



STATE OF FLORIDA

DIVISION OF EMERGENCY MANAGEMENT

Ron DeSantis
Governor

Kevin Guthrie
Director

MEMORANDUM

TO: Kevin Guthrie, Director
FROM: Susan Cureton, Inspector General *SC*
DATE: September 27, 2021
SUBJECT: Six-Month Status Report to Auditor General Report No. 2021-182

Pursuant to § 20.055(6)(h), Florida Statutes, the Office of Inspector General conducted a six-month follow-up to the Auditor General's report number 2021-182, *State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards For the Fiscal Year Ended June 30, 2020*. The final report was issued by the Auditor General in March 2021, and contained one finding and one recommendation related to FDEM.

Please find attached our six-month status report regarding management's update to the findings included in the Auditor General's report. We appreciate the assistance and cooperation provided by staff members of FDEM's Recovery Bureau during this project.

If you have any questions, please let me know.

Attachment

CC: James Bujeda, Deputy Director
Melinda Miguel, Chief Inspector General
Joint Legislative Auditing Committee

Florida Division of Emergency Management



Office of Inspector General

Six-Month Status Report to
Auditor General Report No. 2021-182

September 27, 2021



INTRODUCTION

Pursuant to § 20.055(6)(h), Florida Statutes, the Office of Inspector General (OIG) for the Florida Division of Emergency Management (FDEM) conducted a six-month follow-up to the Auditor General's report number 2021-182, *State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards For the Fiscal Year Ended June 30, 2020*. The final report was issued by the Auditor General in March 2021, and contained one finding and one recommendation related to FDEM.

SUMMARY OF FINDINGS & MANAGEMENT'S RESPONSE

The OIG requested management in FDEM's Recovery Bureau to provide a six-month status update regarding the finding included in the Auditor General's report number 2021-182. The following is a summary of the Auditor General's finding and recommendation, along with FDEM management's six-month status update.

AUDITOR GENERAL FINDING NO. 2020-050

Finding: The FDEM did not monitor subrecipients in accordance with FDEM procedures or timely issue management decisions for subrecipient audit findings.

Recommendation: We recommend that the FDEM perform subrecipient monitoring and timely issue management decisions for all subrecipients with reported audit findings in accordance with Federal regulations and FDEM procedures.

FDEM Management Response: Concur with recommendation. FDEM has begun revising its Compliance Unit to increase the number of monitoring activities and increase efficiencies in implementing the Compliance Program. FDEM has hired additional staff to supplement the Compliance Team in order to effectively perform its monitoring duties. FDEM is exploring virtual options in order to bolster its monitoring program. FDEM is improving its audit tracking process to capture all issues requiring management decisions.

FDEM Management Six-Month Status Update: The Recovery Bureau's Compliance team is finalizing its draft of an updated SOP [Standard Operating Procedure] and FDEM's Standard Operating System (SOS) for the adoption [of] SOPs is going through the revision process.

The Compliance team has improved its process for tracking audit responses and issuing management letters.

The Recovery Bureau is seeking to hire additional staff to augment the Compliance Team.

The Compliance team is researching and reviewing best practices for subrecipient monitoring.

The Compliance team is integrating itself with other sections within the Recovery Bureau to strengthen its monitoring process and identify improvements to its procedures.

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Florida Division of Emergency Management

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