



**William Floyd School District**

**Annual Risk Assessment Update  
Pertaining to the Internal Controls  
of District Operations**

**June 2021**

**INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED UPON PROCEDURES**

The Board of Education  
William Floyd School District

We have performed the procedures enumerated below, which were agreed to by the William Floyd School District (the "District"), solely to assist the District. This agreed upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

We have updated our June 2020 Risk Assessment by performing certain internal audit procedures pertaining to the time period starting July 1, 2020 through June 30, 2021. The updated Risk Assessment and related internal audit plan concentrates on the following key internal control areas:

- Governance and Planning
- Budget Development
- Accounting and Reporting
- Revenue and Cash Management
- Grants
- Payroll
- Human Resources
- Benefits
- Purchasing and Related Expenditures
- Facilities Maintenance
- Capital Projects
- Fixed Assets
- Food Service
- Extraclassroom Activity Fund
- Information Systems
- Cybersecurity
- Student Data Management
- Pupil Personnel Services
- Transportation
- Security and Safety
- Insurance / Risk Management

Our engagement is limited in scope and will be confined to our agreed-upon procedures. We will not be conducting an audit or review of the district's financial statements and therefore we will not express an opinion or any other form of assurance on them.

At the end of our engagement, we will present the results of applying the agreed-upon procedures in the form of our findings in a report. Our accountants' report should be used only for the intent of the original users of this report and will include a statement indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you. As such, using this report for anything other than the original intent of the agreed-upon procedures could mislead the readers. You must notify us immediately if the original users of the report change.

Very truly yours,

***Nawrocki Smith LLP***  
September 30, 2021



**William Floyd School District**

**Annual Risk Assessment Update  
Pertaining to the Internal Controls  
of District Operations**

**June 2021**

***Table of Contents***

<b>Risk Assessment Overview.....</b>	<b>2</b>
<b>Internal Audit Objectives.....</b>	<b>2</b>
<b>Scope And Methodology.....</b>	<b>3</b>
<b>Internal Audit Covid Pandemic Considerations.....</b>	<b>3</b>
<b>Internal Audit Risk Assessment Update Summary .....</b>	<b>4</b>
<b>Risk Rating And Internal Audit Plan .....</b>	<b>5</b>
<b>Risk Assessment Observations And Recommendations.....</b>	<b>8</b>
<b>Exhibits .....</b>	<b>12</b>

**William Floyd Union Free School District**  
**Annual Risk Assessment**  
**June 2021**

**RISK ASSESSMENT OVERVIEW**

This Risk Assessment report provides a presentation of our view of the William Floyd School District's risk pertaining to its financial operations. It gives the District's administration the information necessary to help optimize its overall performance. The report identifies, expresses, and prioritizes the key program risks so that the District's administration can focus on those areas most critical to its success. This analysis is used to define the District's risk profile. It will provide an overview of the risks facing the District's operations.

In accordance with the laws of New York, 2005, Chapter 263, all school districts and BOCES were required to establish an internal audit function no later than July 1, 2006 and be in operation no later than December 31, 2006. This function should include, at a minimum, development of a risk assessment of district operations, including but not limited to:

- A review of financial policies, procedures and practices.
- An annual review and update of such risk assessment.
- Annual testing and evaluation of one or more areas of the District's internal controls.
- Preparation of reports which analyze significant risk assessment findings.
- Recommended changes for strengthening controls and reducing identified risk; and specifying time frames for implementation of such recommendations.

Pursuant to Section 170.12 – Regulations of the Commissioner of Education – School District Financial Accountability, each school district must prepare a corrective action plan, approved by the Board of Education in response to findings to final reports issued by the internal auditor. This plan should include expected dates of implementation and should be filed with the New York State Education Department.

**INTERNAL AUDIT OBJECTIVES**

The objectives of our engagement are as follows:

- Develop an understanding of the critical business processes of the District within each functional area.
- Identify and qualify risks based on the understanding of the business processes and stated business rules.
- Identify stated controls that are currently in place to address those risks and ascertain if they are operating effectively.
- Recommend improvements in internal controls.

