data in CitizenServe and periodically review the accuracy and completeness of CitizenServe data.		
Responsible Division	Division of State Fire Marshal		
Original Response	The Bureau of Fire Prevention plans to adopt a procedure to ensure quarterly, and semi-annual building inspection reviews are conducted by individual inspectors and their supervisors. As identification of USNG coordinates is subjective and requires the use of additional technology not currently available to the Division, the Bureau plans to request a statutory change removing the USNG requirement from statute. This will allow the Division the ability to explore alternate identification methods that may provide more value to the state of Florida in the identification of state-owned and state-leased buildings. Alternatively, the Division may need to explore technology available to initiate the marking and designating of all state-owned buildings by their USNG coordinates during the annual inspections of those buildings if the USNG requirement is not removed legislatively.		
Six-month Follow-up:	November 8, 2018		
Reported Status	The Bureau of Fire Prevention has drafted procedures to ensure monthly, quarterly and semi-annual building inspection reviews are conducted by individual inspectors and their supervisors. The Bureau's CitizenServe system has been updated with USNG coordinates for most buildings based on their addresses but has not verified all USNG coordinates. The Bureau has also requested a statutory change for the upcoming legislative session removing the USNG requirement from statute.		
Expected Completion Date for Corrective Action	January 30, 2019		
OIG Assessment	Partially Closed. Based on the information provided, the bureau's corrective action is in process. The OIG will continue to monitor the bureau's progress until it has fully addressed the issues identified in the Auditor General's report or accepts the risk for the finding.		

**DEPARTMENT OF FINANCIAL SERVICES
OFFICE OF INSPECTOR GENERAL**

**SIX-MONTH FOLLOW-UP REPORT
STATUS OF CORRECTIVE ACTION**

Reviewing Entity	Report	Report Title	Date Published
Auditor General	2018-211	Division of State Fire Marshal and Information Technology Controls	June 6, 2018
Finding 2	Contrary to State law, the Bureau of Fire Prevention did not inspect certain State-owned buildings designated as high-hazard during the 2015-16 fiscal year.		
Recommendation	We recommend that Bureau of Fire Prevention management establish procedures to ensure that all high-hazard buildings are inspected annually as required by State law. Such procedures should include efforts to identify any high-hazard buildings that were not timely inspected.		
Responsible Division	Division of State Fire Marshal		
Original Response	The Bureau of Fire Prevention plans to adopt a procedure requiring all regional supervisors review the "Building Lookup by Inspection and Region Report" on a quarterly basis to ensure every high-hazard building is inspected annually.		
Six-month Follow-up:	November 8, 2018		
Reported Status	The Bureau has drafted annual inspection procedures and inspection review procedures to ensure that all high-hazard buildings are inspected annually and regional supervisors maintain supervision of their inspectors' progress on mandated inspections.		
Expected Completion Date for Corrective Action	January 31, 2019		
OIG Assessment	Partially Closed. Based on the information provided, the bureau's corrective action is in process. The OIG will continue to monitor the bureau's progress until it has fully addressed the issues identified in the Auditor General's report or accepts the risk for the finding.		

**DEPARTMENT OF FINANCIAL SERVICES
OFFICE OF INSPECTOR GENERAL**

**SIX-MONTH FOLLOW-UP REPORT
STATUS OF CORRECTIVE ACTION**

Reviewing Entity	Report	Report Title	Date Published
Auditor General	2018-211	Division of State Fire Marshal and Information Technology Controls	June 6, 2018
Finding 3	Bureau of Fire Prevention policies and procedures did not specify the methodology for conducting and documenting inspections, communicating inspection results, or following up on noted violations. Additionally, inspections and follow-up inspection activities were not always adequately documented.		
Recommendation	We recommend that Bureau of Fire Prevention management enhance Bureau policies and procedures to specify the methodology for conducting and documenting inspection activities, communicating inspection results, and following up on noted violations. We also recommend that Bureau management ensure that inspections and follow-up inspection activities are appropriately documented in CitizenServe.		
Responsible Division	Division of State Fire Marshal		
Original Response	The Bureau had previously adopted an Inspection Procedures policy detailing how an inspection is to be conducted and requiring a closing interview with the Building Manager or Manager's representative. The Bureau will amend this policy to include the completion of a "Fire and Life Safety Inspection Checklist," which will be signed by the Inspector and Owner's Representative (Building Manager or Manager's representative). The Bureau has completed drafts of both documents.		
Six-month Follow-up:	November 8, 2018		
Reported Status	The Bureau has drafted an amendment to its Annual Life Safety Inspection Procedures policy to mandate required timeframes for follow-up inspections and documentation of those follow-ups.		
Expected Completion Date for Corrective Action	January 31, 2019		
OIG Assessment	Partially Closed. Based on the information provided, the bureau's corrective action is in process. The OIG will continue to monitor the bureau's progress until it has fully addressed the issues identified in the Auditor General's report or accepts the risk for the finding.		

