



CHIEF FINANCIAL OFFICER
BLAISE INGOGLIA
STATE OF FLORIDA

March 2, 2026

Ms. Tabitha McNulty
Audit Liaison, Office of Inspector General
Department of Management Services
4050 Esplanade Way
Tallahassee, Florida 32399

Dear Ms. McNulty,

The Department of Financial Services has conducted an audit of the contract management and monitoring processes for the Department of Management Services (Department) for the period of July 1, 2023, through June 30, 2024, pursuant to sections 17.03 and 287.136, Florida Statutes (F.S.).

Objectives and Methodology

The objective of this review was to determine whether the Department was following contract deliverables and monitoring efforts. The Department is responsible for the procurement, contract management, and monitoring of all Department contracts. Our audit focused on purchase orders and grant agreements that were active and closed during the audit period. Our population included 1,462 contracts totaling \$216 million.

Summary of Recommendations

Our review of the Department's implemented internal controls for contract management and monitoring processes is adequate, except for the following areas noted during our review where improvement should be considered. Please note, this audit was performed for Fiscal Year (FY) 2023/2024; therefore, the policies, procedures, statutes, and Chief Financial Officer (CFO) Memoranda that were active during FY 2023/2024 were utilized during this audit. Historical CFO Memoranda are not available on the CFO's website; however, they can be provided upon request. The Department should utilize the current policies, procedures, statutes, and CFO Memoranda going forward. We recommend the Department take the following actions:

- Ensure the Department complies with CFO Memoranda Number (No.) 5, effective July 1, 2021, and section (s.) 287.057(15)(a), F.S., by establishing and maintaining a formal monitoring process in place that includes a Risk Assessment and Monitoring Plan. The Department should also develop a monitoring tool to document and demonstrate the monitoring efforts performed by the contract manager.
- Ensure contract managers verify all required documentation and supporting deliverables are included with each invoice prior to payment, and that documentation is maintained in the contract manager files per CFO Memoranda No. 5, effective July 1, 2021.

FLORIDA DEPARTMENT OF FINANCIAL SERVICES

Renée Hermeling • Director
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- Ensure the Department complies with CFO Memoranda No. 4, effective July 1, 2021, by validating that funds paid to providers were appropriately expended and that a final reconciliation is completed.
- Ensure the Department complies with s. 215.971(1)(b), F.S., by ensuring each agreement funded by state or federal financial assistance includes deliverables and a clearly defined scope of work.
- Ensure the Department complies with s. 215.422, F.S., by verifying that all applicable dates are included on the invoice or supported through other documentation, establishing the timeline from receipt through approval, and ensuring that all invoices are reviewed within the required 5-day timeframe.

These improvements will help ensure that contract management, monitoring efforts, and documentation practices are properly performed.

We appreciate the support and courtesy extended to our audit team. Completed reports are available at <https://www.myfloridacfo.com/division/aa/audits-reports>. If you have any questions, please contact Ms. Kim Holland, Bureau Chief, at (850) 413-5700 or Kim.Holland@myfloridacfo.com.

Sincerely,



Renée Hermeling, Director

RH/avg

c. Heather Robinson, Inspector General