

2014-2015 Internal Audit Plan  
Board of Managers Approved  
on August 19, 2014

## **Introduction**

According to the International Standards for the Professional Practice of Internal Auditing (Standards) and the Internal Audit Charter (CFC local), the Director of Internal Audit “...must establish a risk-based audit plan to determine the priorities of the internal audit activity....” The audit plan establishes the framework for the activity of the El Paso Independent School District’s (EPISD) Internal Audit Department (IAD).

The audit plan should be dynamic and flexible to ensure Internal Audit can be responsive to changes from unforeseen issues and events during the year. According to Standard 2010 Planning, the Internal Audit Director “...must review and adjust the plan, as necessary, in response to changes in the organization’s business, risks, operations, programs, systems, and controls.” Any significant changes required of the plan will be presented to the Board for approval.

## **Scope and Objectives**

The audit plan covers the period of September 1, 2014 to June 30, 2015. Project objectives proposed in the plan are in general terms. The specific objective of each audit project is determined by the detailed assessment of relative risks for the project at the time the project is initiated.

The objective of IAD is to assist the Board, Superintendent, and staff in the effective discharge of their duties and responsibilities by furnishing them with objective analysis, appraisals, and recommendations.

## **Responsibilities**

The IAD Director is responsible for preparing the annual audit plan and submitting it to the Board for review and approval. Periodic updates relating to project status, schedules and significant interim changes will also be communicated and submitted for approval, if necessary.

## **The Role of Internal Audit**

The IAD provides independent, objective assurance and consulting services designed to add value and improve the District’s operations. It helps the District accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

## **Risk and Fraud Risk Assessment Process**

The Risk and Fraud Risk Assessments serve as the primary tools used by Internal Audit to develop the annual audit plan since they will help us identify and prioritize the potential areas of high risk, so that focus is placed on the auditable units of greatest significance.

The Risk Assessment process consists of seeking feedback from all District data/process owners in order to: (1) identify the audit universe, (2) measure the risk associated with each auditable unit in the Audit Universe, (3) compile and analyze the results, and (4) initiate discussions with department heads on how these risks should be addressed. The “Audit Universe” is made up of the key processes or functional activities that are deemed to be auditable units of the District.

For the 2013 risk assessment, risk associated with the auditable units was measured using a scale of 1 to 5 for five key risk factors: internal controls, financial impact, change in management/structure, processes or priorities, regulatory compliance, and complexity of monitoring activities.

To perform the Fraud Risk Assessment we used a tool developed by the Association for Certified Fraud Examiners (ACFE) and customized it to fit the needs of the District. Fraud examiners use the ACFE's Fraud Risk Assessment (FRA) tool to identify an organization's vulnerabilities to fraud. We used the FRA tool to develop questionnaires and sent these to employees from various positions and locations in order to (i) solicit input from employees to gather their impressions of factors that contribute to fraud risk, (ii) inquire with data-process owners whether controls and best practices are in place in the various areas of the District, and (iii) provide evidence of a proactive environment by administration to bring to the forefront and discuss this sensitive subject. Internal Audit evaluated responses to the FRA tool questionnaires for potential risks for fraud and to identify areas where policies, procedures, or internal controls could be strengthened.

### **Developing the Internal Audit Plan**

In developing the annual risk-based audit plan, we reviewed high-risk areas identified during the 2014 Fraud Risk Assessment and 2013 District-wide Risk Assessment. We also considered auditable activities for which (i) risks were discovered during the performance of our audits or (ii) identified by management as an area of concern.

We met with the District's external auditors to discuss areas of concern or high-risk they have identified. Consistent with our audit planning process, audit approach, and industry practices, we also met with District leadership to identify potential internal audit plan projects.

The IAD Interim Director reached out to the individual Board of Managers to obtain their input on District areas of concern they have and discuss potential audit projects.

Because we are confronted with virtually unlimited potential projects with limited resources, it is important that we determine the staff (chargeable) hours available to carry out the plan. The audit hours available were calculated by multiplying the number of days on duty times eight hours per full-time equivalent. After deducting the estimated hours associated with sick/personal leave, staff development, and administrative tasks, we arrived at the chargeable hours available for audit/project purposes. Please refer to Attachment C for the calculation of chargeable hours.

### **Recommended Audit Plan Activities**

The projects included in the audit plan were those identified as high-risk, identified by IAD staff as high risk during the performance of our work, and identified by the Board of Managers as areas of interest/concern during the Risk Assessment. In addition to the projects selected based on their risk status, audit hours are also dedicated to follow-up reviews, carry-forward projects, activities required or recommended as best practices by professional Standards, and administrative tasks related to the day-to-day operations of the department.

The list of proposed projects, with scope and objectives, is included as Attachment A. The projects are listed in alphabetical order and are followed by other services to be provided. The planned timing of the projects and services by quarter with hours allocated is included as Attachment B.

