



**Approved Audit Plan
For Fiscal Year 2026-2027
and
Long-Term Audit Plan for
Fiscal Years 2028-2032**

**Prepared by
Office of Inspector General**

J. Timothy Beirnes, CPA, Inspector General



SOUTH FLORIDA WATER MANAGEMENT DISTRICT

MEMORANDUM

To: Governing Board Members

From: J. Timothy Beirnes, CPA, Inspector General,
Office of Inspector General

Date: October 9, 2026

A handwritten signature in blue ink, appearing to be "JTB", is written over the "From:" line.

**Subject: Approved Audit Plan for Fiscal Year 2026-2027 and
Long-Term Audit Plan for Fiscal Years 2028-2032**

I am pleased to present our Approved Audit Plan for Fiscal Year 2026-2027. The development of the plan was shaped using a systematic approach to help us decide what audits need to be done. The planning process helps us to develop the theme for our audits and identify an appropriate mix of various types of audits. The audit plan helps us to determine how we can best allocate our resources and capitalize on our individual strengths.

Effective audit planning is crucial to the success of the Inspector General's Office. Our planning process involves understanding our responsibility, recapping where we have been, and identifying the auditable universe and the risks associated with various programs and activities. The Audit Plan requires Governing Board approval.

Our Guidance

The first step in our current planning process was to ask ourselves what is the Inspector General Office's mandate. Our mandate to perform audits is clearly specified in Section 20.055 F.S., *Agency Inspectors General*. It states that in carrying out our audit mandate we should:

1. Review and evaluate the internal controls that ensure fiscal accountability.
2. Review post audit sampling of payments and accounts, where appropriate.
3. Advise in the development of performance measures for evaluating District programs.
4. Conduct financial, compliance, electronic data processing and performance audits of the District.

While the scope and assignment of audits is entirely left to the discretion of the Inspector General, the statute provides that the agency head may, at any time, direct the Inspector General to perform an audit of a program function or organizational unit. In the past, we received a number of requests from both the Governing Board and District staff to perform necessary Inspector General projects. Therefore, executing our work plan necessitates flexibility to accommodate special requests and investigations.

Our Planning Approach

Each year the District prepares a five-year Strategic Plan to guide management and staff in fulfilling the District's mission. The 2026-2031 Strategic Plan is the product of the yearly planning cycle, which is the approach to establishing priorities, allocating resources, implementing projects, and providing accountability. The budget process then allocates resources to accomplish the planned activities.

Our audit planning process began with reviewing the Strategic Plan and the FY 2026-2027 Budget to identify those programs, activities and functions that we consider present potential risk to the District. In addition to specific programs, we also focused on identifying processes that are critical to the planning cycle that affects all programs.

The audit plan reflects a consideration of risk and its relationship to the District's mission and objectives. The most ubiquitous risks to the District's mission revolve around spending, operations, data integrity and reliability, disaster recovery/contingency planning, regulatory compliance, and public perception. Some District programs, such as our many restoration projects, depend on land acquisition and construction processes, which represent high risks due to the mere magnitude of the financial resources to be consumed. Others, such as regulation, have inherent risks that are not necessarily related to program expenditures or dollar magnitude but rather represent high risk due to the nature of the function where consistency, objectivity, integrity, and strict adherence to rules and regulations are essential.

Our audit planning process is designed to provide sufficient coverage over time to reach all significant programs, activities, and functions. Thus, the audit plan also includes the Approved Long-Term Audit Plan for Fiscal Years 2028 through 2032, which itemizes the audit projects we envision for the audit planning cycle over the next five years. The Long-Term Audit Plan will be updated annually to reflect a rolling five-year outlook of future audit projects and to incorporate modifications as needed to reflect the Governing Board's and management's audit priorities.

During FY 2026-2027, we will continue to use our best judgment in prioritizing audit activities so as to be responsive to the most immediate needs of the District's Governing Board and executive management. Our approved work plan for FY 2026-2027 provides audit projects for specific District programs, as well as, audits of processes that may affect all District programs.