**DEPARTMENT OF FINANCIAL SERVICES
OFFICE OF INSPECTOR GENERAL**

**SIX-MONTH FOLLOW-UP REPORT
STATUS OF CORRECTIVE ACTION**

Reviewing Entity	Report	Report Title	Date Published
Auditor General	2018-211	Division of State Fire Marshal and Information Technology Controls	June 6, 2018
Finding 4	Bureau of Fire Prevention policies and procedures did not address the inspection and plan review fee invoicing process and the Bureau had not analyzed whether fire safety inspection and plan review fees are sufficient to recover inspection and review costs since the fees were established in 2001. In addition, the Bureau did not always invoice or calculate inspection and plan review fees in accordance with State law and Department rules.		
Recommendation	We recommend that Bureau of Fire Prevention management establish policies and procedures addressing the inspection and plan review fee invoicing process. We also recommend that Bureau management calculate and collect inspection and plan review fees in accordance with State law and Department rules.		
Responsible Division	Division of State Fire Marshal		
Original Response	<p>In fiscal years 2011-12 and 2012-13, the Department conducted regulatory reviews of all rules and business procedures, including the Bureau's fee rule. The rule and procedures were reviewed and a decision was made by Department leadership that the Bureau's revenue was sufficient to cover the Bureau's expenses, even though some individual fees were determined not to be commensurate with the services rendered.</p> <p>However, the Bureau of Fire Prevention intends to seek assistance from Department leadership in conducting another analysis of inspection and plan review fees in accordance with State law and Department rules. The Bureau will also initiate rulemaking to amend its rules concerning the initiation of fees for additional inspections.</p>		
Six-month Follow-up:	November 8, 2018		
Reported Status	The Bureau plans to enter into rulemaking to change the fee structure to represent a calculation methodology that remains in accordance with State law, but also provides a fair and easy means of calculation, while providing a valued service to the state.		
Expected Completion Date for Corrective Action	December 31, 2019		
OIG Assessment	Open. Based on the information provided, the bureau has initiated corrective action. The OIG will continue to monitor until the bureau has fully addressed the finding, or accepts the related risk.		

**DEPARTMENT OF FINANCIAL SERVICES
OFFICE OF INSPECTOR GENERAL**

**SIX-MONTH FOLLOW-UP REPORT
STATUS OF CORRECTIVE ACTION**

Auditor General	2018-211	Division of State Fire Marshal and Information Technology Controls	June 6, 2018
Finding 5	The Bureau of Fire Prevention did not receive payment of inspection fees due from State universities.		
Recommendation	We recommend that Division management continue to quantify the inspection fees due from the State universities so that the State University System Board of Governors can request the applicable amount of funding.		
Responsible Division	Division of State Fire Marshal		
Original Response	The Division intends to continue to quantify inspection fees for the State University System Board of Governors and continue to issue invoices for all inspections conducted of State universities on an annual basis, as is done for all other state agencies.		
Six-month Follow-up:	November 8, 2018		
Reported Status	The Division has implemented the corrective action. The Division continues to invoice the State University System Board of Governors for all inspections conducted of State Universities on an annual basis.		
Expected Completion Date for Corrective Action	August 30, 2018		
OIG Assessment	Closed. The corrective action has been implemented.		

**DEPARTMENT OF FINANCIAL SERVICES
OFFICE OF INSPECTOR GENERAL**

**SIX-MONTH FOLLOW-UP REPORT
STATUS OF CORRECTIVE ACTION**

Auditor General	2018-211	Division of State Fire Marshal and Information Technology Controls	June 6, 2018
Finding 6	Bureau of Fire Standards and Training records did not always demonstrate that Florida State Fire College instructors met certification requirements.		
Recommendation	We recommend that Bureau of Fire Standards and Training management ensure that Bureau records evidence that all Fire College instructors met the certification requirements specified in Department rules.		
Responsible Division	Division of State Fire Marshal		
Original Response	Fire College staff has reviewed all current Instructor personnel files to ensure appropriate documentation is in place. Additional procedures have been developed and implemented to ensure future instructor files will contain appropriate documentation.		
Six-month Follow-up:	November 8, 2018		
Reported Status	The Division has implemented the Bureau of Fire Standards and Training Procedure # 5.1.6 Verification of Fulltime Instructor Qualifications.		
Expected Completion Date for Corrective Action	April 1, 2018		
OIG Assessment	Partially Closed. Based on the information provided, the SFM has initiated corrective action. The OIG will continue monitoring SFM's efforts until SFM provides documentation evidencing that all the Fire College instructors have met their certification requirements.		