**William Floyd Union Free School District**  
**Annual Risk Assessment**  
**June 2021**

**SCOPE AND METHODOLOGY**

The Board of Education has engaged Nawrocki Smith as the District's internal auditor. In compliance with New York State Laws, we have performed an annual update to the District risk assessment with respect to policies, procedures, and internal controls pertaining to District operations. The procedures applicable to the annual update of the District's risk assessment were performed during the twelve months ending June 2021 and were carried out in order to determine an internal audit plan for the fiscal year 2021/2022 and thereafter. This risk assessment will be updated annually to reflect any changes in the current control environment and the existing internal audit plan.

Our risk assessment consisted of the following methodology:

- Perform interviews of Administration and other appropriate personnel.
- Document procedures within key Functional Areas.
- Identify key controls and perform audit tests of those controls.
- Assess the effectiveness of the key controls.
- Identification and review of organization structure.
- Analysis of risks that are a threat to the achievement of objectives.
- Create a risk profile and internal audit plan.

In addition to the above procedures, we have also evaluated and considered the following within our overall risk assessment:

- District policies and procedures.
- Recent focus of State Comptroller Audits.
- Board of Education/Audit Committee Meetings.
- Materiality to Financial Statements.
- Changes in management or key personnel.
- Financial reports provided to the Board.
- External auditor management letters.
- District corrective action plans.
- Organizational chart and job descriptions.

**INTERNAL AUDIT COVID PANDEMIC CONSIDERATIONS**

As Districts are challenged in carrying out certain internal control procedures during the COVID pandemic, our risk assessment included the following environmental considerations:

- Has Management's risk tolerance increased allowing for a lower level of control effectiveness?
- Have staff changes (reorganization, furloughs, and terminations) impacted controls, processes, performance, and increased opportunities for potential fraud?
- Have segregation of duty conflicts been managed with changes in people and processes?
- Has Management assessed the impact on key processes and controls including technology?
- Have there been any material changes in internal controls over financial reporting that will require disclosure in the previous and upcoming audit report?

**William Floyd Union Free School District**  
**Annual Risk Assessment**  
**June 2021**

**INTERNAL AUDIT RISK ASSESSMENT UPDATE SUMMARY**

We have analyzed twenty-one (21) Business Process areas within the District and have developed an internal audit plan based upon our assessment of each area. Each of the twenty-one (21) Business Processes contains multiple categories for which an extensive cycle analysis will be performed during the proposed time period noted within the risk rating and internal audit plan. The plan as presented will be revised each year based upon the annual risk assessment update and events/requests that occur during the year which impact the priority of future internal audit services.

The results of our risk assessment update are summarized below and, in the tables, presented on pages 5 through 7. We have utilized a “Low,” “Moderate,” and “High” control risk rating assessment scale of the organization.

<b><u>CURRENT YEAR RATINGS</u></b>		<b><u>CHANGE FROM PRIOR YEAR</u></b>	
<b><u>Rating</u></b>	<b><u>2020/2021</u></b>	<b><u>Category (*)</u></b>	<b><u>Count</u></b>
High	- 0.00%	“High” to “Low”	- 0.00%
Moderate	3 3.26%	“High” to “Moderate”	- 0.00%
Low	89 96.74%	“Moderate” to “Low”	3 60.00%
<b>Total</b>	<b>92 100.00%</b>	“Low” to “Moderate”	2 40.00%
		“Moderate” to “High”	- 0.00%
		<b>Total</b>	<b>6 100.00%</b>

Our June 2021 risk assessment update contains eight (8) recommendations, as follows:

<b><u>Business Process</u></b>	<b><u>Recommendation(s)</u></b>
Revenue & Cash Management	1
Payroll	4
Student Data Management	3
<b>Total</b>	<b>8</b>

The District has completed or taken action on the seven (7) prior risk assessment report recommendations as follows:

	<b><u>Complete</u></b>	<b><u>In-Process</u></b>	<b><u>Not Started</u></b>	<b><u>Total</u></b>
<b>Recommendations</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>7</b>

Based on the work performed and our communications with the District, we have summarized below our internal audit plan for the the fiscal year 2021/2022:

<b><u>Cycle Reviews:</u></b>	<b><u>Other 2021/2022 Planned Internal Audit Services:</u></b>	
<ul style="list-style-type: none"> <li>Cybersecurity</li> </ul>	<ul style="list-style-type: none"> <li>Key Control/Other Testing (See “T” categories on Pages 5-7)</li> <li>Payroll Cycle Recommendations Follow Up</li> <li>Student Data Management Recommendations Cycle Follow Up</li> </ul>	<ul style="list-style-type: none"> <li>External Audit Corrective Action Plan Monitoring</li> <li>Annual Risk Assessment Update as of June 2022</li> <li>Other Internal Audit Services at the Request of the District/BOE</li> </ul>

**William Floyd Union Free School District**  
**Annual Risk Assessment**  
**June 2021**

**Risk Rating and Internal Audit Plan**

√ = Internal Audit Services Provided	X = Proposed Business Cycle Review
★ = Business Cycle Review Complete	T = Limited Testing of Business Process

	Business Process	Business Process Categories	RISK			YEAR OF SERVICE		
			Inherent	Control		Prior	21-22	Subsequent
				19-20	20-21			
1	Governance and Planning	1 Governance Environment	H	L	L			X
		2 Control Environment / Policies & Proc.	H	M	M	★		X
2	Budget Development	3 Budget Development	H	L	L			X
		4 Budget Monitoring & Reporting	H	L	L	√		X
3	Accounting & Reporting	5 Financial Accounting and Reporting	H	L	L	√		X
		6 External/Internal/Claims Auditing	H	L	L	√		X
		7 Fund Balance Management	H	L	L	★		X
4	Revenue and Cash Management	8 Real Property Tax	M	L	L	★		
		9 State Aid	H	L	L	★		
		10 Out of District Tuition/Reimb. Exp.	M	L	L	★		
		11 Use of Facilities	L	L	L	★		
		12 Donations	M	L	L	★		
		13 Vending Machines	H	L	L	★		
		14 Cash Receipts	H	L	L	★		
		15 Cash & Investment Management	H	L	L	★		
		16 Petty Cash	L	L	L	★		
		17 Bank Reconciliations	H	L	L	★		
		18 Online Banking	H	L	L	★		
		19 Accounts Receivable	H	L	L	★		
5	Grants	20 General Processing	H	L	L	★	X	
		21 Grant Application	M	L	L	★	X	
		22 Allowable Costs & Expenditures	H	L	L	★	X	
		23 Monitoring	M	L	L	★	X	
		24 Reporting	H	L	L	★	X	
6	Payroll	25 Payroll Disbursements	H	L	L	★		
		26 Overtime Reporting	H	L	L	★		
		27 Payroll Accounting & Reporting	H	L	M	★		
		28 Payroll Tax Filings	H	L	L	★		
		29 Payroll Reconciliation	H	L	L	★		
7	Human Resources	30 Employment Requisition/Hiring	H	M	L	★		
		31 Personnel Evaluation	H	L	L	★	T	
		32 Termination	H	L	L	★		
		33 Employee Attendance	H	M	L	★		

**William Floyd Union Free School District**  
**Annual Risk Assessment**  
**June 2021**

**Risk Rating and Internal Audit Plan (Continued)**

√ = Internal Audit Services Provided	X = Proposed Business Cycle Review
★ = Business Cycle Review Complete	T = Limited Testing of Business Process

	Business Process	Business Process Categories	RISK			YEAR OF SERVICE		
			Inherent	Control		Prior	21-22	Subsequent
				19-20	20-21			
8	Benefits	34 Eligibility	H	L	L	★	T	
		35 Benefit Calculations	H	L	L	★		
		36 Patient Protection & Affordable Care Act	H	L	L	★		
		37 Retiree Benefits	H	L	L	★		
		38 ERS/TRS	H	L	L	★		
9	Purchasing and Related Expenditures	39 PO System & Vendor Database	H	L	L	★		
		40 Purchasing Process	H	L	L	★		
		41 Payment Processing	H	L	L	★		
		42 Employee Reimbursements	H	L	L	★		
		43 Credit Cards	H	L	L	★		
10	Facilities Maintenance	44 Facilities Maintenance/Work Orders	H	L	L	★	T	X
		45 Staff Supervision	M	L	L			X
		46 Preventive Maintenance	M	L	L			X
		47 Coordination with Outside Vendors	M	L	L			X
11	Capital Projects	48 Construction Planning & Monitoring	H	L	L	★	X	
		49 Capital Project Funding & Payments	M	L	L	★	X	
		50 Recordkeeping & Reporting	M	L	L	★	X	
12	Fixed Assets	51 Inventory/ Capitalization Policy	H	L	L	★		
		52 Acquisition and Disposal	H	L	L	★		
		53 Inventory Process & Recordkeeping	H	L	L	★		
13	Food Service	54 Sales Cycle and System	M	L	L	★		
		55 Inventory and Purchasing	M	L	L	★		
		56 Free & Reduced Meals	M	L	L	★		
		57 Federal and State Reimbursement	H	L	L	★		
		58 Financial Reporting & Monitoring	H	L	L	★		
14	Extraclassroom Activity Fund	59 General Controls	H	L	L	★		
		60 Revenue	H	L	L	★		
		61 Expenditures	M	L	L	★		
		62 Reporting	M	L	L	★		