**Internal Audit Plan  
September 1, 2014 through June 30, 2015**

**Attachment A**

| Project                                               | Objective(s)                                                                                                                                                                                                                                                                                                                                                                          | Selection Criteria                                                                                                                                         |
|-------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 Asset Management Conversion - Consulting Engagement | Provide consulting services related to the asset management conversion (to TEAMS) to provide assurance on internal controls to administration and the Board. Auditors can bring considerable value to an organization by providing consulting services to the IT and organizational aspects of system conversion projects.                                                            | Identified as high-risk for fraud during the 2014 Fraud Risk Assessment.                                                                                   |
| 2 Attendance Audits                                   | Review, evaluate, test the accuracy, and determine the adequacy of attendance records and student absences reporting. The scope would include elementary, middle, and high school campuses.                                                                                                                                                                                           | Identified as an area of concern during our collection and review of Austin HS attendance records requested by a law enforcement agency.                   |
| 3 Campus Accounting Audit                             | The objective will be to identify and audit the activities, performed by Campus Accounting staff, to support campus personnel with the processing, handling, accounting, and monitoring of Campus and Student Activity Fund (Activity Fund) transactions. Identify opportunities to improve internal controls and mitigate risks.                                                     | Project rolled forward from the 2013-2014 plan.<br><br>Campus Activity Funds were identified as high-risk for fraud during the 2014 Fraud Risk Assessment. |
| 4 Campus Activity Fund Audits                         | Review and test campus and student activity fund transactions to determine whether they are processed/recorded in accordance with federal, state and local requirements. The Financial Accountability System Resource Guide states that responsibility for activity funds involves internal auditors who often conduct annual or periodic audits of such funds as deemed appropriate. | Identified as high-risk for fraud during the 2014 Fraud Risk Assessment.                                                                                   |
| 5 Credit Recovery Audit Follow-up                     | Evaluate the adequacy, effectiveness, and timeliness of actions taken by management on reported observations and recommendations related to the Credit Recovery Audit performed during the 2013-2014 year.                                                                                                                                                                            | Follow-up Audit                                                                                                                                            |
| 6 Federal Education Program Data Audit and Follow-up  | The objective will be to determine the adequacy of the internal controls and the integrity of the financial and performance federal education program data. (USDE recommended)                                                                                                                                                                                                        | Follow-up Audit                                                                                                                                            |

**Internal Audit Plan  
September 1, 2014 through June 30, 2015**

**Attachment A**

| Project                                                                       | Objective(s)                                                                                                                                                                                                                                                                                                                                                                                                                   | Selection Criteria                                                                                      |
|-------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| 7 Foreign Credits Audit Follow-up                                             | Evaluate the adequacy, effectiveness, and timeliness of actions taken by management on reported observations and recommendations related to the Foreign Credits Audit performed during the 2013-2014 year.                                                                                                                                                                                                                     | Follow-up Audit                                                                                         |
| 8 Grade and Grade-level Changes Audit Follow-up                               | Evaluate the adequacy, effectiveness, and timeliness of actions taken by management on reported observations and recommendations related to the Grade and Grade-level Changes Audit performed during the 2013-2014 year.                                                                                                                                                                                                       | Follow-up Audit                                                                                         |
| 9 Hiring Process Audit                                                        | Document and assess the adequacy and effectiveness of the hiring process and related internal controls that will provide reasonable assurance the District employs the best qualified job applicants while complying with various federal, state, and local laws and regulations.                                                                                                                                              | Identified as areas of concern by the Board of Managers                                                 |
| 10 Quality Assurance and Improvement Program - Development and Implementation | Develop and implement a strong Quality Assurance and Improvement program that includes developing processes, procedures, and policies to ensure compliance with professional standards and local policy requirements.<br><br>Quality assurance is an important component in providing high quality auditing services, ensuring compliance with professional standards, and preparing for an external quality assurance review. | Required by the International Standards for the Professional Practice of Internal Auditing (Standards). |
| 11 Risk Assessment                                                            | Identify, measure, and prioritize risks in the district in order to (i) bring awareness of the risks in the various areas of the district, and (ii) form a basis for determining how these risks should be managed.                                                                                                                                                                                                            | Used to establish the risk-based audit plans required by the IIA Standard).                             |
| 12 Student High Failure Rate Audit                                            | Assure compliance to district policy, federal and state laws and program funding expectations intended to prevent students' academic failure.                                                                                                                                                                                                                                                                                  | Identified as areas of concern by the Board of Managers                                                 |
| 13 Student/Teacher Classroom Ratios Audits                                    | Provide assurance to the Board on the accuracy of student to teacher ratios (class loads) provided by administration. This includes reviewing the data/methodology used by administration to calculate ratios and conducting site visits to validate the ratio/teacher class loads data.                                                                                                                                       | Identified as areas of concern by the Board of Managers                                                 |

**Internal Audit Plan  
September 1, 2014 through June 30, 2015**

**Attachment A**

| Project                               | Objective(s)                                                                                                                                                                                                                                               | Selection Criteria                                                                                                       |
|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|
| 14 TEAMS Payroll Audit                | Assess and test the adequacy and effectiveness of the internal controls of the TEAMS Payroll system and compliance with District policies and procedures.                                                                                                  | Payroll issues were identified as high-risk during the 2013 Risk Assessment and as an area of concern by administration. |
| 15 TEAMS User Access Management Audit | The objective of the audit was to provide assurance that controls are in place and working as intended to ensure that user access administration is managed and monitored, including controls over privileged access for the TEAMS Human Resources module. | Identified as high-risk for fraud during the 2014 Fraud Risk Assessment.                                                 |

