



# STATE OF FLORIDA DIVISION OF EMERGENCY MANAGEMENT



Ron DeSantis, Governor

Kevin Guthrie, Executive Director

## MEMORANDUM

**TO:** Kevin Guthrie, Executive Director  
**FROM:** Mandi Mitchell, Inspector General  
**DATE:** September 25, 2024  
**SUBJECT:** Six-Month Status Report to Auditor General Report No. 2024-174

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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 2024-174, *State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards for the Fiscal Year Ended June 30, 2023*. The final report was issued by the Auditor General in March 2024, and contained two findings 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. Per statutory requirements, this status report will be provided to the Chief Inspector General and the Legislative Auditing Committee.

We appreciate the assistance and cooperation provided by FDEM staff members during this engagement. If you have any questions, please let me know.

Attachment

CC: Stephanie Houp, Deputy Executive 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. 2024-174

September 25, 2024



## INTRODUCTION

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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 2024-174, *State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards for the Fiscal Year Ended June 30, 2023*. The final report was issued by the Auditor General in March 2024, and contained two findings related to FDEM.

## SUMMARY OF FINDINGS & MANAGEMENT'S RESPONSE

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The OIG requested management in FDEM's Bureau of Recovery to provide a six-month status update regarding the findings included in the Auditor General's report number 2024-174. The following is a summary of the Auditor General's findings and recommendations, along with FDEM management's six-month status update.

### **AUDITOR GENERAL FINDING NO. 2023-57**

**Finding:** The FDEM did not timely or accurately report subaward information required by the Federal Funding Accountability and Transparency Act (FFATA) in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). Additionally, the FDEM was unable to provide all FFATA reports requested for audit.

**Recommendation:** We recommend that FDEM management ensure that all applicable Disaster Grants subawards are appropriately and timely reported in the FSRS.

**FDEM Management Response:** FDEM concurs with this finding and will continue its efforts to work with the Federal Funding Accountability and Transparency Act (FFATA) Subaward Reporting System (FSRS) and our federal partners to resolve the bulk upload issues within the FSRS.

**FDEM Management Six-Month Status Update:** Partially Corrected. The FAIN [Federal Award Identification Number] issue was resolved, and subawards tied to the missing FAINs have been submitted to the FSRS system.



### **AUDITOR GENERAL FINDING NO. 2023-58**

**Finding:** The FDEM did not correctly provide all required subaward information to subrecipients or evaluate each subrecipient's risk of noncompliance for the purpose of determining the appropriate subrecipient monitoring and, consequently, the FDEM could not demonstrate that monitoring performed was based on risk. Additionally, the FDEM did not always timely issue management decisions for subrecipient audit findings.

**Recommendation:** We recommend that the FDEM ensure that all required information is correctly included in Disaster Grants subrecipient agreements. We also recommend that the FDEM evaluate each subrecipient's risk of noncompliance for the purpose of determining the appropriate subrecipient monitoring and conduct subrecipient monitoring based on the risk assessment. Further, we recommend that the FDEM document the review of all subrecipient single audit reports and ensure that management decisions are issued within 6 months of acceptance of the audit report by the Federal Audit Clearinghouse.

**FDEM Management Response:** FDEM concurs with this finding. FDEM received 5 of 15 positions requested at the start of FY 23/24. FDEM will use these positions and supplement with staff augmentation contractors to conduct onsite and desktop monitoring of subrecipients. FDEM's subrecipient monitoring policies and procedures are being revised. FDEM will revise its subrecipient agreements for Public Assistance (PA) disaster grants to include all required information.

**FDEM Management Six-Month Status Update:** Partially Corrected. FDEM has expanded the Compliance Unit by establishing a new Monitoring Unit, now referred to as the Compliance & Monitoring Section. This addition brings three new staff members to the five full-time equivalent (FTE) positions recently acquired. As of September 2024, all Compliance and Monitoring Section positions are filled. The unit will work closely with the Compliance Unit to oversee onsite and desktop monitoring of subrecipients.

Additionally, the third enhancement to the FLPA [FloridaPA.org], which upgrades the existing Risk Assessment module, is not yet live but is set to enter the testing phase in the coming weeks.

Executive Office of the Governor  
Florida Division of Emergency Management

Office of Inspector General  
2555 Shumard Oak Boulevard  
Tallahassee, FL 32399



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Mandi Mitchell, Esq., CIG, CISA  
Inspector General