**DEPARTMENT OF FINANCIAL SERVICES
OFFICE OF INSPECTOR GENERAL**

**SIX-MONTH FOLLOW-UP REPORT
STATUS OF CORRECTIVE ACTION**

*** Confidential Finding ***

Reviewing Entity	Report	Report Title	Date Published
Auditor General	2018-211	Division of State Fire Marshal and Information Technology Controls	June 6, 2018
Finding 7	Certain security controls related to user authentication for CitizenServe and the Fire College Department of Insurance Continuing Education (FCDICE) System need improvement to ensure the confidentiality, integrity, and availability of Department data and related information technology resources.		
Recommendation	We recommend that Department management enhance certain security controls related to CitizenServe and FCDICE System user authentication to ensure the confidentiality, integrity, and availability of Department data and related IT resources.		
Responsible Divisions	Division of State Fire Marshal, Office of Information Technology		
Original Response	<p>As of January 5, 2018, the SFM implemented corrective action to partially address the user authentication concerns. The SFM will evaluate the additional authentication concerns and where appropriate, implement additional controls.</p> <p>The specific controls related to this finding have been evaluated by OIT and determined to be appropriate and achievable. The development team has been provided with the detailed findings list. OIT is already planning these remediation steps and will have them implemented within one year of the date of the finding report.</p>		
Six-month Follow-up:	November 8, 2018		
Reported Status	The CitizenServe has been updated to address all user authentication controls. OIT enhanced security controls related to the FCDICE System user authentication, these changes were made to ensure the confidentiality, integrity, and availability of Department data and related IT resources.		
Expected Completion Date for Corrective Action	January 31, 2019		
OIG Assessment	Partially Closed. Based on the information provided it appears the SFM and OIT strengthened user authentication controls for CitizenServe and FCDICE. The OIG will continue monitoring SFM's efforts until documentation is provided that demonstrates all recommend controls are implemented.		

Note: Due to the confidential nature of this finding, and to ensure the security of DFS systems, detailed information is not provided in this status report.

**DEPARTMENT OF FINANCIAL SERVICES
OFFICE OF INSPECTOR GENERAL**

**SIX-MONTH FOLLOW-UP REPORT
STATUS OF CORRECTIVE ACTION**

Reviewing Entity	Report	Report Title	Date Published
Auditor General	2018-211	Division of State Fire Marshal and Information Technology Controls	June 6, 2018
Finding 8	During the period July 2015 through January 2017, the Division of State Fire Marshal did not conduct periodic reviews of CitizenServe or FCDICE System user access privileges.		
Recommendation	We recommend that Division management establish a process that ensures access control administrators conduct and document periodic reviews of user access privileges to CitizenServe and the FCDICE System to verify the continued appropriateness of assigned user access privileges.		
Responsible Division	Division of State Fire Marshal		
Original Response	<p>The Bureau of Fire Prevention plans to adopt a policy requiring quarterly reviews of user access privileges to CitizenServe.</p> <p>Bureau of Fire Standards and Training staff is currently in the process of developing written procedures for the approval of Division leadership to approve that will serve as the basis for determining appropriate FCDICE access levels and ensuring all access levels are reviewed on an annual basis.</p>		
Six-month Follow-up:	November 8, 2018		
Reported Status	<p>The Bureau of Fire Prevention has drafted a policy requiring quarterly reviews of user access privileges to CitizenServe.</p> <p>The Bureau of Fire Standards and Training has drafted a policy requiring quarterly reviews of user access privileges to FCDICE.</p>		
Expected Completion Date for Corrective Action	January 31, 2019		
OIG Assessment	Partially Closed. Based on the information provided, it appears the SFM initiated some corrective action to address the finding. The OIG will continue monitoring the SFM's efforts until documentation is provided that demonstrates controls are in place to ensure periodic reviews of CitizenServe or FCDICE System user access privileges.		