**Other Potential Project Related Activities:**

| Project                              | Objective(s)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 16 Corrective Action Plans Follow-Up | Periodically, administrative staff will be requested to communicate in writing the status of implementation of corrective actions (in response to audit reports). Internal audit reports the status of past due corrective action plans to the Board on a monthly basis.                                                                                                                                                                                                                                                                  |
| 17 Consulting Services               | <p>Consulting services may include participating in various team meetings, workgroups, or committees within the District to serve in an advisory capacity to provide management with technical assistance in a variety of areas, and serve as an available resource on risk-related issues.</p> <p>A single consulting project that is expected to exceed eight hours will be evaluated to determine whether it can be included in the contingency category or whether it needs to be submitted to the Board for review and approval.</p> |
| 18 Contingency Hours                 | <p>Contingency hours are needed to ensure the risk-based audit plan is flexible and responsive to change from unforeseen issues and events during the year. This may include:</p> <ol style="list-style-type: none"> <li>1. Facilitating external audits conducted by external auditors, TEA, USDE, or other agencies,</li> <li>2. Coordinating requests for information/documentation from external or law enforcement agencies,</li> <li>3. Follow-up on concerns of high risk or internal controls deficiencies.</li> </ol>            |
| 19 Ethics and Compliance Hotline     | In accordance with professional standards and related practice guides, Internal Audit should maintain an active role that relates to both promoting and assessing ethics throughout the District. This role may include hosting the District's Ethics and Compliance Hotline and conducting fraud investigations.                                                                                                                                                                                                                         |

**Internal Audit Plan  
September 1, 2014 through June 30, 2015**

**Attachment A**

| Project                                   | Objective(s)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Selection Criteria |
|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| Ethics and Compliance Hotline (continued) | Hours are set aside for monitoring incident reports received through the Ethics and Compliance Hotline. Monitoring includes reviewing, distributing, and tracking the status of concerns reported through the hotline and forwarded to data/process owners for follow-up. Monthly status reports are provided to the Board and Superintendent.<br><br>Hours were also allocated for Internal Audit staff to (i) follow-up on allegations of alleged fraud or significant non-compliance and (ii) a fraud investigation, if deemed necessary. |                    |

**Administrative and Professional Development**

| Project                                | Objective(s)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 20 Administrative Department Duties    | <p>Administrative activities includes:<br/>Strategic-level activities such as developing the annual audit plan, reviewing staff competency needs, and planning for staff development and hiring.</p> <p>Operational activities involving designing structures and processes aimed achieving Internal Audit activity objectives and overall goals of efficiency and effectiveness. This includes assigning auditors to specific projects and allocating/tracking time for engagement activities. The many tasks involved in leading Internal Audit to include communication within the District and with external auditors/entities, interviewing and hiring new staff members, staff appraisals. Ensuring Internal Audit staff follow policies and procedures, monitoring the department's budget, and processing payroll and purchase orders.</p> |
| 21 Continuing Professional Development | <p>Participate in various instructor-led or on-line courses in subjects directly related to government auditing, the Institute of Internal Auditors guidance, or specific/unique local education agency requirements in order to auditor's professional proficiency and meet continuing professional education requirements.</p> <p>Hours for staff to participate as members of professional organizations, including the local chapters of the Institute of Internal Auditors and Texas Association of School Business Officials.</p>                                                                                                                                                                                                                                                                                                            |

| Internal Audit Activities                                                  |     | Quarter 1    |             |
|----------------------------------------------------------------------------|-----|--------------|-------------|
| <b>Assurance Services</b>                                                  |     | <b>1,935</b> | <b>61%</b>  |
| Campus Activity Funds                                                      | 378 |              |             |
| Federal Education Program Data                                             | 739 |              |             |
| Financial and Performance Review (roll over from FY2014)                   |     |              |             |
| Student High Failure Rate Audit                                            | 380 |              |             |
| Student/Teacher Classroom Ratios Audit                                     | 397 |              |             |
| TEAMS User Access Management                                               | 41  |              |             |
| <b>Consulting Services</b>                                                 |     | <b>60</b>    | <b>2%</b>   |
| Asset Management Conversion - Consulting Engagement                        | 22  |              |             |
| Consulting Services                                                        | 38  |              |             |
| <b>Follow-up Services</b>                                                  |     | <b>91</b>    | <b>3%</b>   |
| Corrective Action Plan Follow-up                                           | 60  |              |             |
| Grade and Grade-level Changes Audit Follow-up                              | 31  |              |             |
| <b>Other Audit Services</b>                                                |     | <b>350</b>   | <b>11%</b>  |
| Contingency                                                                | 184 |              |             |
| Ethics and Compliance Hotline                                              | 124 |              |             |
| Risk Assessment                                                            | 42  |              |             |
| <b>Required/Recommended by Standards</b>                                   |     | <b>466</b>   | <b>15%</b>  |
| Continuing Professional Development                                        | 336 |              |             |
| Quality Assurance and Improvement Program - Development and Implementation | 130 |              |             |
| <b>Administrative Duties</b>                                               |     | <b>278</b>   | <b>9%</b>   |
| <b>Total Hours Scheduled</b>                                               |     | <b>3,180</b> | <b>100%</b> |

