

1 A bill to be entitled
2 An act relating to the inspector general of Citizens
3 Property Insurance Corporation; amending s. 627.351,
4 F.S.; requiring the internal auditor of the
5 corporation to cooperate and coordinate activities
6 with the inspector general; establishing the Office of
7 Inspector General within the corporation; providing
8 for appointment and duties of the inspector general;
9 providing an effective date.

10
11 Be It Enacted by the Legislature of the State of Florida:

12
13 Section 1. Paragraph (i) of subsection (6) of section
14 627.351, Florida Statutes, is amended, and paragraph (gg) is
15 added to that subsection to read:

16 627.351 Insurance risk apportionment plans.—

17 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

18 (i)1. The Office of the Internal Auditor is established
19 within the corporation to provide a central point for
20 coordination of and responsibility for activities that promote
21 accountability, integrity, and efficiency to the policyholders
22 and to the taxpayers of this state. The internal auditor shall
23 be appointed by the board of governors, shall report to and be
24 under the general supervision of the board of governors, and is
25 not subject to supervision by any employee of the corporation.
26 Administrative staff and support shall be provided by the
27 corporation. The internal auditor shall be appointed without
28 regard to political affiliation. It is the duty and

29 responsibility of the internal auditor to:

30 a. Provide direction for, supervise, conduct, and

31 coordinate audits, investigations, and management reviews

32 relating to the programs and operations of the corporation.

33 b. Conduct, supervise, or coordinate other activities

34 carried out or financed by the corporation for the purpose of

35 promoting efficiency in the administration of, or preventing and

36 detecting fraud, abuse, and mismanagement in, its programs and

37 operations.

38 c. Submit final audit reports, reviews, or investigative

39 reports to the board of governors, the executive director, the

40 members of the Financial Services Commission, and the President

41 of the Senate and the Speaker of the House of Representatives.

42 d. Keep the board of governors informed concerning fraud,

43 abuses, and internal control deficiencies relating to programs

44 and operations administered or financed by the corporation,

45 recommend corrective action, and report on the progress made in

46 implementing corrective action.

47 e. Report expeditiously to the Department of Law

48 Enforcement or other law enforcement agencies, as appropriate,

49 whenever the internal auditor has reasonable grounds to believe

50 there has been a violation of criminal law.

51 f. Cooperate and coordinate activities with the

52 corporation's inspector general.

53 2. On or before February 15, the internal auditor shall

54 prepare an annual report evaluating the effectiveness of the

55 internal controls of the corporation and providing

56 recommendations for corrective action, if necessary, and

57 summarizing the audits, reviews, and investigations conducted by
58 the office during the preceding fiscal year. The final report
59 shall be furnished to the board of governors and the executive
60 director, the President of the Senate, the Speaker of the House
61 of Representatives, and the Financial Services Commission.

62 (gg) The Office of Inspector General is established within
63 the corporation to provide a central point for coordination of
64 and responsibility for activities that promote accountability,
65 integrity, and efficiency. The office shall be headed by an
66 inspector general, which is a senior management position that
67 involves planning, coordinating, and performing activities
68 assigned to and assumed by the inspector general for the
69 corporation.

70 1. The inspector general shall be appointed by the
71 Financial Services Commission and may only be removed from
72 office by the commission. The inspector general shall be
73 appointed without regard to political affiliation.

74 a. At a minimum, the inspector general must possess a
75 bachelor's degree from an accredited college or university and 8
76 years of professional experience related to the duties of an
77 inspector general as described in this paragraph, of which 5
78 years must have been at a supervisory level.

79 b. The inspector general shall report to, and be under the
80 supervision of, the chair of the board of governors. The
81 executive director or corporation staff may not prevent or
82 prohibit the inspector general from initiating, carrying out, or
83 completing any review, evaluation, or investigation.

84 2. The inspector general shall initiate, direct,

85 coordinate, participate in, and perform studies, reviews,
86 evaluations, and investigations designed to assess management
87 practices; compliance with laws, rules, and policies; and
88 program effectiveness and efficiency. This includes:

89 a. Conducting internal examinations; investigating
90 allegations of fraud, waste, abuse, malfeasance, mismanagement,
91 employee misconduct, or violations of corporation policies; and
92 conducting any other investigations as directed by the Financial
93 Services Commission or as independently determined.

94 b. Evaluating and recommending actions regarding security,
95 the ethical behavior of personnel and vendors, and compliance
96 with rules, laws, policies, and personnel matters and rendering
97 ethics opinions.

98 c. Overseeing or participating in personnel and
99 administrative policy compliance and management, operational
100 reviews, and conducting and selecting human resources-related
101 advice and consultation.

102 d. Evaluating the application of a corporation code of
103 ethics, providing input on the design and content of ethics-
104 related policy training courses, educating employees on the code
105 and appropriate conduct, and checking for compliance.

106 e. Participating in policy development and review,
107 including the creation, modification, and maintenance of
108 personnel and administrative services policies and in the
109 identification of policy enhancements, and researching policy-
110 related issues.

111 f. Participating in the activities of the senior
112 management team and evaluating the management's compliance with

113 recommended solutions.

114 g. Cooperating and coordinating activities with the chief
115 of internal audit, but not conducting internal audits.

116 h. Maintaining records of investigations and discipline in
117 accordance with established policies.

118 i. Supervising and directing the tasks and assignments of
119 the staff assigned to assist with the inspector general's
120 projects. This includes regular review and feedback regarding
121 work in progress and upon completion and providing input
122 regarding relevant training and staff development activities as
123 warranted.

124 j. Directing, planning, preparing, and presenting interim
125 and final reports and oral briefings to the Financial Services
126 Commission and the executive director, which communicate the
127 results of studies, reviews, and investigations.

128 k. Providing the executive director with independent and
129 objective assessments of programs and activities.

130 l. Completing special projects and assignments as directed
131 by the Financial Services Commission and performing other duties
132 as requested by the commission.

133 Section 2. This act shall take effect July 1, 2013.