



# DAVID COMPLIANCE AND CONTROL MEASURES INTERNAL CONTROL ATTESTATION AUDIT

*Audit Number 2022-CR-0001*

*December 10, 2021*

## Purpose

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At the request of the Duval County Property Appraiser, the Office of Inspector General (OIG) conducted the Internal Control Attestation Audit (2022-CR-0001) in accordance with Section VI, Part B of Memorandum of Understanding (MOU) HSMV-0288-19 between the Florida Department of Highway Safety and Motor Vehicles (FLHSMV) and the Duval County Property Appraiser (PA). The MOU pertains to the Property Appraisers access to the Driver and Vehicle Information Database System (DAVID).

## Background

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The data obtained from DAVID is primarily used to assist the Property Appraiser with determining taxpayer homestead exemption eligibility and possible fraud as outlined in F. S. 196.031 and FS 196.015. This Audit was conducted pursuant to Section 1.203(c), Charter of the City of Jacksonville, and *Ordinance Code*, Section 602.303(a-c).

Pursuant to Section VI., *Compliance and Control Measures*, Part B, *Internal Control Attestation*, of the current MOU between the Florida Department of Highway Safety and Motor Vehicles and the Duval County Property Appraiser, which was executed on November 30, 2018, the MOU is contingent upon the Requesting Party having appropriate internal controls in place at all times that data is being provided/received. The data must be protected from unauthorized access, distribution, use, modification, or disclosure.

## Objectives

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The City of Jacksonville, Office of Inspector General (OIG), performed an Internal Control Attestation Audit to:

1. Evaluate whether internal controls in regard to DAVIDs complied with the requirements of the MOU.
2. Determine whether the Property Appraiser has adequate policies, and procedures in place to protect data received from FLHSMV.
3. Provide reasonable assurance that the data is protected from unauthorized access, distribution, use, modification, or disclosure.

## Scope and Methodology

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The scope of the Audit was from April 1, 2019 to September 30, 2021. The Property Appraiser's internal controls were evaluated in conjunction with the requirements of the MOU and applicable laws. The evaluation included a review to ensure that policies and/or procedures are in place for personnel to follow, and that data security policies and/or procedures are in place to protect personal data.

We examined the Quarterly Quality Control Reviews for the period under review to ascertain if the reviews were completed as required per the MOU. We also reviewed a list of current (active), terminated and reassigned employees. We then compared the employee list to a copy of the Florida Department of Highway Safety and Motor Vehicles DAVID users and access report to determine the following:

- Whether user access activity including date(s) and time(s).
- Whether User access permission status for terminated and reassigned employees were accurately documented.
- Whether completion of the required annual DAVID trainings were conducted.
- Whether deactivation of DAVID users upon termination, transfer or reassignment were completed as required per the MOU.

In addition, we met with the City of Jacksonville, IT Security Officer to discuss IT access security controls.

The Audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing, issued by the Institute of Internal Auditors (IIA). The standards require that the OIG plan and perform the audit to obtain sufficient, reliable, relevant, and useful information to support the engagement results and conclusions based upon the stated audit objectives.

## Findings and Recommendations

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### **Objective 1**

Evaluate whether internal controls in regard to DAVIDs complied with the requirements of the MOU.

## **Finding 1 – Timely Completion of Quarterly Quality Control Reviews: Needs Improvement**

Section VI, *Compliance Control Measures*, Part A. *Quarterly Quality Control Review Report* of the MOU requires the completion of a Quarterly Quality Control Review report within 10 days after the end of each quarter. The PA quarterly method is based upon four (4) quarters within the calendar year.

We found for the period of June 2020 to September 2021, **3 (75%)** of the **4** Quarterly Quality Control reviews provided were not completed within the required 10 days. We were unable to confirm compliance for **2** Quarterly Quality Control Reviews, as they were not provided to the OIG.

<i>Calendar Quarter End</i>	<i>QQC Review Due Date</i>	<i>Date Completed</i>	<i>Days Delinquent*</i>
<b>06/30/2020</b>	7/10/2020	08/28/2020	36
<b>09/30/2020</b>	10/10/2020	Not Provided	Unable to Confirm
<b>12/31/2020</b>	1/10/2020	12/23/2020	0
<b>03/31/2021</b>	4/10/2021	04/28/2021	13
<b>06/30/2021</b>	07/10/2021	08/18/2021	28
<b>09/30/2021</b>	10/10/2021	Not Provided	Unable to Confirm

\*business days

**Recommendation 1:** We recommend the Property Appraiser put in place an internal control mechanism to ensure Quarterly Quality Control Reviews are completed as required by the MOU.