| Internal Audit Activities                                                  |     | Quarter 2    |             |
|----------------------------------------------------------------------------|-----|--------------|-------------|
| <b>Assurance Services</b>                                                  |     | <b>1,942</b> | <b>54%</b>  |
| Attendance Audits                                                          | 245 |              |             |
| Campus Accounting Audit                                                    | 315 |              |             |
| Campus Activity Funds                                                      | 340 |              |             |
| Hiring Process                                                             | 71  |              |             |
| Student High Failure Rate Audit                                            | 140 |              |             |
| Student/Teacher Classroom Ratios Audit                                     | 387 |              |             |
| TEAMS Payroll Audit                                                        | 108 |              |             |
| TEAMS User Access Management                                               | 336 |              |             |
| <b>Consulting Services</b>                                                 |     | <b>48</b>    | <b>1%</b>   |
| Consulting Services                                                        | 48  |              |             |
| <b>Follow-up Services</b>                                                  |     | <b>360</b>   | <b>10%</b>  |
| Corrective Action Plan Follow-up                                           | 112 |              |             |
| Foreign Credits Audit Follow-up                                            | 177 |              |             |
| Grade and Grade-level Changes Audit Follow-up                              | 71  |              |             |
| <b>Other Audit Services</b>                                                |     | <b>581</b>   | <b>16%</b>  |
| Contingency                                                                | 224 |              |             |
| Ethics and Compliance Hotline                                              | 201 |              |             |
| Risk Assessment                                                            | 156 |              |             |
| <b>Required/Recommended by Standards</b>                                   |     | <b>148</b>   | <b>4%</b>   |
| Continuing Professional Development                                        | 64  |              |             |
| Quality Assurance and Improvement Program - Development and Implementation | 84  |              |             |
| <b>Administrative Duties</b>                                               |     | <b>541</b>   | <b>15%</b>  |
| <b>Total Hours Scheduled</b>                                               |     | <b>3,620</b> | <b>100%</b> |

| <b>Internal Audit Activities</b>                                           |     | <b>Quarter 3</b> |             |
|----------------------------------------------------------------------------|-----|------------------|-------------|
| <b>Assurance Services</b>                                                  |     | <b>2,588</b>     | <b>65%</b>  |
| Attendance Audits                                                          | 527 |                  |             |
| Campus Accounting Audit                                                    | 10  |                  |             |
| Campus Activity Funds                                                      | 384 |                  |             |
| Federal Education Program Data                                             | 66  |                  |             |
| Financial and Performance Review (roll over from FY2014)                   |     |                  |             |
| Hiring Process                                                             | 255 |                  |             |
| Student/Teacher Classroom Ratios Audit                                     | 565 |                  |             |
| TEAMS Payroll Audit                                                        | 729 |                  |             |
| TEAMS User Access Management                                               | 52  |                  |             |
| <b>Consulting Services</b>                                                 |     | <b>48</b>        | <b>1%</b>   |
| Consulting Services                                                        | 48  |                  |             |
| <b>Follow-up Services</b>                                                  |     | <b>208</b>       | <b>5%</b>   |
| Corrective Action Plan Follow-up                                           | 22  |                  |             |
| Credit Recovery Audit Follow-up                                            | 87  |                  |             |
| Federal Education Program Data                                             | 99  |                  |             |
| Financial and Performance Review Follow-up                                 |     |                  |             |
| <b>Other Audit Services</b>                                                |     | <b>469</b>       | <b>12%</b>  |
| Contingency                                                                | 248 |                  |             |
| Ethics and Compliance Hotline                                              | 221 |                  |             |
| <b>Required/Recommended by Standards</b>                                   |     | <b>173</b>       | <b>4%</b>   |
| Continuing Professional Development                                        | 62  |                  |             |
| Quality Assurance and Improvement Program - Development and Implementation | 111 |                  |             |
| <b>Administrative Duties</b>                                               |     | <b>474</b>       | <b>12%</b>  |
| <b>Total Hours Scheduled</b>                                               |     | <b>3,960</b>     | <b>100%</b> |