Approved Audit Plan FY 2026-2027

October 9, 2026

Page 3 of 3

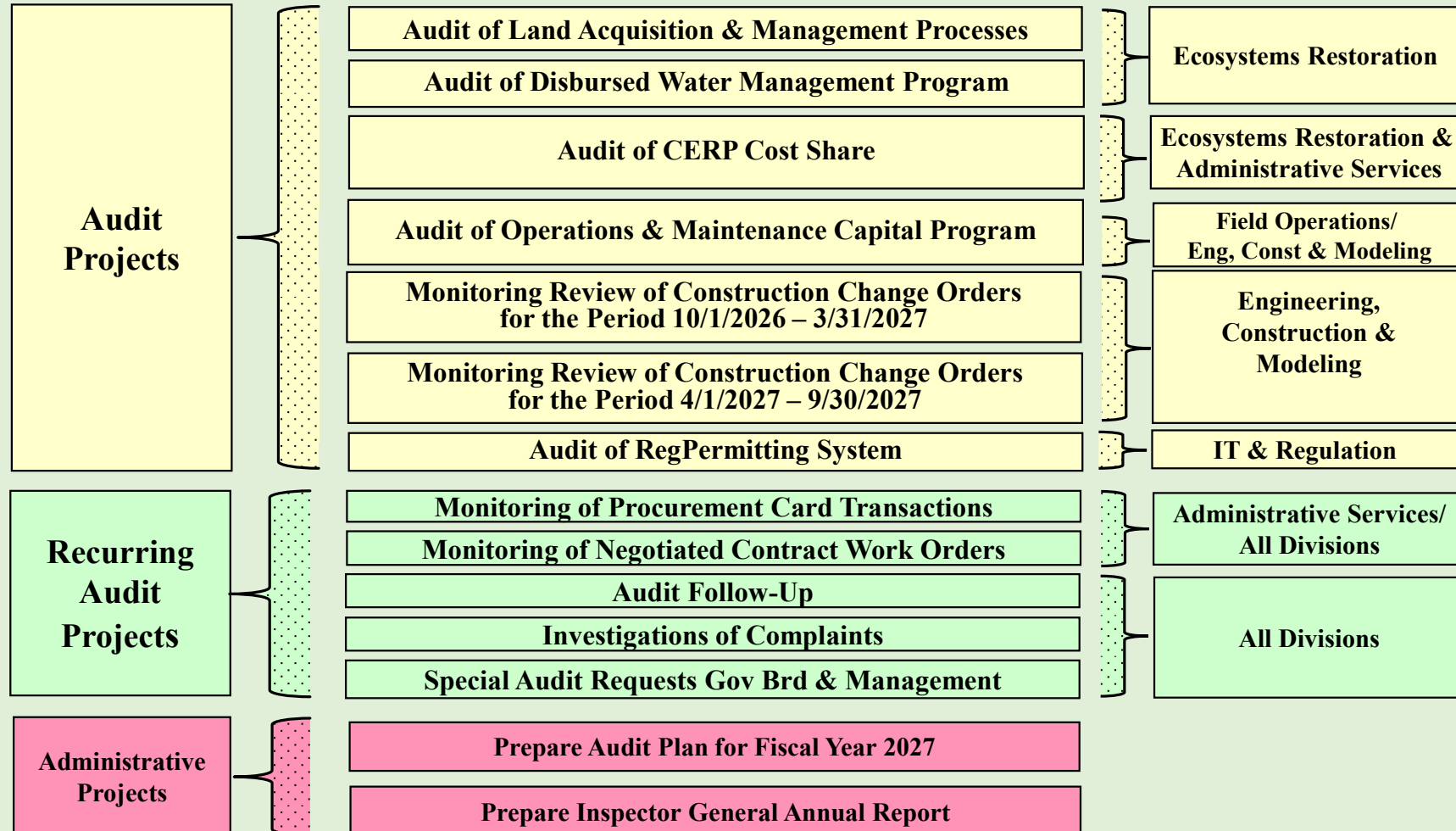
Provision is also made for following up on the status of implementing prior audit recommendations as required by *Government Auditing Standards* and the District's *Internal Audit Charter*. Additionally, the audit plan provides flexibility to investigate Whistle-blower complaints and for special audit requests from the Governing Board and senior District management.

