

Risk Assessment and Audit Plan Fiscal Year 2022



The Internal Audit Department was established by a resolution of the Board of Education in 1991 and updated in 1997.

Internal Audit performs academic audits, operational audits and non-audit services of the various academic programs, departments and school sites within the District. The Internal Audit Department reports to the President of the Savannah-Chatham County Board of Education through the Audit Committee and its Chairperson. Our audits are conducted in accordance with the Government Auditing Standards.

The Internal Audit Department's goals include testing and strengthening internal controls, and providing the Board and the District with objective independent analyses of how well academic programs and District operations are functioning.

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Introduction

The purpose of the FY22 Internal Audit Department's audit plan is to:

- Promote SCCPSS achievement of its strategic goals, as defined in the District's Accountability System.
- Review identified risks of whether the ongoing processes for SCCPSS are adequately designed, functioning in an efficient, effective manner, and fully accountable to the Chatham County citizens.

Internal Audit conducts an independent risk assessment per the department's audit manual. The risk assessment should be conducted at least every three years or updated as factors affecting risks are identified. The Internal Audit Department has conducted annual risk assessments for the past several years. Risk assessments should consider not only quantifiable factors, such as size, audit frequency and dollars, but also more qualitative factors, such as the internal control environment and the risks of failing to accomplish Board goals.

Based upon the risk assessment results, Internal Audit develops its annual audit plan.

The Internal Audit's audit plan is developed each year, with priorities based on the risk assessment. Audit plans are approved by the Audit Committee each year, and presented to the Board. Audit plans are designed to include not only audits, but also projects or unforeseen requests by District management.

Regular reports showing progress against the audit plan are submitted to the Audit Committee. The format of the audit plan status reports is designed to show the measure of progress, such as actual staff days to budgeted staff days, and accounts for all Internal Audit staff time, including administrative time.

Detailed Procedures Performed

Internal Audit prepared the FY22 Risk Assessment by carrying out the following procedures:

Identification of potential audit topics

- Acquired information throughout the year from sources such as SCCPSS training events, regular School Board meetings, School Board Committee meetings/work sessions, and media reports.
- Held discussions with District management to determine areas of risk they have identified and obtain feedback on specific areas being considered for audit.
- Conducted a financial analysis to determine usage of budget spent, amount of expenditures, and the areas/activities where the District's money was spent.

FY22 Audit Plan

The following narrative provides background information on each of the FY22 Primary Audit Priorities.

	Definition
Performance Audits	Conducted to ensure the identified area is adhering to federal, state and local laws, policies, and regulations; The area audited is working in an effective and efficient manner to ensure District goals and objectives are being met and/or maintained; Management reporting is accurate and reliable, and the District's assets are safeguarded.
Non-Audit Services	Conducted at the request of management. These examinations or reviews have agreed-upon procedures. It serves to assist management in their decision-making. This does not qualify as an audit under GAGAS standards: therefore, the report is directed to management.

1. Carryover from FY21 –

- Contract Audit – RFP#21-05
- ESPLOST White Bluff Elementary School/Final Review
- School Psychologists

2. Business Process Reviews –

Internal Audit has scheduled the following Business Process Reviews for the SY21/22:

- STEM Academy at Bartlett (Follow-Up)
- Otis J. Brock, III Elementary School (Three Year Review)
- Beach High School (Follow-Up)
- Butler Elementary School (Follow-Up)
- Coastal Georgia Comprehensive Academy (Three Year Review)
- DeRenne Middle School (Follow-Up)
- Savannah Early College High School (Three Year Review)
- Savannah-Chatham E- Learning Academy (New Principal)
- Gadsden Elementary (Three-Year Review)
- Garden City Elementary (New Principal)
- Georgetown K-8 School (New Principal)
- Godley K-8 (New Principal)
- Gould Elementary (Three Year Review)
- Heard Elementary (Three Year Review)
- Henderson E. Formey School (New Principal)
- Hesse K-8 (Three Year Review)
- Hodge Elementary School (Follow-Up)
- May Howard Elementary School (Three Year Review)
- Hubert Middle School (Three Year Review)
- Islands High School (Follow-Up)
- Johnson High School (Three Year Review)
- Largo-Tibet Elementary School (New Principal)
- Juliette Low Elementary School (Three Year Review)
- Marshpoint Elementary School (Three Year Review)
- Myers Middle School (Three Year Review)
- Oatland Island (Follow-Up)
- Pooler Elementary School (Three Year Review)
- Savannah Arts Academy (Follow-Up)
- Savannah High School (Follow-Up)
- Southwest Elementary School (Three Year Review)
- Southwest Middle School (Three Year Review)
- West Chatham Middle School (Follow-Up)
- Windsor Forest High School (New Principal)
- Woodville Tompkins High School (Follow-Up)

