



CHIEF FINANCIAL OFFICER
BLAISE INGOGLIA
STATE OF FLORIDA

March 10, 2026

Secretary Melanie S. Griffin
Department of Business and Professional Regulation
2601 North Blair Stone Road
Tallahassee, Florida 32399

Dear Secretary Griffin,

The Department of Financial Services has conducted an audit of the contract management and monitoring processes for the Department of Business and Professional Regulation (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, who is charged with licensing and regulating businesses and professionals in the State of Florida, was in compliance regarding 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 standard two-party agreements that were active and closed during the audit period. Our population included 1,204 contracts totaling \$18.9 million.

Summary of Recommendations

Based on our review, the Department's implemented internal controls regarding contract management and monitoring processes were 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 is following 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 that includes a Risk Assessment and Monitoring Plan. The Department should also develop a monitoring tool to demonstrate the monitoring efforts made by the contract manager.
- Ensure contract managers verify all required documentation supporting deliverables are included with each invoice prior to approving payment, and that documentation is maintained in the contract manager files via CFO Memoranda No. 5, effective July 1, 2021.
- Ensure the Department complies with CFO Memoranda No. 1 and s. 216.3476, F.S., by maintaining a copy of the completed cost analysis, copy of the purchase order, and/or contract in the contract manager's file.
- Ensure the Department complies with CFO Memoranda No. 3, effective July 1, 2021, by completing the Contract Summary Form for all contract and grant agreements that are recorded in

Florida Accountability Contract Tracking System and payments processed in the Florida Accounting Information Resource accounting system.

- Ensure the Department complies with 69I-5.005 Florida Administrative Code by submitting the completed DFS A2-PD form to the Department of Financial Services.
- 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 and approved within the required 5-day timeframe.
- Ensure contract managers have implemented the Department's internal contract management and monitoring procedures and keep them current with references to external documents. The Contract Manager Manual dated April 19, 2021, still refers to the "State of Florida Contract and Grant User Guide," which is no longer available on the Department of Financial Services' website. The Department should update its procedures to remove obsolete references and ensure contract managers are following current and authoritative guidance.

These improvements will help ensure contract management, monitoring activities, and the maintenance of required documentation are performed consistently.

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. Rodney J. MacKinnon, Inspector General