The attached schedules present the Approved Audit Plan for Fiscal Year 2026-2027 and the Approved Long-Term Audit Plan for Fiscal Years 2028 – 2032.

cc: Drew Bartlett
Jennifer Smith
John Mitnik
Lucine Dadrian
Sirena Davila
Maricruz Fincher
Candida Heater
Suelynn Kirkland
Ana Carolina Maran
Akintunde Owosina
Jennifer Reynolds
Rich Virgil
Lourdes Woytek

APPROVED Audit Projects FY2026-2027

Divisions



South Florida Water Management District Office of Inspector General Approved Audit Plan for Fiscal Year 2026-2027						
Division	Bureau/ Section	Project Title	Background	Objectives	Rational for Audit	Estimated Resources
Audit Projects						Hours
Ecosystems Restoration	Real Estate	Audit of Land Acquisition and Management Processes	The District expends significant resources to acquire land, primarily for restoration projects. Because a significant amount of the land acquired is for projects that are cost shared with Federal funds, many of the land acquisitions are subject to following Federal laws and regulations, such as the Uniform Relocation Act.	Examine the land acquisition process which included the process used to prioritize, budget and purchase land for projects and conservation. This included examining the appraisal process which entailed focusing on the outside appraiser selection process. Objectives will also examine adherence to Federal land acquisition laws and regulations.	This process was last audited in 2011	660
Ecosystem Restoration	Everglades and Estuaries Protection	Audit of Dispersed Water Management Program	The District enters agreements that compensate private land owners for the right to store water on their property. The compensation is typically an annual price per acre-foot of water for a certain number of years.	Assess the effectiveness of the District's Dispersed Water Management Program and compare the programs cost efficiency to other storage alternatives.	This process was last audited in 2015	560
Ecosystem Restoration/ Administrative Services	Ecosystem Restoration & Accounting	Audit of Comprehensive Everglades Restoration Program (CERP) Cost Share	The Water Resources Development Act of 2000 (WRDA 2000) established the framework for the Comprehensive Everglades Restoration Plan (CERP). WRDA 2000 required integration of Federal and State projects and activities related to CERP and provides for 50/50 cost sharing between the Federal (USACE) and the non-Federal Local Sponsor (SFWMD). The District is providing most of the land and some of the engineering and construction cost while the USACE will incur a larger portion of the engineering and construction cost. Programmatic costs are also cost shared 50/50.	Examinee the District's process for preparing In-Kind Credit Requests to ensure the District is requesting credit for all eligible costs related to the CERP Project. The audit will also assess whether adequate supporting documentation is maintained for such expenditures.	Failure to claim credit for eligible expenditures that may have been overlooked would result in additional cost to the District.	1020
Field Operations / Engineering, Construction & Modeling	Various	Audit of Operations & Maintenance Capital Program	District faces the challenge of an aging infrastructure network. The majority of the system's components are more than 70 years old and require significant repair, replacement, or rehabilitation. Today, the District operates and maintains more than 2,175 miles of canals, 2,130 miles of levees/berms, 915 water control structures, 620 project culverts and 98 pump stations. This system is continuously expanding as new restoration projects (ex. Stormwater Treatment Areas) and resiliency projects (ex. Coastal Structure Enhancements) are completed.	Assess whether the Operations and Maintenance (O&M) Capital Program is meeting the District's flood control mission.	This process was last audited in 2018	760

South Florida Water Management District
Office of Inspector General
Approved Audit Plan for Fiscal Year 2026-2027

