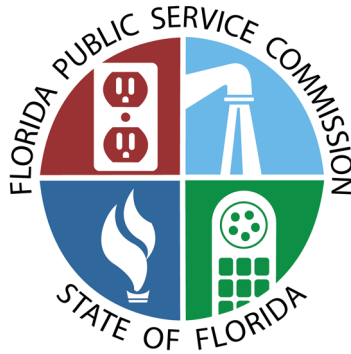


**OFFICE OF INSPECTOR GENERAL
FLORIDA PUBLIC SERVICE COMMISSION**



**ANNUAL AND LONG-TERM AUDIT WORK PLAN
Fiscal Years 2020-2021 through 2022-2023**

July 23, 2020

We are pleased to present the Florida Public Service Commission (Commission) Office of Inspector General (OIG) Annual and Long-Term Audit Work Plan for Fiscal Year (FY) 2020-2021. Section 20.055(6)(i), Florida Statutes, requires the OIG to develop annual and long-term audit work plans based on the results of periodic risk assessments. This work plan is intended to be a guide to direct the activities of the OIG and may be modified during the year to address changing conditions, priorities, and risks.

Methodology

This work plan was developed as a result of a risk assessment process which included surveys and interviews with Commission management, review of relevant documents, and consideration of uncompleted projects from the prior audit work plan. Proposed audit projects were presented to the audit committee and a draft plan was developed for approval by the Chairman.

Resource Allocation

The OIG consists of two staff members, the Inspector General and one Administrative Assistant. The Inspector General is responsible for carrying out the audit, investigative, and other responsibilities as required by Florida Statutes. The Administrative Assistant is responsible for administrative support of OIG office functions and does not perform audits or investigations. Based on projected hours allocated to leave/holidays, professional development, and indirect activities, the OIG hours available for audit services, investigative functions, and other required activities are estimated to be 1,220 hours.

The plan includes the following projects for the upcoming three-year period:

Annual Audit Plan – FY 2020-2021

- **Audit of Commission Telecommuting Policies, Procedures, and Practices:** During Fiscal Year 2019-2020, the Commission made temporary telework arrangements with a large percentage of employees in response to COVID-19. This audit would entail OIG

review and evaluation of telecommuting policies and procedures, current telecommuting practices, and would make recommendations for improvement, if necessary.

- **Audit of Workplace Safety and Security:** The Commission is projecting an increased number of public meetings to receive customer comments as a result of expected Investor-Owned Utility (IOU) rate cases occurring over the next two years. These meetings have historically been open for members of the public to physically attend for the purpose of public input and comment. In response, Commission management has expressed an interest in OIG review of safety and security measures for meetings held on-site at Commission headquarters, as well as off-site at various locations across the state.

Long-Term Audit Plan – FY 2021-2022 and FY 2022-2023

- **Records Retention and Disposal:** Records management has been an area of prior review by the OIG, and the Commission is currently implementing significant changes in how electronic documents are maintained and disposed. This audit will assess these new processes after several years of operation to determine whether they are efficient, effective, and compliant with legal requirements.
- **Continuity of Operations Plan (COOP) Review:** The potential focus includes OIG review and evaluation of the Commission’s COOP and Pandemic response plan, which may also include Information Technology response. The OIG would make recommendations based on lessons learned during the Commission’s response to COVID-19.
- **PHMSA Federal Grant Activities:** During FY 2016-2017, the Commission began participating in a federal grant to reimburse up to 80% of the costs for the gas safety program through the Federal Pipeline and Hazardous Materials Safety Administration (PHMSA). While monitoring of the state safety program for compliance with federal requirements has occurred annually prior to this funding, fiscal audits by PHMSA will also be required every three years beginning in FY 2020-2021. Findings resulting from both of these reviews could affect the Commission’s eligibility for the federal grant award or its amount. OIG assessment at an appropriate time could help identify and address risks associated with potential noncompliance.

Assurance and Consulting Audit Services

The OIG performs audits in accordance with the *International Standards for the Professional Practice of Internal Auditing (Standards)*. Under these standards, the OIG may perform both assurance and consulting audit services. *Assurance services* involve the internal auditor’s objective assessment of evidence to provide conclusions regarding an entity, operation, function, process, system, or other subject matter. *Consulting services* are advisory in nature and are generally performed at the specific request of an engagement client.

Consultation topics may include some of the proposed audits listed above if it is determined to be more appropriate, cost-effective, and complies with the intent of consulting services as defined by the *Standards*. In addition, areas for consultation review may be directed by the Chairman or suggested by management during the work plan period.

Other Activities

The OIG is also responsible for several recurring activities as required by Florida Statutes. These responsibilities include, but are not limited to:

- Conducting an annual risk assessment,
- Developing an annual and long-term audit plan,
- Reviewing the Commission's performance measures, and
- Preparing the OIG annual report.

In addition to providing internal audit services, the OIG will continue to provide internal investigation support to the Commission, coordinate external audits affecting the Commission, and conduct other accountability activities as required or requested by management.

The Annual and Long-Term Audit Work Plan is respectfully submitted by:



Ashley N. Clark, Inspector General

July 23, 2020

Date

The Annual and Long-Term Audit Work Plan is APPROVED.



Gary F. Clark, Chairman

July 23, 2020

Date