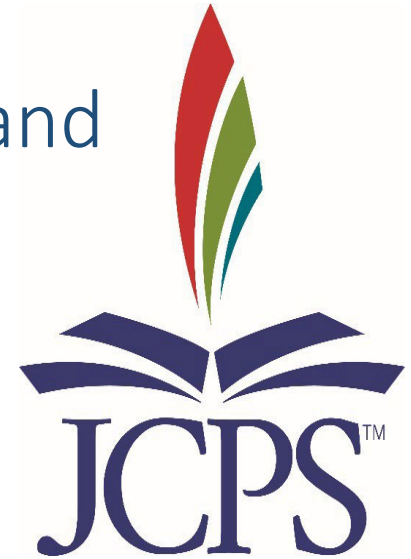


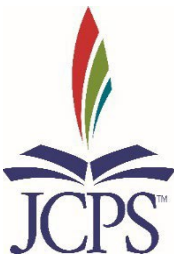
Revised Internal Audit Charter,
Internal Audit FY 2021-22 Status Update and
FY 2022-23 Proposed Audit Work Plan



*Jefferson County Board of Education
September 13, 2022*

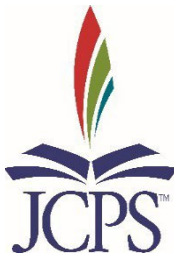
Objectives for Today

- Revised Internal Audit Charter
- 2021-2022 Work Plan Status Update
- 2022-2023 Proposed Audit Plan
- Questions



Internal Audit Team

- Jodell Renn, CPA, CIA, CFE Director of Internal Audit
 - Chalynn, Comage, CFE Risk Investigator
 - John LeMaster, CPA Internal Auditor
 - Sonya Miller, Internal Auditor
 - Shari Mattingly, Clerk
- Co-Sourced Partners
 - Armanino LLP
 - Strothman & Company

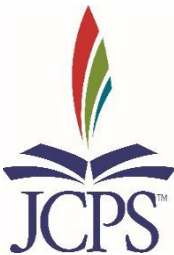


Revised Internal Audit Charter

The internal audit charter is a formal document that defines internal audit's purpose, authority, responsibility and position within the organization.

The charter should be reviewed annually. No changes have been made since it was adopted in October 2018.

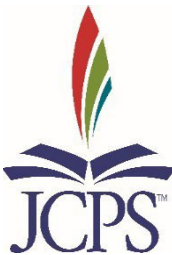
Changes made are not substantial in nature but made to better align to International Professional Practices Framework in preparation for the Quality Assessment Review that will be performed in the Spring.



2021-2022 Work Plan Status Update

Accomplishments To Date:

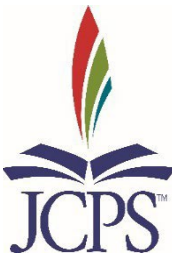
- Contract Administration Process Review – Assurance;
- Google Suite Review - Follow-Up on Corrective Action – Co-Sourced, Armanino LLP;
- Penetration and Vulnerability Testing – Assurance - Co-Sourced, Armanino LLP;
- Microsoft Cloud Review – Assurance - Co-Sourced, Armanino
- Monthly monitoring of school activity funds (SAF);
- Facilitated implementation of new chart of accounts framework for School Activity Funds;
- Monthly monitoring of school attendance;
- Performed 7 investigations/inquiries (4 open investigations);



2021-2022 Work Plan Status Update continued

Accomplishments To Date (continued):

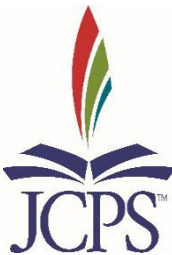
- Purchasing Process – Assurance;
- Family Resource and Youth Services Centers (FRYSC) monitoring – Consulting;
- Access Controls Review – Co-Sourced, Strothman & Co.;
- Employee Separation Review – Assurance – (waiting on Management Responses);
- MBE/WBE Participation Analysis – Consulting; (waiting on Management Responses);