Division	Bureau/ Section	Project Title	Background	Objectives	Rational for Audit	Estimated Resources
Engineering, Construction & Modeling	Engineering and Construction	Monitoring Review of Construction Change Orders for the Period 10/1/2026 - 3/31/2027	District is executing large construction contract for restoration projects. Most contractors are selected through a fixed sealed bid process. Change orders can potentially add to the already significant cost of these projects resulting in projects running over budget.	Verify cumulative change order amounts as a percentage of original construction contracts and compare such to industry averages for the period 10/1/2025 - 3/31/2026.	The District's various environmental restoration projects entails executing many large construction contracts. These contracts are generally awarded through a fix bid process. Change orders for these contracts can potentially add significant additional cost to projects. Controlling change order costs are essential to ensuring projects are completed on time and within budget.	100
Engineering, Construction & Modeling	Engineering and Construction	Monitoring Review of Construction Change Orders for the Period 4/1/2027 - 9/30/2027	District is executing large construction contract for restoration projects. Most contractors are selected through a fixed sealed bid process. Change orders can potentially add to the already significant cost of these projects resulting in projects running over budget.	Verify cumulative change order amounts as a percentage of original construction contracts and compare such to industry averages for the period 4/1/2026 - 9/30/2026.	The District's various environmental restoration projects entails executing many large construction contracts. These contracts are generally awarded through a fix bid process. Change orders for these contracts can potentially add significant additional cost to projects. Controlling change order costs are essential to ensuring projects are completed on time and within budget.	100
IT & Regulation	IT Applications & Environmental Resources	Audit of the District's RegPermitting System	The RegPermitting Information System is an IT solution that is used to manage permit application processing, approval, monitoring, and enforcement.	Determine the extent to which the following occur with RegPermitting: 1) The system provides the desired operational and business needs 2) Physical computer assets are adequately safeguarded 3) Technical administrative support is adequate 4) User needs are being properly supported and measured 5) System contains adequate access controls to prevent unauthorized access.	The RegPermitting System supports the District's regulatory responsibilities. Periodic reviews should be performed of information systems to ensure that the systems are functioning as designed and that the systems are used in manners that maximizes their benefits. The RegPermitting is a Pega based system that replaced the former ePermitting system.	440

South Florida Water Management District Office of Inspector General Approved Audit Plan for Fiscal Year 2026-2027						
Division	Bureau/ Section	Project Title	Background	Objectives	Rational for Audit	Estimated Resources
Recurring Audit Projects						
Administrative Services	Procurement	Monitoring of Procurement Card Transactions	The District issues procurement cards to certain District employees to provide an efficient payment method for small purchases. The Procurement Department manages the program.	Periodically examine procurement card transactions to ensure that they are: 1) Appropriate District expenditures. 2) Contain adequate supporting documentation. 3) Properly recorded in the accounting records.	Although procurement cards are used to pay for small purchases, they represent a significant number of transactions annually.	180
Administrative Services	Procurement/ All Bureaus	Monitoring of Negotiated Contract Work Orders	The District engages firms for various types of services under work order type contracts. Firms are prequalified through a Request for Proposal (RFP) or Request for Qualifications (RFQ) process and work orders are negotiated with the prequalified firms as services are needed.	Periodically select a sample of contracts to ensure that work orders are properly negotiated in a manner that maintains the District's best interest.	The work order contract approach provides significant efficiency to the procurement process; however, it also increases the risk that staff may not represent sufficient diligence in negotiation the best possible cost for the District. Continuous audit oversight of negotiated work orders will assist in mitigate this risk.	200
All Divisions	All Bureaus	Audit Follow-Up	Generally Accepted Government Audit Standards require follow-up regarding the implementation status of pervious audit findings and recommendations.	Verify that recommendations in prior audit reports have been appropriately implemented in a timely manner and provide a written report to the Executive Management team and the Governing Board.	Follow-up on previous audit recommendations is required by Government Auditing Standards and the District's Internal Audit Charter.	200
All Divisions	All Bureaus	Investigate Whistle- Blower and Other Complaints	The Office of Inspector General periodically receives Whistle-Blower complaints. Our office has a statutory responsibility to investigate these complaints and issue a report of our findings and conclusions.	Review each complaint to assess its validity. Whistle-blower complaints are received intermittently during the year.	The IG is responsible for performing investigations per Section 20.055, F. S., and the District's <i>Internal Audit Charter</i> .	440
All Divisions	All Bureaus	Audit Requests from Governing Board and Senior District Staff	The Inspector General's Office will entertain requests for audit and investigations from Governing Board and Senior District Staff on an as needed basis.	As specified in the Inspector General Act & District Policy (Internal Audit Charter)	Provides flexibility in the audit plan to accommodate special requests for audits and investigations from the Governing Board and senior management that arise throughout the year.	200

