



# ANNUAL AUDIT PLAN FISCAL 2020

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As Recommended by the  
Roanoke City Public Schools  
Audit Committee  
June 20, 2019



# School Audit Services

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## **Purpose:**

To help ensure the school system complies with all financial and other regulatory requirements under federal, state and local statutes and to facilitate effective and efficient operations.

*[Board Policy DIB]*



# Audit Committee

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- Works with the Municipal Auditor to Develop the Annual Audit Plan.
- Reviews Engagement Letters, Audit Reports and Other Audit Related Correspondence.
- Regularly Updates the School Board on Audit Activities.



# Audit Plan - Risk Assessment

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Auditing standards require a risk-based audit plan that prioritizes activity, consistent with the School Division's goals.

- The plan should be based on a documented risk assessment, undertaken at least annually.
- The expectations of senior management, the Board, and other stakeholders should be considered.
- The plan may be revised by the Board when new information or events warrant reconsideration.

# FY20 Risk Assessment

Risk Ranking		Cost Center	Risk Score		
FY20	FY19		FY20	FY19	Change
1		7 Safety & Security	3.68	3.08	0.60
2		1 IT Security / Resilience	3.60	4.20	(0.60)
3		5 IT Infrastructure	3.48	3.28	0.20
4		6 Data & Analysis	3.44	3.20	0.24
5		4 Maintenance	3.40	3.36	0.04
6		9 IT Application Support	3.24	3.00	0.24
7		2 Transportation	3.00	3.64	(0.64)
7		5 Accounting [Debt, CIP, Grants, Budget]	3.00	3.28	(0.28)
7		12 PC Replacement	3.00	2.60	0.40
8		11 Human Resources	2.96	2.76	0.20
9		3 Food Services	2.92	3.48	(0.56)
9		14 Payroll	2.92	2.32	0.60
9		8 Operations	2.92	3.04	(0.12)
10		13 Financial Control [Accounts Payable]	2.76	2.36	0.40
11		10 Purchasing Services	2.60	2.80	(0.20)
12		15 Employee Health Services	2.24	2.24	0.00
13		17 Grounds	2.20	1.84	0.36
14		16 Warehouse [Fixed Assets/Transshipping]	2.12	1.96	0.16

# Audit Plan vs Planning Memo

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## Audit Plan:

- Identifies the Areas / Functions to be Audited
- Approved by the School Board

## Planning Memo:

- Identifies Operational, Reporting and Compliance Objectives of an Area or Function
- Narrows Audit Scope & Identifies Key Questions to be Answered Based on Risk Analysis
- Written 2 to 3 Weeks After the Audit Begins



# Engagements Proposed for FY20

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1. Safety and Security
2. Data and Analysis
3. External Audit Coordination
4. Audit Findings Follow-Up
  - a) Transportation
  - b) Fixed Assets & Equipment Inventory
  - c) Purchasing



# Safety & Security

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The Safety & Security department, in its current form, is relatively new and has not previously been audited. The department's responsibilities encompasses crossing guard services, the DARE program, school resource officers, various inspection programs, fire and security systems, and crisis management planning.

The last audit of school safety was in 2004, when Student Support Services was responsible for crisis management planning, school safety audits, and reporting discipline, crime and violence data. There were a number of findings that management committed to addressing, however; a follow up audit was never performed to verify that their actions were effective.

There have been substantial changes in laws and regulations since the 2004 audit. The Division has focused significant resources and attention on school safety and security since 2008. A new Chief of Security position was filled by the City's former Chief of Police on May 1, 2018.





# Data & Analysis

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The Data and Analysis department oversees and facilitates student testing throughout the Division. The most recent audit of this department was completed in 2013 with favorable results. It included looking at how students were registered and classified for testing, controls over access to testing systems, and centralized monitoring to help ensure the integrity of test results and reporting of Division performance.

Given the emphasis on student performance, as measured through annual testing, it is important that the appropriate environment be maintained while students take their tests. The Virginia Department of Education specifies in great detail how tests are to be administered to help ensure results are valid and reliable. Any violations of testing protocols could negatively impact the Division's performance and reputation.



# External Audit Coordination

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## **Purpose:**

- To oversee the performance of the external audit firm.
- To assist management when addressing questions and findings related to internal controls over financial reporting and compliance.
- To help coordinate the financial reporting efforts of the City and School Accounting departments.

# Audit Findings Follow-Up

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## **Purpose:**

To determine if management action plans due to be implemented by June 30, 2019, were completed and effectively addressed the issues identified.

### Transportation:

- VDOE Reporting (costs / ridership / mileage)
- Bus Replacement Planning

### Fixed Assets & Equipment Inventory:

- Cleanup of Legacy Data
- New Processes for Taking and Reporting Inventory
- New Process for Disposal of Assets



# Audit Findings Follow-Up

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## Purchasing:

- Conflict of Interest Statements
- Purchasing Card Procedures
- Vendor Protest Procedures
- Cost Estimates for Capital Projects
- Monitoring Competitive Pricing for Purchases < \$100,000 in Value

# Audit Committee:

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William Hopkins, Jr. – Committee Chair

- BS & Juris Doctor - Law
- Attorney – Martin, Hopkins, & Lemon PC
- Appointed to Audit Committee 2013
- Audit Committee Chair since 2015

Laura Rottenborn – Committee Member

- BA & Juris Doctor – Law
- Assistant United States Attorney
- Appointed to Audit Committee 2015

# Auditing Staff:

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Cari Spichek - Senior Auditor

- BS – Accounting
- Certified Internal Auditor (CIA)

Emma Coole – Senior Auditor

- MS – Accounting
- Certified Public Accountant (CPA)

Brian Pendleton – Senior Auditor

- MS – Accounting
- Certified Public Accountant (CPA)

Tasha Burkett – IS Auditor

- BA – Accounting
- Certified Information Systems Auditor (CISA)

Dawn Mullins – Asst Municipal Auditor

- BBA – Accounting
- Certified Public Accountant (CPA)

Drew Harmon – Municipal Auditor

- BS – Accounting
- CIA, CPA

# Municipal Auditing Department Contact Information:

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