| <b>Internal Audit Activities</b>                                           | <b>Quarter 4</b> |             |
|----------------------------------------------------------------------------|------------------|-------------|
| <b>Assurance Services</b>                                                  | <b>988</b>       | <b>65%</b>  |
| Campus Activity Funds                                                      | 155              |             |
| Federal Education Program Data                                             | 179              |             |
| Financial and Performance Review (roll over from FY2014)                   |                  |             |
| Hiring Process                                                             | 114              |             |
| Student/Teacher Classroom Ratios Audit                                     | 353              |             |
| TEAMS Payroll Audit                                                        | 187              |             |
| <b>Consulting Services</b>                                                 | <b>16</b>        | <b>1%</b>   |
| Consulting Services                                                        | 16               |             |
| <b>Follow-up Services</b>                                                  | <b>96</b>        | <b>6%</b>   |
| Corrective Action Plan Follow-up                                           | 4                |             |
| Credit Recovery Audit Follow-up                                            | 32               |             |
| Federal Education Program Data                                             | 60               |             |
| Financial and Performance Review Follow-up                                 |                  |             |
| <b>Other Audit Services</b>                                                | <b>156</b>       | <b>10%</b>  |
| Contingency                                                                | 74               |             |
| Ethics and Compliance Hotline                                              | 82               |             |
| <b>Required/Recommended by Standards</b>                                   | <b>58</b>        | <b>4%</b>   |
| Continuing Professional Development                                        | 6                |             |
| Quality Assurance and Improvement Program - Development and Implementation | 52               |             |
| <b>Administrative Duties</b>                                               | <b>198</b>       | <b>13%</b>  |
| <b>Total Hours Scheduled</b>                                               | <b>1,512</b>     | <b>100%</b> |

## Audit Budget Hours

The audit plan covers the period of September 1, 2014 to June 30, 2015.

The audit hours available were calculated by multiplying the number of days on duty times eight hours per full-time equivalent, then deducting the estimated hours associated with sick/personal leave.

### Days on duty

|                                                                             |              |
|-----------------------------------------------------------------------------|--------------|
| Professional staff: 191 days (9/01/14–6/30/14) x 8 hours = 1,528 x 6 =      | 9,168        |
| Professional vacancies: 147 days (11/01/14–6/30/14) x 8 hours = 1,176 x 2 = | 2,352        |
| <u>Hourly staff: 186 days (9/01/14–6/30/14) x 8 hours = 1,488 x 1 =</u>     | <u>1,488</u> |
| Total hours =                                                               | 13,008       |

### Estimated Sick/personal leave

|                                                                   |            |
|-------------------------------------------------------------------|------------|
| Staff (> 3 years): 104 hours x 4 =                                | 416        |
| <u>Staff (&lt; 3 years): 64 hour x 5 (includes 2 vacancies) =</u> | <u>320</u> |
| Total sick/personal leave =                                       | 736        |

**Audit hours available = 12,272**

Activities in the plan include:

| Type of Service                                  | Hours         | Percent     | } <b>Audit Services<br/>81%</b> |
|--------------------------------------------------|---------------|-------------|---------------------------------|
| ✓ Assurance                                      | 7,453         | 61%         |                                 |
| ✓ Consulting                                     | 172           | 1%          |                                 |
| ✓ Follow-up                                      | 755           | 6%          |                                 |
| ✓ Other audit services                           | 1,556         | 13%         |                                 |
| ✓ Required/recommended by professional standards | 845           | 7%          |                                 |
| ✓ <u>Administrative activities</u>               | <u>1,491</u>  | <u>12%</u>  |                                 |
| <b>Total hours allocated =</b>                   | <b>12,272</b> | <b>100%</b> |                                 |

# El Paso Independent School District



# Assessment

## **BACKGROUND**

Risk is a measure of uncertainty in terms of impact and likelihood. Risk is defined as the “possibility of suffering harm or loss” and it impacts the District’s ability to accomplish its mission, goals and objectives. A Risk Assessment is recognized as the preferred process for identifying, measuring, and prioritizing risks based on their likelihood of occurrence and the magnitude of impact.

The Risk Assessment serves as the primary tool used by Internal Audit to develop the annual Audit Plan since it will help us identify and prioritize the potential areas of high risk, so that focus is placed on the auditable units of greatest significance.

## **SCOPE AND OBJECTIVES**

The scope and objectives were to identify, measure, and prioritize risks in the District in order to (i) bring awareness of the risks in the various areas of the District and (ii) initiate discussions on how to address the identified risks.

## **METHODOLOGY**

The “Audit Universe” is made up of the key processes or functional activities that are deemed to be auditable units of the District. The audit universe is developed by first identifying the operational areas of the District and then identifying the key processes or functional activities within said areas. The risk associated with the auditable units is measured using a scale of 1 to 5 for each of the following five key risk factors:

- (1) Internal controls - This factor measures the quality of the internal controls such as policies, procedures and monitoring activities to address security of assets, segregation of duties, proper approvals/authorizations, verifications/reconciliations, accuracy of data, etc. This evaluates whether controls are in place and working effectively. This factor measures the likelihood of occurrence.
- (2) Financial impact - This considers the overall dollar amount flowing through or committed to the unit/process from all funding sources (e.g. expenditures, grant amount, revenues collected/earned). This evaluates the impact of inappropriate activity from a financial perspective. This factor measures the impact risk.
- (3) Change in management/structure, processes or priorities - This evaluates the extent of changes in the unit and the impact of these on operations. These may include: (i) changes in administration and/or key employees; (ii) changes in the structure of the department/process; (iii) new activities/programs; (iv) new business processes; or (v) changes in the District's priorities/goals. This factor measures the likelihood of occurrence.
- (4) Regulatory compliance - This evaluates the complexity and volume of compliance regulations from outside entities. This includes any potential financial or non-financial penalties. This factor measures the impact risk.
- (5) Complexity of monitoring activities - This factor considers the locations/number of locations where activities and the monitoring of these activities take place. This factor measures the likelihood of occurrence.