South Florida Water Management District Office of Inspector General Approved Audit Plan for Fiscal Year 2026-2027						
Division	Bureau/ Section	Project Title	Background	Objectives	Rational for Audit	Estimated Resources
Administrative Projects						
N/A	N/A	Audit Plan for Fiscal Year 2028	The Audit and Finance Committee Charter requires the Inspector General to submit an annual work plan to the committee for approval	Prepare an annual work plan and submit it to the Audit and Finance Committee for approval in accordance with the Audit and Finance Committee Charter.	N/A	60
N/A	N/A	Office of Inspector General Annual Report for FY 2026	State Statutes, Section 20.055(7) requires the Inspector General to submit an annual report to the agency head.	Prepare an annual report summarizing each audit and investigation completed during the year.	N/A	60

South Florida Water Management District Office of Inspector General Approved Long-Term Audit Plan for Fiscal Years 2028-2032				
Fiscal Year	Previous FY Audited	Project Number	Audit Project	Objectives
Audit Projects				
2028	2014	13-19	Audit of Land Lease Financial Provisions	Determine whether lease revenues are collected in accordance with lease agreements and whether lessees have complied with lease financial provisions such as procurement of contractually required insurance and remittance of required tax payments in a timely manner.
	2016	15-07	Audit of Cash Receipts	Determine whether adequate internal controls over cash receipts are in place and functioning properly to ensure that cash collections are safeguarded, deposited in a timely manner and accurately recorded in the District's financial records.
	2016	15-06	Audit of IT Resource Approval Process	The audit will focus on the process for purchasing IT hardware, software, and services and obtaining the required resource approval from the IT Bureau. The audit will examine how well District departments are complying with the approval requirement.
	2017	16-01	Audit of Procurement of Professional Engineering Services for Restoration Projects	Objectives of the audit will determine whether: 1) work orders are assigned to engineering firms under the Professional Engineering Services for Restoration Projects in an equitable manner 2) engineering firms are achieving established Small Business Enterprise (SBE) utilization goals 3) District project managers are negotiating work order pricing with the professional engineering firm 4) project managers are preparing contractor evaluations upon project completion.
	2022	22-20	Audit of Comprehensive Everglades Restoration Program (CERP) Real Estate Cost Share	Examinee the District's process for preparing In-Kind Credit Requests to ensure the District is requesting credit for all eligible costs for land, and related costs, for the CERP Project. The audit will also assess whether adequate supporting documentation is maintained for such expenditures.
			Other Audit Projects	Other audit projects to meet Governing Board and management's needs.

South Florida Water Management District Office of Inspector General Approved Long-Term Audit Plan for Fiscal Years 2028-2032				
Fiscal Year	Previous FY Audited	Project Number	Audit Project	Objectives
2029	2017	17-02	Audit of Land Survey Contracts	The primary objectives of our audit were to determine whether: · Work orders were assigned to professional survey firms in an equitable manner · Professional survey firms achieved Small Business Enterprise (SBE) utilization goals · District project managers negotiated work order pricing · Project managers prepared contractor evaluations upon project completion
	2016	15-08	Audit of Permit Application Process	Examine the consistency of the application review and approval process among District staff and determining whether application fees are assessed and collected in accordance with established statutes, regulations, and guidelines.
	2017	16-03	Audit of Bid Solicitation & Award Process	Assess compliance with the District's procurement policies and procedures from RFB solicitations to contract award.
	2025	24-14	Audit of CERP Cost Share for Operations & Maintenance (OMRR&R) Costs	Examine the District's system for identifying and tracking CERP OMRR&R cost to determine whether the system is effective in capturing all eligible CERP costs.
	2017	16-09	Audit of the Payroll Process	Determine whether the payroll process provides for adequate segregation of duties and that established internal controls over the payroll process are functioning as designed.
	2018	17-09	Audit of the Integrated Real Estate Information System	Determine the extent to which the following occur with IRIS: · System provides the desired operational and business needs · Physical computer assets are adequately safeguarded · Technical administrative support is adequate · User needs are being properly supported and measured · The system contains adequate access controls to prevent unauthorized access.
			Other Audit Projects	Other audit projects to meet Governing Board and management's needs.