**Recommendation 2:** We recommend in consultation with Florida Department of Highway Safety and Motor Vehicles, that the Property Appraiser seek clarification as to whether the 10 days stipulated in the MOU are defined as business or calendar days.

### **Property Appraiser Response to Finding 1**

Agree     Disagree     Partially Agree     Response not Required

## **Finding 2 – Timely Removal of User Access Permissions: Overall in Compliance**

Section IV, Part B (8) of the MOU states, “*Immediately inactivate user access/permissions following termination or the determination of negligent, improper, or unauthorized use or dissemination of information. Update user access/permissions upon reassignment of users within five (5) business work days*”.

We sampled one-hundred percent of terminated and reassigned employee's user access permissions for the period under review. We found **1** out of **14 (7%)** employees that were terminated or reassigned did not have their user access permissions deactivated within the time period specified in the MOU.

<i>Employee List</i>	<i>Termination Date</i>	<i>User Access Deactivation Date</i>	<i>Employed by another PA?</i>
Employee 1	7/16/2021	08/13/2021	X
Employee 2	8/30/2019	06/23/2021	X
Employee 3	6/17/2019	08/07/2019	Non-compliance

It is noted upon further discussions with the Property Appraiser staff, that **Employee 1** and **Employee 2** accepted employment with other Property Appraisers in the State of Florida that also use DAVID. Per the instructions the Property Appraiser's staff received from a representative of the FLHVMS on 5/20/2019, when a user changes employment to another agency, the user permission status must remain *active* until the completion of the transfer request. However, all user roles should be removed to prevent the user from performing searches. The staff confirmed that user roles were removed as required.

Property Appraiser staff confirmed the delayed termination of the user access permission for **Employee 3** was an oversight. Per the staff, the omission occurred during a period of transitioning supervisors into new positions and learning their new roles. As a result, this task was not completed timely.

*It should be noted that the former employees did not access the database after their termination dates.*

**Recommendation 3:** The Property Appraiser should ensure the MOU is in sync with the instructions provided by FLHVMS regarding employees accepting employment with another State of Florida Property Appraiser.

### **Property Appraiser Response to Finding 2**

Agree     Disagree     Partially Agree     Response not Required

### **Objective 2**

Determine whether the Property Appraiser has adequate policies, and procedures in place to protect data received from FLHSMV.

### **Finding 3 - David Usage Guidance: Overall in Compliance**

The Property Appraisers has a written document, *David Usage*, outlining user expectations and the internal controls governing the use of the David System. The document, however, has not been revised or updated since 07/14/2017.

**Recommendation 4:** We recommend that the Property Appraiser review and compare the David Usage guidance document to the current MOU to determine if additional revisions and/or updates are needed.

**Property Appraiser Response to Finding 3**

Agree     Disagree     Partially Agree     Response not Required

**Objective 3**

Provide reasonable assurance that the data is protected from unauthorized access, distribution, use, modification, or disclosure.

**Finding 4 - IT Security: No Data Security Access Concerns**

Section VI., Compliance and Control Measures, Part D, Misuse of Personal Information, of the MOU requires compliance with Florida Statue, Section 501.171, Security of Confidential Personal Information.

To verify that approved data security protocols are in place to protect electronic data, received from FLHVMS, OIG Audit requested the City of Jacksonville, Information Technologies Division, Information Security Officer (ISO) assisted in this audit. The ISO is a Certified Information Systems Security Professional.

The ISO discussed the Defense in Depth (DiD) of the COJ and the Security measures to protect the Web infrastructure Attack Surface from known and unknown attacks. Based upon the ISO review, he indicated stringent data security protocols have been implemented.

**Recommendation:** No recommendations at this time.

**Property Appraiser Response to Finding 4**

Agree     Disagree     Partially Agree     Response not Required

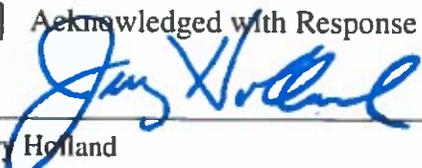
## Agency Response and Acknowledgement

On December 9, 2021, the Property Appraiser was provided a copy of the Audit and given an opportunity to respond on or before December 10, 2021.