After we compiled and analyzed the results, auditable units were categorized based on the risk scores. We measured the likelihood of the occurrence based on the total scores for factors 1, 3, and 5 above as follows:

Risk Score of 12 to 15 = High Risk

Risk Score of 9 to 11= Medium Risk

Risk Score of 1 to 10 = Low Risk

We measured the risk impact based on the total scores for factors 2 and 4 (above) as follows:

Risk Score of 8 to 10 = High Risk

Risk Score of 6 to 7= Medium Risk

Risk Score of 1 to 5 = Low Risk

For auditable units with a risk score of high likelihood of occurrence and high to medium impact, we inquired with the respective data owner(s) to determine how they would mitigate the risks for these units.

#### **SUMMARY**

Exhibit A provides the list of auditable units with a risk score of high likelihood and high to medium impact and the manner in which the risk will be addressed. The complete results of the Risk Assessment are presented in Exhibit B.

# Exhibit A



| Risk Score                        | Auditable Unit                                                                                | Mitigating Risk by:                                                                                                                                                                                                                                                                                                                         |
|-----------------------------------|-----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| High Likelihood/<br>High Impact   | Program Access (OCR) – CTE                                                                    | TEA conducted a review during the 2013 school year. The District is working on the Corrective Action Plan (CAP) to address findings identified.                                                                                                                                                                                             |
| High Likelihood/<br>High Impact   | Financial Services - GL to Payroll Journal Reconciliation                                     | This entails administrative duties that should not be performed by IA staff. Data process owner will continue to monitor. IA staff will be available to provide consulting services such as testing controls in TEAMS.                                                                                                                      |
| High Likelihood/<br>High Impact   | Federal Education Program Financial and Performance Data                                      | A project was proposed for the 2013-2014 Internal Audit Plan. This project is part of the corrective action recommended in the USDE report.                                                                                                                                                                                                 |
| High Likelihood/<br>Medium Impact | Advanced Academic Services GT Compliance Student Records - includes PEIMS data quality issues | IA project performed and data owner implemented a CAP during the last two years. Data owner will continue to monitor risk and determine whether additional help is needed from IA for the 2014-2015 school year.                                                                                                                            |
| High Likelihood/<br>Medium Impact | GT Training Requirements & Records                                                            | IA project performed and data owner implemented a CAP less than three years ago. Data owner will continue to monitor risk and determine whether additional help is needed from IA for the 2014-2015 school year. Note that this is an area that is tested by external auditors during the District's annual financial and compliance audit. |
| High Likelihood/<br>Medium Impact | Pre-AP/AP Course & Examination Requirements                                                   | Data owner will monitor and revisit risk score during the next Risk Assessment.                                                                                                                                                                                                                                                             |
| High Likelihood/<br>Medium Impact | Special Populations - CTE LEP/SPED                                                            | TEA conducted a review during the 2013 school year. The District is working on the CAP to address findings identified.                                                                                                                                                                                                                      |
| High Likelihood/<br>Medium Impact | Grade and Grade-Level Changes                                                                 | A project was proposed for the 2013-2014 Internal Audit Plan. This project is part of the corrective action recommended in the USDE report.                                                                                                                                                                                                 |
| High Likelihood/<br>Medium Impact | Foreign Country Credits Process                                                               | A project was proposed for the 2013-2014 Internal Audit Plan. This project is part of the corrective action recommended in the USDE report.                                                                                                                                                                                                 |
| High Likelihood/<br>Medium Impact | Student Leavers Review                                                                        | A project was proposed for the 2013-2014 Internal Audit Plan. This project is part of the corrective action recommended in the USDE report.                                                                                                                                                                                                 |

# Exhibit A

| Risk Score                        | Auditable Unit                                 | Mitigating Risk by:                                                                                                                  |
|-----------------------------------|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| High Likelihood/<br>Medium Impact | Guidance Services Student<br>Transcript Audits | Data owner requested assistance. Since IA has limited resources, this project will be considered when developing the 2014-2015 plan. |
| High Likelihood/<br>Medium Impact | Credit Recovery - Excessive<br>Absences        | A project was proposed for the 2013-2014 Internal Audit Plan                                                                         |
| High Likelihood/<br>Medium Impact | Wage and Hour                                  | A project was proposed for the 2013-2014 Internal Audit Plan                                                                         |