**William Floyd Union Free School District**  
**Annual Risk Assessment**  
**June 2021**

**Risk Rating and Internal Audit Plan (Continued)**

√ = Internal Audit Services Provided	X = Proposed Business Cycle Review
★ = Business Cycle Review Complete	T = Limited Testing of Business Process

	Business Process	Business Process Categories	RISK				YEAR OF SERVICE		
			Inherent	Control		Prior	21-22	Subsequent	
				19-20	20-21				
15	Information System	63 Governance	H	L	L	★			
		64 Inventory	H	L	L	★			
		65 Network Security	H	L	L	★			
		66 Application Security	H	L	L	★			
		67 Physical Security	H	L	L	★			
		68 Disaster Recovery	H	L	L	★			
16	Cybersecurity	69 General Controls	H	L	L		X		
		70 Information & Asset Security	H	L	L	★	X		
		71 Vulnerability Assessment	H	M	L		X		
		72 Incident Response & Recovery	H	L	L		X		
17	Student Data Management	73 Registration & Enrolment	H	L	L	★			
		74 Student Attendance	H	L	M	★			
		75 Student Performance	H	L	L	★			
		76 Student Eligibility	H	L	L	★			
18	Pupil Personnel Services	77 Budgeting and Planning	H	L	L	★			
		78 STAC Reimbursement	H	L	L	★			
		79 Medicaid Reimbursement	H	L	L	★	T		
		80 RFP and Contracts	H	L	L	★			
19	Transportation	81 Fleet Inventory and Maintenance	H	L	L	★			
		82 Bus Routing and Planning	H	L	L	★			
		83 Labor and Supervision	H	L	L	★			
		84 Contract Management	H	L	L	★			
		85 Federal and State Reimbursement	H	L	L	★			
20	Safety & Security	86 Plan Development & Strategy	H	L	L	√		X	
		87 Building Access & Security System	H	L	L		T	X	
		88 Compliance and Incident Reporting	H	L	L	√		X	
		89 Safety & Security Monitoring	H	L	L			X	
21	Insurance / Risk Management	90 General	H	L	L			X	
		91 Policy Management	H	L	L			X	
		92 Claims Reporting	H	L	L			X	

**William Floyd Union Free School District**  
**Annual Risk Assessment**  
**June 2021**

**Inherent Risk** - Inherent risk pertains to the overall school district industry. Inherent risk is the risk of a material misstatement that may occur assuming the absence of internal controls.

**Control Risk** - Control risk pertains specifically to the William Floyd Union Free School District. Control risk is the risk that a material misstatement will not be detected and corrected by Management's internal controls on a timely basis.

**RISK ASSESSMENT OBSERVATIONS AND RECOMMENDATIONS**

***Current Year Observations and Recommendations***

Revenue and Cash Management

1. The Board of Education has formally approved petty cash funds of \$100 each for 14 petty cash custodians at the various building levels. We noted that two (2) of the 14 petty cash accounts were utilized during the 2020/2021 fiscal year.
  - ***The Business Office and/or Board of Education should review whether unused petty cash accounts are necessary.***