The signature below acknowledges receipt and review by the Duval County Property Appraiser:

Acknowledged with no Response

Acknowledged with Response

 \_\_\_\_\_  
Date

Jerry Holland  
Property Appraiser  
Duval County Property Appraiser  
231 East Forsyth Street, Suite 270  
Jacksonville, FL 32202



## OFFICE OF THE PROPERTY APPRAISER

JERRY HOLLAND  
DUVAL COUNTY  
PROPERTY APPRAISER

231 E. FORSYTH STREET  
JACKSONVILLE, FL 32202  
(904) 255-5900

December 9, 2021

Dear Sheryl Goodman,

The Property Appraiser's Office has received audit number 2022-CR-0001 and has reviewed your findings and recommendations. Our response is below:

- Recommendation 1: Internal controls are now in place to ensure that Quarterly Quality Control Reviews are done within ten days of the quarter closing. The supervisors who do the reviews have been refreshed on the ten-day policy. In addition, the Chief Financial Officer will send out reminders at the end of each quarter.
- Recommendation 2: The PAO will clarify with the FHSMV as to whether the ten days stipulated in the MOU are defined as business or calendar days.
- Recommendation 3: Moving forward the PAO will communicate closely with FHSMV when an employee transfers to another counties' Property Appraiser's Office and ensure that proper transfer protocol is followed.
- Recommendation 4: The PAO will do an internal audit of our David Usage Guidance Document and revise as needed.

Overall, the PAO accepts all the recommendations made by the Inspector General's Office. We will rectify all issues addressed in the recommendations and will continue to follow the guidelines of the David MOU closely.

Sincerely,

Kathleen Collins  
Chief Financial Officer  
904-255-5890

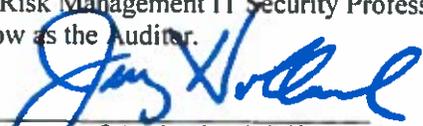
**ATTESTATION STATEMENT**

**Contract Number** HSMV-0288-19

In accordance with Section VI., Part B, of the Memorandum of Understanding between **Department of Highway Safety and Motor Vehicles** and Duval County Property Appraiser (Requesting Party), this MOU is contingent upon the Requesting Party having appropriate internal controls in place to ensure that data provided/received pursuant to this MOU is protected from unauthorized access, distribution, use, modification, or disclosure. The Requesting Party must submit an Attestation Statement from their Agency's Internal Auditor, Inspector General, Risk Management IT Security Professional, or a currently licensed Certified Public Accountant, on or before the third and sixth anniversary of the agreement or within 180 days from receipt of an Attestation review request from the Providing Agency. The Attestation Statement shall indicate that the internal controls over personal data have been evaluated and are adequate to protect the personal data from unauthorized access, distribution, use, modification, or disclosure. The Attestation Statement shall also certify that any and all deficiencies/issues found during the review have been corrected and measures enacted to prevent recurrence. The Providing Agency may extend the time for submission of the Attestation Statement upon written request by the Requesting Party for good cause shown by the Requesting Party.

Duval County Property Appraiser (Requesting Agency) hereby attests that the Requesting Party's controls were evaluated as required in Section VI. Part B of the MOU and the controls are adequate to protect personal data from unauthorized access, distribution, use, modification or disclosure, and is in full compliance with requirements of the contractual agreement. Furthermore, any and all deficiencies/issues found during the review were corrected and measures enacted to prevent recurrence.

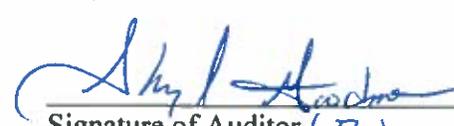
The above evaluation was conducted by Requesting Party's  Internal Auditor;  Inspector General;  Risk Management IT Security Professional;  Currently licensed Certified Public Accountant, identified below as the Auditor.

  
 Signature of Authorized Official or Delegated Official with letter of Authority

Jerry Holland  
 Printed Name

Property Appraiser  
 Title

12/10/2021  
 Date

  
 Signature of Auditor (IB)

Sheeryl Goodman  
 Printed Name

Interim Inspector General  
 Title

12/10/21  
 Date