



CHIEF FINANCIAL OFFICER
BLAISE INGOGLIA
STATE OF FLORIDA

April 21, 2026

James S. Hartsell, Executive Director
Florida Department of Veterans' Affairs
11351 Ulmerton Road, Suite 311-K
Largo, Florida 33778

Dear Mr. Hartsell:

As authorized in sections 17.03 and 287.136, Florida Statutes (F.S.), the Department of Financial Services has conducted an audit of contract management and monitoring processes for the Florida Department of Veterans' Affairs (The Department) for the period of July 1, 2024, through June 30, 2025.

Objectives and Methodology

The objective of this review was to determine whether the Department complied with 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 that were active and closed during the audit period. Our population included 662 standard two party agreements and purchase orders totaling \$71.1 million.

Summary of Recommendations

Based on our review, the implemented internal controls at the Department for contract management and monitoring processes are adequate, except for the following areas noted during our review where improvement should be considered. Please note, this audit was performed for the Fiscal Year (FY) 2024/2025; therefore, the policies, procedures, statutes, and Chief Financial Officer (CFO) Memoranda that were active during FY 2024/2025 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 in compliance with their agency's Purchasing Policy and Procedure which establishes a formal monitoring process that includes a risk assessment, monitoring plan, and monitoring tools.
- Ensure the Department is in compliance with CFO Memoranda Number (No.) 1 and section (s.) 216.3476, F.S., by maintaining a copy of the completed cost analysis.

FLORIDA DEPARTMENT OF FINANCIAL SERVICES
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- Ensure the Department is in compliance with s. 287.057(15)(a)(2), F.S., and the Department's monitoring procedures to demonstrate the monitoring efforts made by the contract manager for contract requirements and timely records of findings.
- Ensure the Department is in compliance with CFO Memoranda No. 3, effective July 1, 2024, by completing and maintaining the Contract Summary Form which certifies services were satisfactorily received and completed.
- Ensure the Department is in compliance with s. 215.422, F.S., by verifying that all applicable dates are included on the invoice or supported through documentation establishing the timeline from receipt through approval, to ensure that all invoices are reviewed within the required 5-day timeframe.
- Ensure the Department is in compliance with CFO Memoranda No. 1, the agency's Purchasing Policy and Procedure, s. 287.057, F.S., and s. 287.058, F.S., by ensuring the contract managers' file contains documentation determining whether the vendor was not paid more than the authorized rate or amount stated in the contract, as well as all supporting documentation related to the payment.
- Ensure the Department is in compliance with s. 287.057(15)(a), F.S., by clearly defining the designated contract manager assigned to each contract and the approved alternates which hold the required contract manager certification.

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. David Marzullo, Inspector General
Linda Rizzo, Director of Administration
Connie Tolley, Director
Scott Gerke, Purchasing Officer