**DEPARTMENT OF FINANCIAL SERVICES
OFFICE OF INSPECTOR GENERAL**

**SIX-MONTH FOLLOW-UP REPORT
STATUS OF CORRECTIVE ACTION**

Reviewing Entity	Report	Report Title	Date Published
Auditor General	2018-211	Division of State Fire Marshal and Information Technology Controls	June 6, 2018
Finding 9	Department records did not evidence that CitizenServe access privileges were timely deactivated upon an employee's separation from Department employment. Additionally, Department supervisors sometimes used CitizenServe user accounts after an employee separated from Department employment and the Department did not always timely deactivate user access privileges to the FCDICE System upon an employee's separation from Department employment.		
Recommendation	We recommend that Department management retain CitizenServe access control records sufficient to demonstrate that user access privileges are timely deactivated upon a user's separation from Department employment or when the access privileges are no longer required. We also recommend that Department management ensure that CitizenServe and FCDICE System access privileges are timely deactivated and not utilized by other Department personnel after a user separates from Department employment.		
Responsible Division	Division of State Fire Marshal		
Original Response	The Bureau of Fire Prevention plans to adopt a policy regarding user access privileges to CitizenServe and separation of those users from the Department. Bureau of Fire Standards and Training staff is currently in the process of developing written procedures for the approval of Division leadership that will serve to consistently establish FCDICE user access when employees are hired and ensuring access privileges are removed upon employee separation.		
Six-month Follow-up:	November 8, 2018		
Reported Status	<p>The Bureau of Fire Prevention has drafted a policy requiring quarterly reviews of user access privileges to CitizenServe, which will also address separated employee's access.</p> <p>The Bureau of Fire Standards and Training has drafted a policy requiring quarterly reviews of user access privileges to FCDICE, which will also address separated employee's access.</p>		
Expected Completion Date for Corrective Action	January 31, 2019		
OIG Assessment	Partially Closed. Based on the information provided, it appears the SFM initiated some corrected action to address the finding. The OIG will continue monitoring the SFM's efforts until documentation is provided that demonstrates controls are in place to ensure separated employee access to the CitizenServe or FCDICE System is timely deactivated.		

**DEPARTMENT OF FINANCIAL SERVICES
OFFICE OF INSPECTOR GENERAL**

**SIX-MONTH FOLLOW-UP REPORT
STATUS OF CORRECTIVE ACTION**

Reviewing Entity	Report	Report Title	Date Published
Auditor General	2018-211	Division of State Fire Marshal and Information Technology Controls	June 6, 2018
Finding 10	The Department did not make or obtain an independent and periodic assessment of the effectiveness of relevant service organization controls for CitizenServe.		
Recommendation	Because of the critical nature of CitizenServe data, we recommend that Department management make or obtain an independent and periodic assessment of the service organization's relevant internal controls.		
Responsible Divisions	Division of State Fire Marshal, Office of Information Technology		
Original Response	This assessment was obtained during the audit. The agreement with the vendor pre-dates the current contract template that requires this assessment to be provided. Although the current contract with the vendor will not be modified, the assessment will be provided by the vendor annually. The process for making the request will be included in the State Fire Marshal's internal process documentation.		
Six-month Follow-up:	November 8, 2018		
Reported Status	OIT is working on a framework to review and verify third party assessments. OIT will provide the framework to the SFM for the CitizenServe controls review.		
Expected Completion Date for Corrective Action	April 8, 2019		
OIG Assessment	Open. The OIG will continue monitoring the OIT's and SFM's efforts until documentation is provided that demonstrates controls are in place to ensure an independent and periodic assessment of the effectiveness of relevant service organization controls for CitizenServe is conducted.		

**DEPARTMENT OF FINANCIAL SERVICES
OFFICE OF INSPECTOR GENERAL**

**SIX-MONTH FOLLOW-UP REPORT
STATUS OF CORRECTIVE ACTION**

Reviewing Entity	Report	Report Title	Date Published
Auditor General	2018-211	Division of State Fire Marshal and Information Technology Controls	June 6, 2018
Finding 11	Contrary to State law, the Department's Information Security Manager did not report directly to the Chief Financial Officer.		
Recommendation	We recommend that Department management take steps to ensure that the Department ISM reports directly to the Chief Financial Officer in accordance with State law.		
Responsible Division	Office of Information Technology		
Original Response	The remediation for this finding will involve a change in the organizational structure of the Department. The Department is actively working to produce the position description updates and other Human Resources administration requirements to facilitate a position change.		
Six-month Follow-up:	November 8, 2018		
Reported Status	The ISM position changes have been reviewed by OIT and have been submitted to Executive Management for remediation. The recommendation is currently under review with Executive Management.		
Expected Completion Date for Corrective Action	No date provided.		
OIG Assessment	Open. The OIG will continue monitoring this finding until documentation is provided that demonstrates corrective action is implemented.		