ATLANTA
PUBLIC
SCHOOLS

Office of Internal Compliance

FY2018 Audit Plan Update

March 15, 2018

Presented By: Connie Brown, Executive Director – Office of Internal Compliance

Agenda

- Audit Plan Update
    - FY19 Budget Request
- Administrative Items

- Appendix
    - What Type Of OIC does APS Need

    - Suggested OIC Program

    - Approved FY18 Audit Plan

FY2018 Audit Plan Update 3-15-2018

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	Project Status
Audit Priorities	
Miscellaneous Cash Activity Account Funds (MCAAF) Audits	
MCAAF Audits - New Principals (340)	
Grady HS	Complete
Fickett ES	Complete
E. Rivers ES	Complete
Boyd ES	Complete
Parkside ES	Complete
Inman MS	Complete
Usher-Collier Heights ES	Complete
Finch ES	Complete
Maynard Jackson	Complete
Perkerson ES	Complete
MCAAF Audits - High Schools	
Douglass HS	Complete
The B.E.S.T. Academy	In Progress
Carver	Not started
Carver Early College	Not started
Benjamin E. Mays	Complete
North Atlanta	Not started
CSK Women's Leadership Academy	Complete
Crim Open Campus	Not started
Forrest Hill Academy (MS/HS)	Not started
Washington	Not started
P-Card Audit (Financial)	Not started
Transportation - Certification & Inspection Program	In Progress
Transportation - Review Fuel System Controls (Pre-implementation)	In Progress
Business Continuity Plan (Performance)	Not started
Assessment of Controls over Security Equipment (guns, ammunition)	In Progress
Special Projects	In Progress
Audit Follow UP (e.g. MCAAF Audits, etc.)	In Progress
IT General Controls Review **	Not started

Other OIC Activities

- <u>Investigation(s)</u>

    6 Completed

    Unaccounted funds(2)   Testing Irregularities(1)

    Unethical Behavior(2)   Misuse of funds(1)

    2 In Process

    Testing Irregularities   Unapproved purchases

    1 Not Started

    Vendor Misconduct

- <u>Audit Follow Up</u>

    4 of 15 (27%) Audit Follow Ups Completed

FY19 Budget Request

- Develop and use outsourcing partners (Professional Services)

- Ethics & Compliance Hotline Increase & Upgrade

- Quality Assessment Review (QAR)

Administrative Items

Upcoming Events/Activities

- <u>OIC Staffing Update</u>

  - Lead Internal Auditor

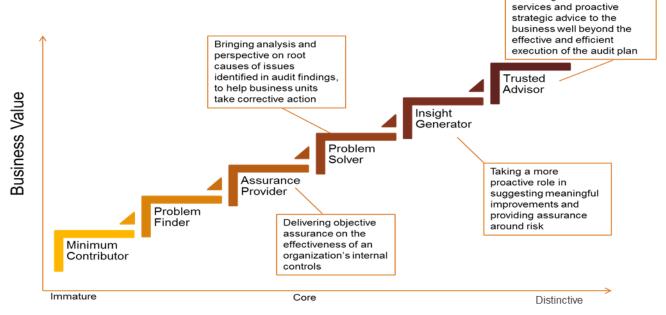 - Administrative Asst. II - OIC

Questions & Answers

Appendix

What type of OIC does APS need?

Maturity Level	Maturity Description
Minimum Contributor	Reactive delivery of audit services based on incidents incurred within an organization.
Problem Finder	Conducts and delivers results of a static annual audit plan of an organization's internal controls.
Assurance Provider	Delivers objective assurance of the effectiveness of an organization's internal controls.
Problem Solver	Leverages expertise and technology-enabled analysis to identify root causes to help management understand and solve specific issues; Integrated with other risk management functions.
Insight Generator	Develops deeper perspectives and options for how to solve problems, proactively suggests meaningful improvements, leverages more subject matter expertise, and considers other implications outside of the problem.
Trusted Advisor	Provides a higher level of engagement and timely, proactive advice on current and future problems; Is an advisor to executives and others early in initiatives and partners with the business when critical decisions are made.

Suggested OIC Audit Program*
18-24 month timeline, depending on budget and other priorities

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APS Department	Priority OIC Audits	Key Risk Coverage	
Strategic Management	• Development of organization-wide ethics/complaints tracking (Consulting)	• Ethics and Compliance • Fraud/Waste/Abuse	• Conflicts of Interest • Reputation • Regulatory compliance
Schools & Academics	• Ethics and internal controls training (Consulting) • Review of cash management procedures and controls (Financial)	• Ethics and Compliance • Conflicts of Interest • Fraud/Waste/Abuse	• Accounting/ Reporting • Reputation
Operations	• Assess controls over security equipment (guns, ammunition, etc.) (Performance) • Review of certification and inspection program for APS student transportation (Performance) • Review of fuel controls ahead of new fuel system implementation (Financial) • Construction audit (Financial) • Nutrition vendor management and oversight	• Fraud/Waste/Abuse • Accounting/ Reporting • Threats/Hazards/ Safety • Conflicts of Interest • Regulatory compliance	• Special Programs • Development/ Construction Lifecycle • Reputation • Supplier Management
Finance	• P-Card and expense audit (Financial) • Payroll monitoring and analytics audit (Consulting)	• Fraud/Waste/Abuse • Accounting/ Reporting	• Employee Relations
Human Resources	• Audit of Pay Parity program (Performance) • Audit of employee and vendor background check program (Performance)	• Fraud/Waste/Abuse • Special Programs • Recruiting and Retention	• Major Initiatives • Reputation • Threats/Hazards/ Safety
Accountability & Information Technology	• Review of Segregation of duties in critical applications (Financial) • Review of Business Continuity Plan (Performance) • Audit of Infinite Campus access controls (Performance)	• Fraud/Waste/Abuse • Access • Accounting/ Reporting • Instructional Technology	• Business Continuity Planning • Data Integrity/Availability

FY2018 Audit Plan Summary

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Audit Priorities	SY 2017-2018 Primary Audit Priorities	SY 2017-2018 Secondary Audit Priorities	SY2018-2019
Miscellaneous Cash Activity Account Funds (MCAAF) Audits			
MCAAF Audits - New Principals	X		X
MCAAF Audits	X		X
P-Card Audit	X		
Transportation - Certification & Inspection Program	X		
Transportation - Review Fuel Controls (Pre-implementation)	X		
Continuity Planning Review	X		
Assessment of Controls over Security Equipment (guns, ammunition, etc.)	X		
Special Projects	X		X
Audit Follow UP (e.g. MCAAF Audits, etc.)	X	X	X
IT General Controls Review	X		
Nutrition Vendor Management & Oversight Review		X	
Athletics Department Overview & MCAAF Audit		X	
Employee & Vendor Background Check		X	
Athletics Department - Ticketing (Cash Controls)		X	
Infinite Campus Access Controls Review			X
Segregation of Duties - Critical Applications			X
Charter School Operations			X
Regulatory Risk Assessment			X
Fraud Risk Assessment			X
Pay Parity Audit			X
Construction Audit			X
Procurement			X