

Internal Audit: Auditing or Monitoring?

Internal Audit Department – Utah State Board of Education (USBE)



What do you see?

When you look at this image, what do you see? Similarly, sometimes figuring out if a review is an audit or if it is monitoring is a challenge, as they may look and feel very similar and sometimes they are labeled with the same word.

What's the difference?

Both auditing and monitoring work towards the objective of excellence in public education; however, each has a different role. It's kind of like the objective to have healthy teeth – you brush and floss daily, but you also go to the dentist for regular check-ups. The daily work of brushing and flossing is **monitoring** and the visit to the dentist is **auditing**.

Let's break it down:

Monitoring is a management function, an operational function, done on an on-going basis.



Monitoring is governed by federal or state regulations. The Federal Authorities in particular have very specific guidance about what must happen for monitoring, including a risk assessment.



Auditing, on the other hand, is a function performed by an independent group, a group separate from management. It is done more infrequently and is governed by national or state auditing standards.

What gets monitored?

The Utah State Board of Education has over 30 federal programs and close to 70 state programs that may need to be monitored. Monitoring considers compliance with regulations and achievement of performance goals. The Utah Legislative Auditor General's Office, in a recent audit of public education programs, stated: "Programs must be monitored and evaluated within USBE to be successful."

What gets audited?

Internal audits are done based on risk (see the "Eyes on Education" whitepaper). The Internal Audit Department gets input from stakeholders of education and, based on assessed risks, proposes projects for the audit plan – this must be done at least annually. All audit projects are approved by the USBE and may cover finance, compliance, performance, operations, etc.

The Strategic Super Sweet Spot

The Strategic Super Sweet Spot is what is achieved as monitoring and auditing are both done efficiently and effectively. It is the spot that lets you know your money is being spent wisely, programs are run well, employees are productive, and students are progressing.