# Exhibit B



El Paso ISD - Internal Audit Department  
Risk Assessment - Request for Management Input Form  
Fiscal Year 2012-2013

| Auditable Units                                                                                             | RISK FACTORS      |                  |                                                 |                       |                                     | Risk Score | Risk Rank (Likelihood/Impact) |
|-------------------------------------------------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|------------|-------------------------------|
|                                                                                                             | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |            |                               |
| Program Access (OCR) - CTE                                                                                  | 3                 | 3                | 5                                               | 5                     | 4                                   | 20         | High/High                     |
| Financial Services - GL to Payroll Journal Reconciliation (includes testing of fringe benefit calculations) | 5                 | 5                | 2                                               | 4                     | 5                                   | 21         | High/High                     |
| Federal Education Program Financial and Performance Data                                                    | 3                 | 5                | 5                                               | 5                     | 5                                   | 23         | High/High                     |
| Advanced Academic Services GT Compliance Student Records - includes PEIMS data quality issues               | 5                 | 3                | 5                                               | 4                     | 5                                   | 22         | High/Medium                   |
| GT Training Requirements & Records                                                                          | 5                 | 3                | 5                                               | 4                     | 5                                   | 22         | High/Medium                   |
| Pre-AP/AP Course & Examination Requirements                                                                 | 5                 | 3                | 5                                               | 4                     | 5                                   | 22         | High/Medium                   |
| Special Populations - CTE LEP/SPED                                                                          | 3                 | 1                | 5                                               | 5                     | 4                                   | 18         | High/Medium                   |
| Grade and Grade-Level Changes - District Process                                                            | 4                 | 1                | 5                                               | 5                     | 5                                   | 20         | High/Medium                   |
| Foreign Country Credits Process                                                                             | 3                 | 1                | 5                                               | 5                     | 5                                   | 19         | High/Medium                   |
| Student Leavers Review                                                                                      | 3                 | 1                | 5                                               | 5                     | 5                                   | 19         | High/Medium                   |
| Guidance Services Student Transcript Audits                                                                 | 3                 | 1                | 4                                               | 5                     | 5                                   | 18         | High/Medium                   |
| Credit Recovery - Excessive Absences                                                                        | 3                 | 1                | 4                                               | 5                     | 5                                   | 18         | High/Medium                   |
| Wage and Hour                                                                                               | 3                 | 1                | 5                                               | 5                     | 5                                   | 19         | High/Medium                   |
| Athletic Change Fund                                                                                        | 5                 | 1                | 4                                               | 3                     | 5                                   | 18         | High/Low                      |
| Copyright Training                                                                                          | 5                 | 1                | 2                                               | 2                     | 5                                   | 15         | High/Low                      |
| Cohort Determination/Training                                                                               | 3                 | 1                | 5                                               | 4                     | 5                                   | 18         | High/Low                      |
| Campus Needs Assessment Budget                                                                              | 2                 | 5                | 2                                               | 4                     | 5                                   | 18         | Medium/High                   |

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| Auditable Units                                                                 | RISK FACTORS      |                  |                                                 |                       |                                     | Risk Score | Risk Rank (Likelihood/Impact) |
|---------------------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|------------|-------------------------------|
|                                                                                 | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |            |                               |
| Process                                                                         |                   |                  |                                                 |                       |                                     |            |                               |
| CTE Campus Bell Schedules vs. Actual Contact Hours                              | 2                 | 4                | 4                                               | 5                     | 4                                   | 19         | Medium/High                   |
| CTE PEIMS Records                                                               | 3                 | 4                | 3                                               | 4                     | 5                                   | 19         | Medium/High                   |
| Maintenance of effort - NCLB                                                    | 3                 | 5                | 3                                               | 5                     | 3                                   | 19         | Medium/High                   |
| Title I Part A-Improving Basic Programs                                         | 2                 | 5                | 2                                               | 5                     | 5                                   | 19         | Medium/High                   |
| Overtime/Comp Time/Extra Duty Pay Process                                       | 5                 | 5                | 2                                               | 4                     | 3                                   | 19         | Medium/High                   |
| Financial Services - Processing Miscellaneous Pay                               | 3                 | 5                | 2                                               | 4                     | 5                                   | 19         | Medium/High                   |
| Financial Services - Accounts Payable Vendor Records                            | 5                 | 5                | 3                                               | 5                     | 1                                   | 19         | Medium/High                   |
| Construction Bond Program                                                       | 2                 | 5                | 3                                               | 3                     | 4                                   | 17         | Medium/High                   |
| Completing Salary and Personnel Surveys                                         | 1                 | 5                | 3                                               | 5                     | 5                                   | 19         | Medium/High                   |
| Master Schedules (Student/Teacher Ratios)                                       | 1                 | 5                | 4                                               | 5                     | 5                                   | 20         | Medium/High                   |
| CTE Career Prep Employer Visitation Logs                                        | 3                 | 2                | 2                                               | 4                     | 4                                   | 15         | Medium/Medium                 |
| CTE Career Prep Training Plans                                                  | 3                 | 2                | 2                                               | 4                     | 4                                   | 15         | Medium/Medium                 |
| CTE Inventory by Campus                                                         | 2                 | 4                | 4                                               | 3                     | 5                                   | 18         | Medium/Medium                 |
| Police Services Crisis Management Plans - Schools Center Emergency Respond Plan | 2                 | 3                | 3                                               | 3                     | 5                                   | 16         | Medium/Medium                 |
| EOC Tracking/Testing and Training                                               | 1                 | 1                | 5                                               | 5                     | 5                                   | 17         | Medium/Medium                 |

