

INTERNAL AUDITS

Mandated

Financial Integrity and State Manager's Accountability Act (FISMA)

A&I reviews and evaluates the Department's internal controls on a two-year cycle. The FISMA audit is conducted using a risk assessment approach, where internal controls are evaluated in the areas of highest risk to the Department.

Department of General Services (DGS) Contract Delegation

As part of the DGS contract delegation, the Department must audit the contracting process every two years. This audit is very comprehensive and covers multiple contract compliance attributes.

CAL-Card

This audit is required by the State Controller Office (SCO), and includes a review of the internal controls over initiation, payment processing, reconciliation, and post-payment monitoring phases of the CAL-Card transactions.

Other Internal Audit Services

Information Technology (IT)

These audits relate to the information technology currently used by the Department and complete the internal control audit required by the State Administrative Manual related to information security, disaster recovery, and risk management.

Operational

Operational audits cover all areas within the Department outside the scope of mandated audits. The basis for selecting operational audits is based on risk analyses, management interests, and management requests.

Special Request

Department management may identify specific concerns about an issue or program, and request that A&I perform an audit. A&I attempts to provide audit resources to meet the special needs of management.

American Recovery and Reinvestment Act (ARRA)

A&I is responsible for assigning and coordinating local government audits performed by the SCO, through an Inter-Agency Agreement. ARRA requires increased oversight and requires states to ensure allocated funds were utilized in compliance with ARRA requirements and federal regulations.

Maintenance/Construction Reviews

A&I performs maintenance and construction reviews in the districts as a service to district management. The purpose of these reviews is to assess whether accounting and administrative procedures are being followed, that fiscal data is being entered into the accounting system properly, and that proper measures are in effect to safeguard the Department's assets.

External Audit Coordination

A&I is responsible for the coordination of all audits of the Department by outside entities.

The purpose is to:

- Provide a central liaison for all outside auditors
- Put outside auditors in contact with the right individuals in the Department
- Facilitate the review so there will be minimum disruption to the Department
- Coordinate responses to ensure they represent the Department's view

Quality Control

A&I has a Quality Assurance Improvement Program that includes internal and external assessments. The external assessments are performed by an external organization every three years. The internal assessments are performed by A&I's Quality Control Unit whose primary responsibility is reviewing completed audits to make sure they comply with professional auditing standards.