South Florida Water Management District
Office of Inspector General
Approved Long-Term Audit Plan for Fiscal Years 2028-2032

Fiscal Year	Previous FY Audited	Project Number	Audit Project	Objectives
2030	2018	18-05	Audit of the IT Continuity of Operations/Disaster Recovery Plan	The objective of the audit will evaluate the IT Department's continuity of operations strategy (COOP) to determine whether: · The District has a comprehensive and up-to-date business continuity plan · The District has defined locations where the Disaster Recovery Plan could be executed · The documented Disaster Recovery Plan was periodically tested, and any necessary adjustments were incorporated into the plan.
	2019	18-17	Audit of the Employee Separation Process	Determine the extent to which controls over retracting district property and revoking access to District facilities and information systems are adequate when an individual separates from the District.
	2022	NA	Audit of DMV File Security	Determine whether District internal controls related to the drivers license information received from the DMV are sufficient to ensure that DMV records are adequately protected from unauthorized access, distribution, use, modification, or disclosure.
	2020	20-03	Audit of Employee Time Coding Process	Determine whether District employees' time charges reflect activities performed.
	2021	21-07	Audit of Construction Change Orders	Determine that change orders are negotiated in accordance with contract terms and conditions. The audit will also include verifying cumulative change order amounts as a percentage of original contracts and compare such to industry averages.
	2027	NA	Audit of Comprehensive Everglades Restoration Program (CERP) Cost Share	Determine whether the District requests credit for all eligible CERP project land acquisition related expenses and whether adequate supporting documentation is maintained for such expenditures.
			Other Audit Projects	Other audit projects to meet Governing Board and management's needs.

South Florida Water Management District Office of Inspector General Approved Long-Term Audit Plan for Fiscal Years 2028-2032				
Fiscal Year	Previous FY Audited	Project Number	Audit Project	Objectives
2031	2018	18-12	Audit of the Python Elimination Program	Examine the internal controls over hourly wages and bounty payments made to python hunters.
	2020	19-14	Audit of Contract Workers	This audit will assess whether contract workers are used in a cost-effective manner for job functions that appear to be: 1) temporary in nature and/or, 2) requires specific expertise for a one-time project and/or. 3) to fill in for an employee that is on a temporary leave of absence.
	2020	19-07	Audit of Software Licenses	Examine the process for negotiating and executing software license agreements. The audit will also assess whether all software used within the District is purchased from legitimate vendors, properly accounted for, and properly licensed.
	2020	20-06	Audit of the Information Technology Solution Center	Assess the efficiency and effectiveness of the IT Help Desk function in responding to employee's needs. The audit will also review system controls for the RemedyForce system.
	2028	NA	Audit of Comprehensive Everglades Restoration Program (CERP) Real Estate Cost Share	Examine the District's process for preparing In-Kind Credit Requests to ensure the District is requesting credit for all eligible costs for land, and related costs, for the CERP Project. The audit will also assess whether adequate supporting documentation is maintained for such expenditures.
	2022	NA	Audit of Investment Management	Determine whether adequate internal controls related to investment management are in place and functioning properly to ensure that investment purchases are made in accordance with the Investment Policy and properly recorded in District financial records.
	2022	NA	Audit of Procurement of Professional Engineering Services for Restoration Projects	Objectives of the audit will determine whether: 1) work orders are assigned to engineering firms under the Professional Engineering Services for Restoration Projects in an equitable manner 2) engineering firms are achieving established Small Business Enterprise (SBE) utilization goals 3) District project managers are negotiating work order pricing with the professional engineering firm 4) project managers are preparing contractor evaluations upon project completion.
			Other Audit Projects	Other audit projects to meet Governing Board and management's needs.