3. ESPLOST Audits

The following four projects will be reviewed:

- **Roof Replacement Projects** - The scope of this audit will include a review of bid documentation, contracts, project charges, and compliance with all requirements as identified within the survey of the audit.
- **Savannah High School Stadium** - The scope of this audit will include a review of bid documentation, contracts, project charges, and compliance with responsibilities from the beginning of the project.
- **Beach High School Addition** - The scope of this audit will include a review of bid documentation, contracts, project charges, and compliance with responsibilities from the beginning of the project.
- **Jenkins High School/Final Review** - The scope of this audit will include a review of close-out documentation, project charges, and compliance with responsibilities from October 1, 2020 - until the end of the project.

4. Operational Audits

The following three projects will be reviewed:

- **Purchasing Processes** – The scope of this audit will focus on the District's processes at the District and school site levels for compliance with industry standards, purchasing policies and procedures.
- **Timekeeping Processes** – Identify job structure of department and supporting job positions within the timekeeping process, conduct process and cost analysis of the District's timekeeping processes for all levels of employees. Identify industry standards for school district timekeeping and compare district processes to industry best practices.
- **Transportation Parts Inventory Audit** - Conduct an inventory audit of the Transportation Department's Parts warehouse, Identify purchasing processes and monthly reconciliation process, Review current costs and identify cost savings

5. Non-Audit Services - Internal Audit may also conduct reviews in risk areas that will assist management in their monitoring of controls while providing an objective view of the designed controls. These services will not replace management's responsibility of monitoring the area reviewed. Areas of planned services:

- **Four Year Review Policy Management**
- **Student Activity Funds Petty Cash Review**

Appendix I - FY 2022 Internal Audit's Operational Plan

Auditable Unit	Proposed to Actual Schedule Days			
	Q1(P)	Q2(P)	Q3(P)	Q4(P)
Contract Audit (Carryover)	5	0	0	0
White Bluff Elementary (Carryover)	23	0	0	0
School Psychologists (Carryover)	5	0	0	0
Roof Replacement Projects	10	40	10	0
ESPLOST Savannah High School Stadium	0	0	35	0
ESPLOST Beach High School Stadium	0	0	0	35
ESPLOST Jenkins High School/Final Review	0	0	0	15
Purchasing Processes	0	0	45	5
Timekeeping Processes	0	0	5	45
Transportation Parts Inventory	5	25	0	0
Business Process Reviews	84	33	0	0
Sub-Total	132	98	95	100
Non- Auditable Areas				
	Q1(P)	Q2(P)	Q3(P)	Q4(P)
Prep & Support for Board & Audit Committee Mtg.	6	4	5	5
Consulting and Advising	2	1	1	1
Non-Audit Services	3	10	10	5
Policy Maintenance & Support	10	5	10	20
Ethics Hotline/Ethics Training	2	2	4	1
Professional Associations/Staff Meetings/Professional Development	6	10	6	10
Other Administrative Duties (Use of Audits, Risk Assessment, etc.)	20	67	115	98
Leave & Weather	5	11	6	8
Sub-Total	54	110	157	148
Grant Total	186	208	252	248

Appendix II – Internal Audit Process



1. Risk Assessment

- ✓ Perform an annual risk assessment to identify audit topics based upon greatest risks and opportunity for improvement.

2. Audit Planning

- ✓ Identify stakeholders
- ✓ Conduct initial entrance meeting with stakeholders
- ✓ Interview personnel
- ✓ Identify potential areas of concerns/risks
- ✓ Identify data sources
- ✓ Gain an understanding of management controls
- ✓ Identify criteria
- ✓ Identify final objectives and scope

3. Audit Execution

- ✓ Conduct kick off meeting with stakeholders to review final objectives and scope and review audit timeline
- ✓ Gather evidence through testing, data analysis and interviews.
- ✓ Identify potential findings
- ✓ Conduct ongoing meetings with management to discuss findings
- ✓ Conduct exit conference with management to discuss preliminary findings and recommendations

4. Audit Reporting

- ✓ Draft audit report and gather management responses
- ✓ Present final report to the Audit Committee

5. Audit Recommendations Follow-up

- ✓ Follow-up with management on audit recommended actions