



2013 Audit Activity Update

August 26, 2013

2013 Internal Audit - Year-To-Date Activities

- Completed annual certification on system of internal fiscal and administrative controls, including letter to the Auditor General

- 2013 Cycle Audits
 - Agency Management and Oversight
 - Personnel and Payroll
 - Expenditure Control
 - Purchasing and Procurement

- Performed follow-up reviews on all 2011 External Audit findings presented to management

2013 Internal Audit Year-To-Date Activities (cont.)

- Coordination of 2012 External Audit
 - Point of contact for compliance examination testing and overall external audit communication and audit process
- Completed one vendor audit to date
- Advise on internal controls on updated business processes that provide opportunities for operational improvements and efficiencies

2013 Internal Audit - Year-To-Date Activities (cont.)

- Perform compliance reviews
 - Departmental requests
 - Verification of billings
 - Testing of contract terms and performance

- Oversight and management of outsourced audit engagements

Balance-of-Year Internal Audit Activities

- Continue with audits in the 2013 approved audit plan
- Perform other audits based upon increased risks, management concerns and results of cycle audits
- Vendor contract performance reviews and partnership with Tollway Inspector General
- Hire internal audit manager

Balance-of-Year Internal Audit Activities (cont.)

- Administrative activities
 - Annual risk assessment
 - Prepare two-year audit plan
 - Prepare for quality assurance review to fulfill SIAAB requirement
- Oversight and management of third party external audit reviews
 - Payment Card Industry (PCI) assessment- *ongoing*
 - Oases Fuel Audit - *ongoing*
 - Construction practices review – *ongoing*

Construction Practices Review and Audit Services - Project status



Data gathering - 50 percent complete

- Document review – *COMPLETE*
- Staff interviews – *COMPLETE*
- CRP project review – *20 percent complete*
- Site observations – (I-90 Rebuilding and Widening Project)
Ongoing
- Existing conditions testing – *Ongoing*

Data analysis – Start November 2013

Conclusions/recommendations – Start March 2014

Continuous Improvement of the Internal Audit Program

- Initiated RFP for a systemwide audit management system to streamline the annual audit process and overall audit process
- Implemented an initiative to provide additional continuing education opportunities to audit staff in all areas of construction auditing to enhance audit reviews
- Department-wide participation in the State Internal Audit Advisory Board annual training and participation in Institute of Internal Audit training opportunities throughout the year

Internal Audit Team

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