



## OFFICE OF INSURANCE REGULATION

**DAVID ALTMAIER**  
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**FINANCIAL SERVICES  
COMMISSION**

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COMMISSIONER OF  
AGRICULTURE

May 26, 2020

David Altmaier  
Commissioner of Insurance Regulation  
200 E. Gaines Street, Suite 101  
Tallahassee, FL 32399-0326

**Re: Auditor General Report No. 2020-065 – Financial Oversight and Market Regulation  
of Insurers and Selected Administrative Activities**

Commissioner Altmaier,

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 Joint Legislative Auditing Committee. Information regarding the status of corrective actions that have been taken in response to the findings that were documented in the referenced report is provided in the attached documentation.

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

Sincerely,

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

Enclosure

cc: Mike Yaworsky, Chief of Staff  
Joint Legislative Auditing Committee

## OIR OIG AUDIT FOLLOW-UP REPORT

**Project Name:** 1st Follow-Up to the Auditor General – OIR Operational Audit  
**Project Number:** AR-1920-089  
**Follow-Up Date:** 04/14/2020  
**Due Date:** 05/08/2020

**External Audit Title:** Auditor General – OIR Operational Audit – Report No. 2020-065  
 Financial Oversight and Market Regulation of Insurers and  
 Selected Administrative Activities  
**External Report Date:** 11/26/2019  
**OIG Project Number:** AUD-1819-031

Finding Number	Finding Summary	Recommendation	Management Response (Included in Audit Report)	Management Follow-Up Response	Status (Open or Closed)
1	<p><b>Financial Oversight and Market Regulation of Insurers</b></p> <p>Office controls for timely removing user access privileges to the Financial Analysis and Monitoring Electronic Data Management System need improvement.</p>	<p>We recommend that Office management ensure that FAME user privileges are removed immediately upon an employee’s separation from Office employment.</p>	<p>The Office has recommended solutions to address this finding. Redundancies have been added to the internal process for removing access to our Financial Analysis and Monitoring Electronic Data Management System to ensure that access to this system is timely removed in accordance with our standard user access control process.</p>	<p><b>May 21, 2020</b> – Market Research Technology Unit (MRTU) is notified by DFS HR of all employee separations or job changes through an email to request removal of Financial Analysis and Monitoring Electronic Data Management System (FAME) privileges effective immediately after the employee’s separation is effective.</p> <p>Redundancies have been added to the internal process for removing access to FAME to ensure that access to this system is timely removed in accordance with our standard user access control process.</p>	<p><b>Recommend – Closed</b></p>
2	<p><b>Financial Oversight and Market Regulation of Insurers</b></p> <p>The Office did not conduct periodic reviews of TeamMate user access privileges and the Office was unable to demonstrate that user access privileges to TeamMate were timely removed when access was no longer required.</p>	<p>We recommend that Office management establish policies and procedures for conducting periodic reviews of the appropriateness of TeamMate user access privileges. We also recommend that, when access privileges are no longer required, Office management ensure that the timely removal of TeamMate user access privileges is appropriately documented.</p>	<p>The Office has recommended solutions to address this finding. TeamMate has been added to the Access Control List and additional procedures put in place to ensure appropriate system access deactivation.</p>	<p><b>May 21, 2020</b> - MRTU has revised its policies and procedures to incorporate TeamMate in its semi-annual Access Control List (ACL) review.</p> <p>The Life &amp; Health Exam Section has incorporated into its policies and procedures manual the deactivation of user roles from individual projects at the completion of an examination. Continued access to each individual</p>	<p><b>Recommend – Open</b></p>

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				<p>project is restricted to the Chief Examiner and the TeamMate Champion. All other users, both Office examiners and contract examiners, have their profile deactivated once the exam is wrapped up and the project is finalized. Documentation of these deactivations will be retained. The Property &amp; Casualty Exam unit is currently reviewing their process at this time.</p> <p>The Life &amp; Health and Property &amp; Casualty Market Regulation units conduct periodic reviews of TeamMate user access privileges. User access to TeamMate is now being timely removed when it is determined that access is no longer required.</p>	
3	<p><b>Selected Administrative Activities</b></p> <p>The Office did not always timely post contract information to the Florida Accountability Contract Tracking System as required by State law or update contract status information in accordance with Department of Financial Services procedures.</p>	<p>We recommend that Office management establish policies and procedures to ensure that valid contract information is timely posted to and updated in FACTS as required by State law and Department procedures</p>	<p>The Office has recommended solutions to address this finding. Budget personnel will update the contracting and procurement process to specifically include the posting of contract information to the Florida Accountability Contract Tracking System.</p>	<p><b>May 21, 2020</b> – The OIR Budget Office is ensuring that contracts are timely posted and updated into the Florida Accountability Contract Tracking System (FACTS).</p> <p>This includes the posting of any new contract/agreement that has been fully executed, where OIR is one of</p>	<p><i>Recommend – Open</i></p>

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				<p>the parties that has executed the agreement. Each fully executed contract is entered in FACTS within 30 days of execution by all parties. The information that is entered into FACTS includes, at a minimum, the type of agreement, vendor information, amount &amp; term of the agreement, budget information, and the deliverables.</p> <p>When contracts expire and/or close, and before the status is updated in FACTS, the Office verifies that all of the deliverables have been met. If the deliverables have been met, the Office verifies that all payments to the contractor/vendor have been made.</p> <p>Respective policies and procedures are being finalized.</p>	