Payroll

2. The District is following its Board-approved payroll policies and is performing the procedures documented within the narratives enclosed in the internal audit report. We noted that a departmental manual for the procedures was not in place.
  - ***We recommend the Payroll Department utilize the narratives attached to the internal audit report to prepare a departmental process manual regarding accounting and reporting, processing, disbursement, and tax filing for the Payroll Department. This will allow for an internal annual review of processes as well as serve as a training document for the department.***
3. The Benefits Supervisor calculates and enters into the payroll module of nVision payroll deductions related to health insurance flexible spending, life insurance, and disability insurance. However, the District has not implemented a process to review the data entry of the above payroll deduction information. The lack of review creates a risk of undetected incorrect payroll payments.
  - ***The District should establish a process whereby the payroll deductions for health insurance, flexible spending, life insurance, and disability insurance coverage entered into nVision by the Benefits Supervisor are reviewed and verified by an employee separate from the benefits function. This will assist the District in improving its oversight controls over the benefit deductions entered into nVision and will reduce the risk of erroneous benefit deductions occurring.***
4. It is current practice that certain employees may remain active in the payroll module of nVision until the District receives information from third parties to process the final payouts such as 403(b), etc. This creates a risk as the District may process payroll payments or benefits deductions to a former employee.
  - ***We recommend the District update the contents of its employee exit checklist and identify the types of payroll payments that may be processed after the former employee's last day of***

**William Floyd Union Free School District**  
**Annual Risk Assessment**  
**June 2021**

*employment. Based on this information, the Payroll Department should reactivate the former employee's status in the payroll module of nVision when the District is ready to process the final payments. Subsequent to the final payroll payment, the Human Resources Department should verify and document that former employees have been deactivated from both the human resources and payroll modules.*

5. The District does not conduct annual employee payroll audits for all buildings.
  - *The District should consider conducting an employee payroll audit for all buildings. A periodic verification of the legitimacy of direct deposits and payroll checks may detect unauthorized or fictitious employees. It may also detect the continuation of terminated or retired employees on the payroll. The District may accomplish this recommendation internally once a year when distributing the annual Form W2-Wage and Tax Statements or have its internal auditors conduct this audit periodically.*

Student Data Management
-------------------------

6. The District has developed standardized forms to document the flow of information throughout the Schools, Central Office, and the Student Information Department. These forms include but are not limited to the student registration packet and grade change requests. The narratives describe the procedures carried out by the Schools, Central Office, and the Student Information Department regarding the processing and monitoring of student enrollment, student attendance, and student performance reporting within the District's student data management system.
  - *In addition to the existing forms, the Schools, Central Office, and Student Information Department should develop formal documented guidelines regarding the processing and monitoring of student enrollment, student attendance, and student performance reporting within the District's student data management system. The documented procedures should be periodically reviewed to ensure that responsibilities are adequately performed at the District. The narratives and flowcharts attached to this report should serve as guidance to the District's development of documented procedures.*
7. There is a process in place at each building for issuing written correspondence at established intervals to the parents of those children who have accumulated excessive absences. It is our understanding that chronic student absences are managed by the Principals, Assistant Principals, and Guidance Office, and each case is individually reviewed. We selected a random sample of twenty (20) students that were absent during the 2020/2021 school year and tested the attendance information entered into Infinite Campus against our audit criteria. Based on the testing procedures performed, we noted that an absence warning letter was not sent to four (4) out 20, or 25% of students tested with multiple unexcused or unverified absences.
  - *The District should consider exploring the capabilities of the Infinite Campus application to automatically generate written notifications of student absences at established intervals. This will assist the District in collaborating with the parents and developing plans to improve student attendance.*
8. We analyzed the student grade change audit log generated by Infinite Campus applicable to the High School and noted that the District made several grade changes during the closed marking period. The

**William Floyd Union Free School District**  
**Annual Risk Assessment**  
**June 2021**

majority of the reported changes were attributed to Teachers submitting their grade change request forms immediately subsequent to the close of the marking period.