South Florida Water Management District Office of Inspector General Approved Long-Term Audit Plan for Fiscal Years 2028-2032				
Fiscal Year	Previous FY Audited	Project Number	Audit Project	Objectives
2032	2020	19-17	Audit of the Education Reimbursement Program	Determining whether tuition reimbursements are made in accordance with the District's policy and procedures. The audit will also included assessing the value the program provides in preparing District employees to take on higher job responsibilities
	2023	21-10	Audit of Fleet Maintenance Operations	Objectives of this audit will include: 1) Assessing the effectiveness and efficiency of the vehicle maintenance function. 2) Examining the vehicle replacement cycle process.
	2029	NA	Audit of CERP Cost Share for Operations & Maintenance (OMRR&R) Costs	Examine the District's system for identifying and tracking CERP OMRR&R cost to determine whether the system is effective in capturing all eligible CERP costs.
	2021	20-10	Audit of Ourtsourced Functions	Audit objectives will entail analyzing the cost of outsourced functions compared to what these functions would cost if performed using in-house resources.
	2023	21-17	Audit of ERP Enforcement	Determine whether the Environmental Resources and Regulatory Support Bureau's enforcement activities ensure compliance with state laws, regulations, and individual ERP permits.
	2023	21-08	Audit of Private Mitigation Banks	Examine the process for monitoring private mitigation banks to ensure compliance with permit conditions and determine whether perpetual maintenance funds are sufficient to pay for mitigation bank maintenance in perpetuity.
	2021	20-04	Audit of Grant Monitoring	Assess the effectiveness of the District's grant monitoring processes in ensuring that grantees adhere to the provisions of the grant agreements.
	2022	21-09	Audit of Fleet Utilization and Replacement	Determining whether the fleet size is adequate to carry out the District's mission, fleet units meeting replacement requirements are replaced in a timely manner, rentals are cost effective, vehicle/equipment are adequately utilized, and fleet purchases are procured using state and other government contracts.
			Other Audit Projects	Other audit projects to meet Governing Board and management's needs.

South Florida Water Management District Office of Inspector General Approved Long-Term Audit Plan for Fiscal Years 2028-2032				
Fiscal Year	Previous FY Audited	Project Number	Audit Project	Objectives
Recurring Audit Projects				
Annually			Monitoring of Construction Change Orders	On an on-going basis, periodically verifying cumulative change order amounts as a percentage of original contracts and compare such to industry averages.
			Monitoring of Procurement Card Transactions	Periodically examine procurement card transactions to ensure that they are: 1) Appropriate District expenditures. 2) Contain adequate supporting documentation. 3) Properly recorded in the accounting records.
			Monitoring of Negotiated Contract Work Orders	Periodically select a sample of contracts to ensure that work orders are properly negotiated in a manner that maintains the District's best interest.
			Audit Recommendations Follow-Up	Verify that recommendations in prior audit reports have been appropriately implemented in a timely manner and provide a written report to the Executive Management team and the Governing Board.
			Investigate Whistle-Blower and Other Complaints	Review each complaint to assess its validity. Whistle-blower complaints are received intermittently during the year.
			Audit Requests from Governing Board and Senior District Staff	As specified in the Inspector General Act & District Policy (Internal Audit Charter).

South Florida Water Management District Office of Inspector General Approved Long-Term Audit Plan for Fiscal Years 2028-2032				
Fiscal Year	Previous FY Audited	Project Number	Audit Project	Objectives
Administrative Projects				
Annually			Audit Plan for the Next Fiscal Year	Prepare an annual work plan and submit it to the Audit and Finance Committee for approval in accordance with the Audit and Finance Committee Charter.
			Office of Inspector General Annual Report for the Prior Fiscal Year	Prepare an annual report summarizing each audit and investigation completed during the year.
2028	2028	NA	Office of Inspector General Peer Review	Arrange for a peer review of the Inspector General Office, which will provide an evaluation of adherence to the professional standards. We plan to have the peer review performed through the Association of Local Governmental Auditors (ALGA) peer review program. The Office of Inspector General's Peer Review was performed FY 2025; thus, the next Peer Review will be required in FY 2028. Florida Statutes require Inspector General's to adhere to Government Auditing Standards established by the U.S. Government Accounting Office (GAO). Such standards require a peer review be performed every three years.
2029	2026	NA	Coordinate Auditor General Performance Audit	Coordinate the Auditor General's performance audit. Section 11.45(2)(f), Florida Statutes, was amended in 2011 to add water management districts to the list of agencies that the Auditor General is required to audit at least every 3 years.