2021-2022 Work Plan Status Update continued

In Process/To Be Scheduled:

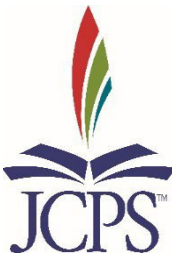
- Participated on staff committees in an advisory capacity;
 - IT Risk Management (Work Group and Executive);
 - Racial Equity Analysis Protocol;
 - Records Management;
- Administers the anonymous reporting hotline (as of 06/30/2022)
 - 922 reports, 599 (65 percent) Bullying or Harassment
- Selected Vendor - governance, risk and compliance tools
 - Consulting; - Workiva
 - Initial Processes – School Climate and Culture, Internal Audit process, and IT Risk Management;



2021-2022 Work Plan Status Update continued

In Process:

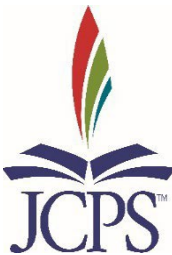
- Inventory Management Process Review – Consulting – Finalizing
 - Nutrition Services
 - Operations - Fuel
- Electronic Travel and Expense pilot project – Consulting; (testing) – In Process



FY 2023 Audit Plan

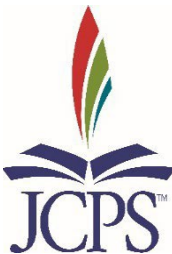
Planning Activities performed:

- Met with Board Members
- Met with all Cabinet Leaders and other key personnel
- Met with external audit resources
- Met with Auditors from Council of Great City Schools
- Reviewed Protiviti *Executive Perspectives on Top Risks for 2022*
- Performed a risk assessment of audit universe
- Evaluated staff and external resources



FY 2023 Audit Plan continued

Audit Activities	Definition
Assurance	Objective examinations of evidence for the purpose of providing independent assessments on governance, risk management, and control processes for the organization. Examples include financial, compliance, performance, and information technology audits.
Consulting	Advisory and related client service activities, the nature and scope of which are agreed to with the client, are intended to add value and improve the District's governance, risk management, and control processes without the internal auditor assuming management responsibility. Examples include counsel, advice, and process improvement.
Compliance/Monitoring	Activities that are compliance focused such as attendance reviews, school activity fund reviews, or ongoing monitoring such as the school activity fund monthly verification form process.
Investigations	Activities that come from reports through the anonymous hotline, potential fraud related, or special assignments from Superintendent/Cabinet/JCBOE Board members.
Follow-up	Follow-up engagements, also referred to as corrective action plan follow-up reviews, are conducted to determine the adequacy and timeliness of actions taken by management on reported engagement findings and recommendations. This work determines if management has taken action or accepted the risk of not taking action on reported findings.

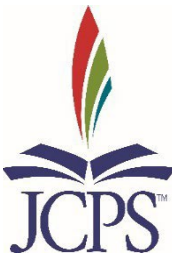


FY 2023 Audit Plan continued

Proposed Assurance Projects, does not include carried over projects from FY 2022:

- ❖ Grant Management and Administration Review
- ❖ Inventory of Physical Devices Review
- ❖ Microsoft Cloud Review Follow Up on Corrective Action *
- ❖ Network Administration – Penetration Testing & Vulnerability Scan*
- ❖ Ransomware Assessment*
- ❖ School Activity Funds On-Site Reviews
- ❖ Travel and Expense Reimbursement Review