- *It is recommended that the Student Data Management Department extend the marking periods from five (5) business days to ten (10) business days to allow teachers ample time to enter their student grades and minimize the number of grade changes entered by the Guidance Department.*

***Status of Prior Year Recommendations***

We have performed follow-up internal audit services applicable to our previously issued risk assessment update report dated June 2020. The services we performed included observing and evaluating the implementation status of the District’s action plan in respect to our prior risk assessment recommendations. The June 2020 risk assessment update identified seven (7) recommendations within three (3) distinct areas. The District has completed or taken action on the seven (7) recommendations as follows:

<b><u>Business Process</u></b>	<b><u>Complete</u></b>	<b><u>In-Process</u></b>	<b><u>Not Started</u></b>	<b><u>Total</u></b>
Governance and Planning	2	2	-	4
Human Resources	1	1	-	2
Cybersecurity	1	-	-	1
<b>Total</b>	<b>4</b>	<b>3</b>	<b>-</b>	<b>7</b>

**Governance and Planning**

- The Human Resource Department should update the existing Employee Related Party Disclosure Form to include a section for the employees to document his/her address and phone number for the Human Resource Department to cross reference to the District’s vendor database. This will assist the District to capture as much information as possible to identify a potential conflict of interest.

**Status as of June 2021: Complete**

- The Business Office should update the existing Vendor Related Party Disclosure Form to include the following:
  - A reference to Policy 6110 regarding the definition of a related party and the disclosure of conflicts of interests.
  - A section for the vendor to document the name, address, phone number, and relationship with related parties to assist the District in analyzing potential conflicts of interest.

The Business Office should remove the reference to Policy 5421 from Vendor Related Party Disclosure Form. The Business Office should consider either updating the Vendor Related Party Disclosure Form to request its vendor to submit this form upon their initial engagement or developing a process to obtain these forms as originally instructed.

**Status as of June 2021: Complete**

- The District should maintain a standardized database (i.e. Excel spreadsheet) indicating the first and last name of the employee or vendor, their address, phone number, the name of related party or organization, and their relationship (e.g. family or vendor). As an alternative, the District should consider developing an electronic online form (e.g. Google or Office 365 Forms) for employees and vendors to complete and submit annually for review. The online forms should have validation controls

**William Floyd Union Free School District**  
**Annual Risk Assessment**  
**June 2021**

for incomplete responses. The responses from the online forms should be automatically collected and integrated into a spreadsheet in a standardized format. Nawrocki Smith will assist the District in the setup and utilization of these new online forms and integration.

The District should consider having its Internal Auditors analyze the related party disclosure forms for all new employees prior to hiring and annually for all existing employees. This analysis should include a cross reference to the related party disclosure database and a review of the employee/vendor information for possible duplicate last names, addresses, phone numbers that may indicate a possible conflict of interest. Based on the results of the analysis, an executive summary should be prepared and submitted to the Human Resource Department, Business Office, and the Board of Education

**Status as of June 2021: In-Process**

- The many District employees are working on a remote basis, the District should consider developing an automated workflow process for the transactions that currently require physical forms or documents to document their requests and approvals. The electronic workflow system should automatically route the request for approval and collect all required documents and attachments to the designated approver every time. Audit logs should be developed to capture the details of the transactions including the individuals requesting and approving the transactions for further review by Management and Auditors. This will assist the District in maintaining an efficient workflow management process, processing transactions in a timely manner, and increasing the accountability of the requestors and approvers.

**Status as of June 2021: In-Process**

Human Resources

- The Human Resource Department should include all certification requirements within the job posting. The Human Resource Department should also maintain the job postings and advertisements within the employee's personnel files. This will reduce any misunderstandings between the District and future candidates in respect to the position requirements and will assist in documenting the history of certification requirements for each position.

**Status as of June 2021: Complete**

- The District should consider reviewing the personnel files for all active employees hired prior to 2001 and obtain fingerprint clearances for those who have not obtained one. This will ensure that the District is following a consistent process when conducting background checks.

**Status as of June 2021: In-Process**

Cybersecurity

- The Information Technology Department (or qualified vendor) should conduct penetration tests to circumvent the security features of a system and exploit vulnerabilities to gain unauthorized access. This is an effective way for the District to identify the real-time risks to a network security environment.

