



JLAC Received  
7-21-23

CHIEF FINANCIAL OFFICER  
**JIMMY PATRONIS**  
STATE OF FLORIDA

**MEMORANDUM**

**DATE:** 7/21/2023

**TO:** Jimmy Patronis, Chief Financial Officer

**THROUGH:** Dawn E. Case, Inspector General

**FROM:** Debbie K. Clark, Director of Audit

**SUBJECT:** Six-Month Follow-up Report on Status of Corrective Action, State of Florida Auditor General Report 2023-097, *Florida Accounting Information Resource Subsystem (FLAIR) and Selected Information Technology Controls*, published January 24, 2023

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Internal auditing standards require that the Office of Inspector General monitor the status of corrective action taken in response to findings and recommendations made by both external and internal audit entities. Accordingly, attached please find our six-month follow-up report on the Status of Corrective Action related to the above-referenced report.

Our six-month review indicates that the Department has completed corrective actions for two findings and is in the process of implementing corrective actions for the remaining finding.

Please contact me if you have any questions.

DKC/tf  
Enclosure

cc: Peter Penrod, Chief of Staff  
Susan Miller, Deputy Chief of Staff  
Scott Fennell, Deputy Chief Financial Officer  
Scott Stewart, Chief Information Officer  
Kathy DuBose, Joint Legislative Auditing Committee

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

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

<b>Reviewing Entity</b>	<b>Report</b>	<b>Report Title</b>	<b>Date Published</b>
State of Florida Auditor General	Report No. 2023-097	Florida Accounting Information Resource Subsystem (FLAIR) and Selected Information Technology Controls	1/24/2023
<b>Finding 1</b>	FLAIR program change controls continue to need improvement to ensure that all program changes are appropriately authorized, tested, reviewed, and approved prior to implementation into the FLAIR production environment, and are managed by, and do not bypass, the Department's change management process.		
<b>Recommendation</b>	<p>Part 1: We again recommend that Department management improve change management controls to ensure that Department records evidence that FLAIR program and related changes are appropriately authorized, tested, approved for production, and implemented into the production environment.</p> <p>Part 2: We also recommend that Department management ensure that Department records evidence through reconciliations and program code reviews that all FLAIR program changes are managed by, and do not bypass, the Department's change management process.</p>		
<b>Responsible Division</b>	Office of Information Technology		
<b>Original Response</b>	<p>Part 1: Standardized change management desk procedures were implemented September 30, 2022. The procedures were developed with input from all FLAIR sections and cover the change process from the original request through implementation of changes and reconciliation of the audit reports</p> <p>Part 2: Code review checklists have been implemented for program code reviews. These checklists will be stored in a central location for each FLAIR section. Audit reports will now be run 7 days a week and the report results will be documented each day.</p> <p>Expected Completion Date for Corrective Action: Completed</p>		
<b>Six-month Follow-up:</b> 7/21/2023			
<b>Reported Status</b>	Completed		
<b>Expected Completion Date for Corrective Action</b>			
<b>OIG Assessment</b>	Completed. The OIT has implemented corrective action to address this finding based on the information provided.		

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<b>Reviewing Entity</b>	<b>Report</b>	<b>Report Title</b>	<b>Date Published</b>
State of Florida Auditor General	Report No. 2023-097	Florida Accounting Information Resource Subsystem (FLAIR) and Selected Information Technology Controls	1/24/2023
<b>Finding 2</b>	Department records did not evidence periodic reviews of the Department network domain privileged accounts' access privileges.		
<b>Recommendation</b>	We recommend that Department management ensure that employees responsible for conducting periodic reviews of privileged network domain access privileges for user and service accounts understand and adhere to Department policies and procedures and maintain documentation of such reviews.		
<b>Responsible Division</b>	Office of Information Technology		
<b>Original Response</b>	The Department has implemented a process to document access reviews for privileged accounts to its resources.  Expected Completion Date for Corrective Action: Completed 1/3/2023		
<b>Six-month Follow-up:</b> 7/21/2023			
<b>Reported Status</b>	Completed		
<b>Expected Completion Date for Corrective Action</b>			
<b>OIG Assessment</b>	Completed. The OIT has implemented corrective action to address this finding based on the information provided.		

\*\*\* Confidential Finding \*\*\*

<b>Reviewing Entity</b>	<b>Report</b>	<b>Report Title</b>	<b>Date Published</b>
State of Florida Auditor General	Report No. 2023-097	Florida Accounting Information Resource Subsystem (FLAIR) and Selected Information Technology Controls	1/24/2023
<b>Finding 3</b>	Certain security controls related to physical access, logical access, user authentication, configuration management, and logging and monitoring need improvement to ensure the confidentiality, integrity, and availability of FLAIR data and Department IT resources.		
<b>Recommendation</b>	We recommend that Department management improve certain security controls related to physical access, logical access, user authentication, configuration management, and logging and monitoring to ensure the confidentiality, integrity, and availability of FLAIR data and other Department IT resources.		
<b>Responsible Division</b>	Office of Information Technology		

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<b>Original Response</b>	The Office of Information Technology agrees to improve security controls related to physical access, logical access, user authentication, configuration management, and logging and monitoring to ensure the confidentiality, integrity, and availability of FLAIR data and other Department IT resources.  Expected Completion Date for Corrective Action: Various
<b>Six-month Follow-up:</b> 7/21/2023	
<b>Reported Status</b>	The Office of Information Technology has partially completed the improvement of security controls related to physical access, logical access, user authentication, configuration management, and logging and monitoring to ensure the confidentiality, integrity, and availability of FLAIR data and other Department IT resources.
<b>Expected Completion Date for Corrective Action</b>	Partially completed; anticipated completion date for the remainder of the corrective action: 7/31/23 and 10/31/23.
<b>OIG Assessment</b>	Partially completed. The OIT has initiated corrective action to improve security controls. The OIG will continue to monitor the OIT's efforts until the OIT has addressed the finding or accepts the related risk.