



DeKalb County Board of Education Audit Committee Meeting August 9, 2023

Year to Date Updates

Presented by: Joel Thibodeaux, CIA – Director of Audits & Compliance

Policy DID-E(1) – Internal Audit Charter

- Adopted in March 2022 to define the functions and authority of the Internal Audit Function, which is conducted by the Office of Internal Audits & Compliance.
- Establishes Internal Audits as both a governance and management function, providing assurance to the Superintendent and the Board of Education that the Districts processes and practices are compliant with applicable policy, rules, and laws.
- Outlines the functions, authority, and accountability of Internal Audits; Identifies our standards and commits us to quality assurance and improvement within our own work.

Role of the Internal Audit Function

- Internal Audits functions independently of other functions within District management, including the Division of Finance.
- Internal Audits provides **objective** assessment and evaluation of the effectiveness of internal controls within our financial and business practices.
- Internal Audits provides advisement and assistance to other business and operational areas upon request, and sometimes proactively, as the functional environment changes, when new processes and practices are initiated, or when results don't meet management's satisfaction or expectations.

Involvement with the Division of Finance

- IA and Finance share information, but one area does not generally impact daily operations of the other.
- IA provides support during the annual financial audit as requested by DOAA through Finance.
- School Audits are a collaborative effort involving Internal Audits and the Local School Accounting department within Division of Finance.
 - *Re-engagement is in the planning stages following 2-year hiatus*
- Effective communication between the CFO and IA Director aimed at avoiding duplication of efforts and adding value to the District's business operations.

Internal Audits Reporting

- The results of Internal Audit engagements from the Audit Plan, requested by District management, or initiated by the Director of Internal Audits are shared in audit reports.
 - Audit reports from assessment or consultative engagements are available for BOE review when requested from the Superintendent.
 - These audit reports are also subject to Open Records Requests.
- The BOE, through the Audit Committee, may request audits with the Superintendent's approval. Results may be reported directly to the Superintendent and Audit Committee.

Internal Audits Reporting, continued

- Audit reports for investigative engagements normally remain confidential.
 - The Superintendent has discretion to share findings with the BOE or Audit Committee.
 - If an investigation results in findings of criminal conduct, the audit report is provided to the District Attorney along with workpapers as evidence in the event a decision is made to prosecute.
 - Internal Auditors may be called as expert witnesses.
- When it is determined that there are no legal reasons for the audit report to remain confidential, the report can be subject to Open Records requests, but will be subject to review and possible redaction by internal legal staff to protect employee or student rights to privacy.

Annual Audit Schedule

- Beginning in FY2023, the Annual Internal Audit schedule is built based on results of the District-wide Risk Assessment.
- The FY2024 Risk Assessment is scheduled for completion in September 2023; the FY2024 Audit Schedule will be built from those results.
- Audit Engagements remaining from FY2023 schedule are DIIT Device Inventory, Fleet Operations Purchasing and CrossPointe Payroll Operations.
 - All are performance audits which may include estimates of financial impact
 - None of these engagements involve capital outlay or spending

ESSERS Comprehensive Audit Status Update

FORVIS, LLC

- Started in April 2023 – Scheduled completion is February 2024
- Quarterly Status Summary received
- Contract addendum requiring a written audit report and stipulating a new timeline signed last week
- Current Status:
 - Data Collections and Analytics completed as of July 31
 - Forensic Team Review is underway
 - Audit selections and interview scheduling requests expected by August 21
 - Interviews will be scheduled and conducted by a FORVIS team member located in the Atlanta area

ESSERS Audit Revised Timeline

FORVIS, LLC

- Revised projected timeline for completion of the ESSERS Comprehensive (Forensic) Audit:
- Data submissions completed as of August.
- Initial draft audit report scheduled to be delivered in November 2023.
- Timeline could be affected by DCSD staff availability for interviews and follow-up to sampling requests.
- Final report collaboration begins in December 2023.
- Planning and approval for ongoing monitoring in December 2023 and January 2024.
- Final Report presentation to BOE anticipated in February 2024.

ACTIVITY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY
Project Management	█	█	█	█	█	█	█	█	█	█	█	█
Documentation Collection	█	█										
Risk Assessment			█									
Financial Audit of CARES/ESSER Spending				█	█							
Draft Report Sent to the DCSD Stakeholders						█						
Final Report Sent to the Board of Education in Advance							█					
Final Report Presentation to the Board of Education								█	█			
Ongoing Annual Risk Assessments*				█	█	█	█	█	█	█	█	█
Ongoing ESSER Program Monitoring*				█	█	█	█	█	█	█	█	█

ESPLOST IV & V Comprehensive Audit Update Plante Moran, PLLC

- Available project information from Operations has been obtained.
- Project spend is being reconciled – 190 of 260 projects completed
 - P-M team is working with DCSD staff to substantiate remaining variances
 - Follow-up requests are being tracked by Internal Audits
- Plante Moran forensic team will visit during the week of August 28
 - Meeting requests for Process walkthroughs have been delivered; 6 meetings with Operations, Procurement, and Finance process teams occurring August 28-30 at Sam Moss Center.
- Projected delivery is 3rd Quarter of FY2024 (Feb-Mar 2024)

TeamMate + Audit Management

- Purchase approved by BOE in January 2022
- Deployed in July 2022 as SaaS cloud based solution. Currently in Year 2 of use with excellent results. Still expanding into full usage.
- Purchase included TeamMate Analytics (Excel add-on) for advanced data analysis
- Consultant on Demand hours were included in the purchase for large issue support
- FY2022 spend = \$69,847; FY2023 spend = \$34,460
- Increased digital capacity and analytical proficiency projected to save on headcount

Project Spending to Date – *per Touchpoint Munis*

S2K Consulting, Inc. – Telecommunications Billing Review Services:

\$322,523.81

FORVIS, LLC – ESSERS Comprehensive Audit:

\$13,809.31

Plante Moran, PLLC – ESPLOST IV & V Comprehensive Audit:

\$77,530.00

Follow-Up Questions or Concerns?

Audit Committee Requests for Additional Information

Office of Internal Audits & Compliance

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