**Status as of June 2021: Complete**

**William Floyd Union Free School District**  
**Annual Risk Assessment**  
**June 2021**

**EXHIBITS**

*Exhibit I*      History of Internal Audit Work Performed

*Exhibit II*     Internal Audit Plan for 2021/2022



William Floyd School District  
History of Internal Audit Work Performed

◆ = Risk Assessment Complete    ★ = Business Cycle Review Complete  
 ✓ = Limited Testing on Business Process Provided    ◆ = Special Request Services Provided

Business Process	Business Process Categories	YEAR OF SERVICE													
		07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21
Risk Assessment	Risk Assessment	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
1 Governance and Planning	Governance Environment														
	Control Environment / Policies & Proc.														
	Cell Phone Policy Review										◆				
	Business Office Procedural Manual					◆	◆								
	Conflict of Interest Policies/Procedures						◆							◆	
Teacher Center				◆											
2 Budget Development	Budget Development														
	Budget Monitoring & Reporting	✓	✓	✓	✓	✓				✓			✓		
3 Accounting & Reporting	Financial Accounting and Reporting	✓	✓	✓	✓	✓				✓					
	External/Internal/Claims Auditing	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Fund Balance Management					✓								◆	
	State Comptroller's Audit Follow Up			✓	✓						✓				
4 Revenue and Cash Management	Real Property Tax										★				
	State Aid										★				
	Out of District Tuition/Reimb. Exp.				✓						★				
	Use of Facilities						✓				★				
	Donations		✓	✓	✓		✓				★				
	Vending Machines					✓					★				
	Cash Receipts										★				
	Cash & Investment Management				✓						★				
	Petty Cash			✓	✓						★				
	Bank Reconciliations	✓	✓	✓	✓	✓		✓			★				
	Online Banking										★				
Accounts Receivable										★					
District Safe Audit		✓		✓						★					
5 Grants	General Processing					★									
	Grant Application					★				✓					
	Allowable Costs & Expenditures					★									
	Monitoring					★									
	Reporting					★									
6 Payroll	Payroll Disbursements	★	★	✓	✓		✓				✓				★
	Overtime Reporting	★	★										✓		★
	Payroll Accounting & Reporting	★	★												★
	Payroll Tax Filings	★	★												★
	Payroll Reconciliation	★	★												★
	Duplicate Payment Analysis									◆					
	Payroll Payout Audit			◆											
	Tax Benefit Research					◆									
Timesheet Review										◆					
7 Human Resources	Employment Requisition/Hiring				✓		★			✓					
	Personnel Evaluation						★								
	Termination				✓		★								
	Employee Attendance			✓	✓		★	◆				◆			
	Employee Step Level Verification		◆												
	Employee Credentialing		◆											◆	
8 Benefits	Eligibility						★								
	Benefit Calculations						★				✓				
	Patient Protection & Affordable Care Act									✓					
	Retiree Benefits						★								
	ERS/TRS						★								
	Medicaid Reimbursement						★				✓				
	Retirement Payout Audits		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Employee Salary/Benefits Comparison									◆					
	Island Group Benefit Administration Analysis										◆				
Superintendent Attendance/Expense Reimbursement						◆	◆								
9 Purchasing and Related Expenditures	PO System & Vendor Database		◆			◆								★	
	Purchasing Process			✓						✓				★	
	Payment Processing													★	
	Employee Reimbursements													★	
	Credit Cards									✓				★	







**William Floyd School District**

**2021/2022 INTERNAL AUDIT PLAN**

**(Based upon June 2021 Risk Assessment Update)  
Exhibit II**

**Cycle Reviews**

**Status**

- **Cybersecurity**

**Planned for Oct-21**

**Key Control Testing Areas**

**Status**

- **Personnel Evaluation**
- **Benefits Eligibility**
- **Facilities Maintenance – Work Orders**
- **Medicaid Reimbursement**
- **Safety & Security – Building Access**

**Planned for Jan-22**  
**Planned for Jan-22**  
**Planned for Jan-22**  
**Planned for Jan-22**  
**Planned for Jan-22**

**Additional Internal Audit Services**

**Status**

- **Annual Risk Assessment Update as of June 2021**
- **Retirement and Severance Payout Monitoring**
- **External Audit 20/21 Corrective Action Plan Monitoring**
- **Payroll Cycle Recommendations Follow Up**
- **Student Data Management Cycle Recommendations Follow Up**
- **Annual Risk Assessment Update as of June 2022**
- **Other Internal Audit Services at the Request of the District**

**Draft Complete**  
**As Requested**  
**Planned for Jun-22**  
**Planned for Jun-22**  
**Planned for Jun-22**  
**Planned for Jun-22**  
**As Requested**