*co-sourced



FY 2023 Audit Plan continued

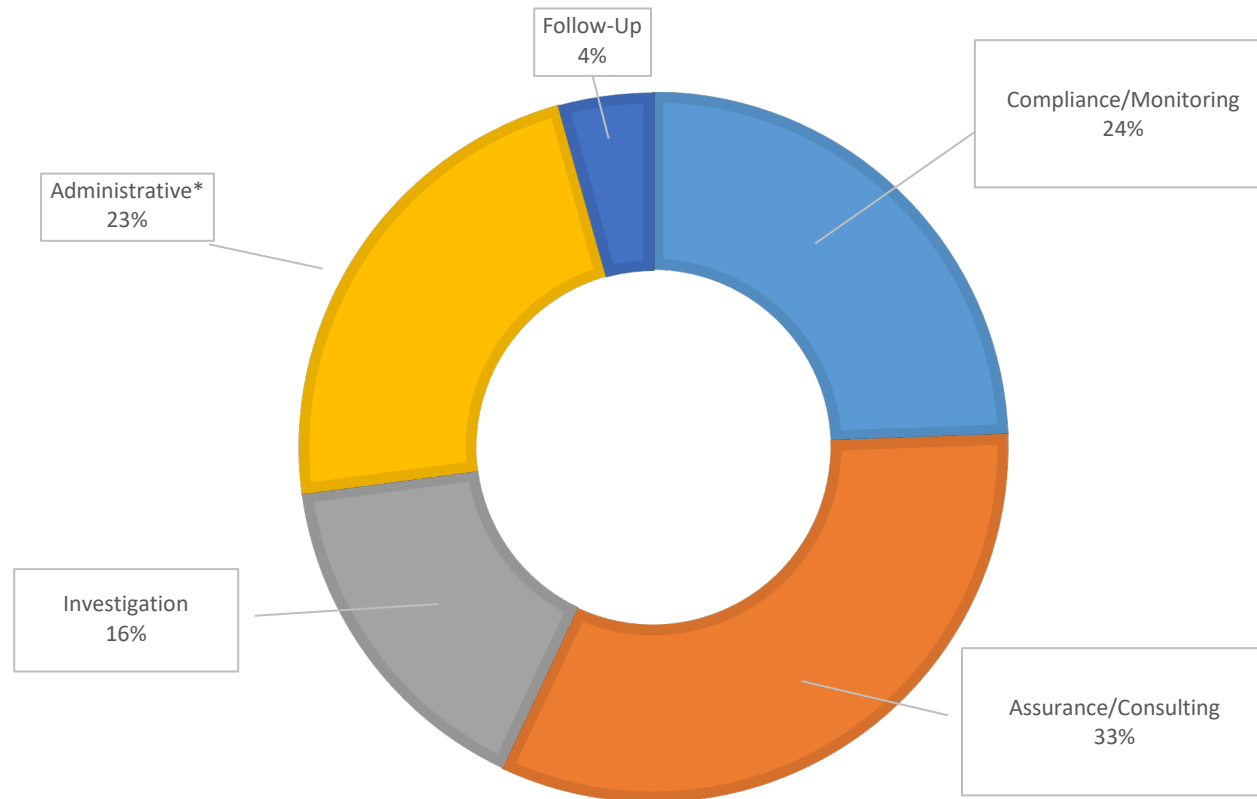
Processes included in the Audit Universe are prioritized as high, medium and low based on the risk evaluation, feedback from Cabinet Members, knowledge of required activities and observations made throughout the past year. The following are a listing of assurance and compliance/monitoring reviews included in the work plan.

HIGH	Medium	Low
Network Administration – Vulnerability Scan and Analysis*	School Activity Fund On-Site Reviews	Substitute Teachers Usage Process
Microsoft Cloud Follow-up Review – Security Review*	Travel and Expense Reimbursement	Implementation of Governance, Risk and Compliance Platform
Grant Management and Administration Review	Inventory of Physical Devices Review	Family Resource and Youth Services Center Monitoring
Ransomware Assessment*	School Activity Fund Monthly Monitoring	
Payroll Monitoring	School Attendance Monthly Monitoring	

Projects carried over from the 2021-2022 audit plan would be incorporated to work plan, but not included in this listing.



FY 2023 Audit Plan Staffing Allocation



*Includes Administrative hours, professional development and paid time off.

Questions/Discussion

