Audit Plan

Utah State Board of Education
Internal Audit Department

April 7, 2022

Audit Plan Requirements

Professional internal auditing standards require:

- A risk-based Audit Plan.
  - The Audit Plan must be based on a documented risk assessment, done at least annually, and considering input from the Board and Superintendency.
- The Audit Plan with related resource requirements must be reviewed and approved.
- Internal Audit must evaluate and contribute to the improvement of the organization’s governance, risk management, and controls processes.

Projects in Process

<table>
<thead>
<tr>
<th>Project</th>
<th>Board Approved Date</th>
<th>Start Date</th>
<th>Estimated Draft Report Date</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data Reliability</td>
<td>9/3/2020 4/7/2022</td>
<td>3/2022</td>
<td>3/2023</td>
<td>Audit to consider data reliability at both the state and local levels, as outlined in the prioritization request form. Project scope and objective was expanded on April 7, 2022.</td>
</tr>
<tr>
<td>Licensing</td>
<td>4/7/2022</td>
<td>4/2022</td>
<td>12/2022</td>
<td>Audit to consider licensing as outlined in the audit prioritization request form.</td>
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</tbody>
</table>

Board Approved Projects Not Yet Started

Projects will be started in the order noted below unless otherwise directed by the Audit Committee or Board.
1) **Subrecipient Monitoring Procedures** – USBE is required to monitor entities to which it sub-awards federal funds (i.e., LEAs and others). This audit will review USBE policies, procedures, practices, and internal controls to evaluate USBE’s performance of this federal requirement and was approved by the Board on December 9, 2016.

**Estimated Time to Complete:** 5-6 months, 3 staff

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**Projects Required by Internal Auditing Standards**

1) **Self-Assessment (Quality Assurance)** – A self-assessment of the Internal Audit function is required annually to ensure compliance with standards, and a self-assessment with external validation is required every fifth year.

**Estimated Time to Complete:** 2 weeks, 1 staff

2) **Risk Assessment of USBE** – Internal Audit is required to prepare an audit plan based on an annual, or more frequent, risk assessment.

**Estimated Time to Complete:** 2 weeks, 1 staff

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**Other Factors**

As noted above, risk is a significant and required consideration when determining audit projects. Other factors to consider include:

- State level audits or LEA/other sub-awardee level audits (other priority timelines, availability of staff, etc.)
- Audits currently being completed by the Office of the State Auditor, Legislative Auditor General’s Office, etc. (to avoid duplication)
- Projects being done by a Board or Legislative task force (to avoid duplication)
- Audit Report timeline (e.g., how fast do you want/need the audit report)
- Audit Scope (e.g., narrow or wide)
- Types of audits – performance, compliance, or financial

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**Resources**

Staffing: Each audit is staffed with a Project Supervisor and 1-2 Auditors. Staff required for a project varies depending on the scope and objective of an audit, the staff skillset needed, the availability of data and information, etc.
Each audit is required, based on professional standards, to have a quality assurance process, which includes reviews to ensure conclusions are sound and based on sufficient evidence. The Project Supervisor reviews all work completed and either the other Project Supervisor or the Chief Audit Executive also reviews work completed.

Internal Audit resources are also used for other critical tasks and functions, such as maintaining the Public Education Hotline, facilitating external audits, reviewing the department budget and purchasing requests, attending and preparing material for required meetings, completing the required annual self-assessment, and maintaining a policy and procedure manual. Continuing professional education is also required by professional standards.