El Paso ISD - Internal Audit Department  
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| Auditable Units                                                               | RISK FACTORS      |                  |                                                 |                       |                                     | Risk Score | Risk Rank (Likelihood/Impact) |
|-------------------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|------------|-------------------------------|
|                                                                               | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |            |                               |
| EOC Graduation Requirements Training and Tracking                             | 1                 | 1                | 5                                               | 5                     | 5                                   | 17         | Medium/Medium                 |
| New State Accountability System Training/AYP Accountability                   | 1                 | 1                | 5                                               | 5                     | 5                                   | 17         | Medium/Medium                 |
| Athletic Contests Tickets                                                     | 3                 | 2                | 3                                               | 3                     | 3                                   | 14         | Medium/Low                    |
| Athletic Game Management                                                      | 3                 | 2                | 2                                               | 3                     | 4                                   | 14         | Medium/Low                    |
| Custodian Overtime-Athletic Events                                            | 3                 | 1                | 3                                               | 3                     | 3                                   | 13         | Medium/Low                    |
| CAM guidelines updates (to ensure compliance with board policy and bulletins) | 3                 | 1                | 2                                               | 2                     | 5                                   | 13         | Medium/Low                    |
| Student and Campus Activity Fund Management (Campus Accounting)               | 4                 | 1                | 1                                               | 3                     | 5                                   | 14         | Medium/Low                    |
| CTE Program Effectiveness                                                     | 2                 | 1                | 2                                               | 4                     | 5                                   | 14         | Medium/Low                    |
| Dual Credit Program                                                           | 2                 | 1                | 4                                               | 3                     | 3                                   | 13         | Medium/Low                    |
| AYP LEP Measure                                                               | 2                 | 1                | 4                                               | 4                     | 4                                   | 15         | Medium/Low                    |
| ELA - Student ID, monitoring, exiting                                         | 3                 | 1                | 3                                               | 4                     | 4                                   | 15         | Medium/Low                    |
| PBMAS - DELA                                                                  | 2                 | 1                | 4                                               | 4                     | 4                                   | 15         | Medium/Low                    |
| PEIMS - DELA                                                                  | 3                 | 1                | 2                                               | 4                     | 5                                   | 15         | Medium/Low                    |
| School Improvement Funds Requirements                                         | 2                 | 1                | 3                                               | 4                     | 4                                   | 14         | Medium/Low                    |
| Implementation of Compensation Plans                                          | 2                 | 5                | 4                                               |                       | 5                                   | 16         | Medium/Low                    |
| School Facility Location and Needs (growth and development in El Paso)        | 3                 | 4                | 3                                               | 1                     | 5                                   | 16         | Medium/Low                    |

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| Auditable Units                                                                                                                     | RISK FACTORS      |                  |                                                 |                       | Risk Score                          | Risk Rank (Likelihood/Impact) |
|-------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|-------------------------------|
|                                                                                                                                     | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |                               |
| Information Security (Includes Security Policy, User Access Management, Administrative Access to District Applications and Systems) | 3                 | 2                | 3                                               | 1                     | 12                                  | Medium/Low                    |
| Carrier/Armored Car Services                                                                                                        | 3                 | 1                | 3                                               | 3                     | 14                                  | Medium/Low                    |
| District-wide Budget Process                                                                                                        | 2                 | 5                | 1                                               | 3                     | 16                                  | Low/High                      |
| Financial Accountability - CTE                                                                                                      | 2                 | 4                | 2                                               | 4                     | 15                                  | Low/High                      |
| Funding Allocations - CTE                                                                                                           | 2                 | 4                | 2                                               | 4                     | 15                                  | Low/High                      |
| Human Resources - Benefits Eligibility                                                                                              | 1                 | 5                | 1                                               | 4                     | 12                                  | Low/High                      |
| Human Resources - Benefits RFP - Competitive Proposals                                                                              | 1                 | 5                | 1                                               | 3                     | 11                                  | Low/High                      |
| Title I Fiscal Requirement - Comparability                                                                                          | 2                 | 3                | 3                                               | 5                     | 15                                  | Low/High                      |
| Federal Equipment Inventory                                                                                                         | 2                 | 5                | 2                                               | 4                     | 17                                  | Low/High                      |
| NCLB Compliance Report                                                                                                              | 2                 | 5                | 2                                               | 5                     | 18                                  | Low/High                      |
| NCLB Consolidated Application for Federal Funding                                                                                   | 2                 | 5                | 2                                               | 5                     | 18                                  | Low/High                      |
| Parental Involvement Program                                                                                                        | 2                 | 5                | 2                                               | 4                     | 17                                  | Low/High                      |
| NCLB Private Nonprofit Schools Participation                                                                                        | 2                 | 5                | 2                                               | 4                     | 17                                  | Low/High                      |
| State Compensatory Education Program                                                                                                | 2                 | 5                | 2                                               | 5                     | 18                                  | Low/High                      |
| Title II, Part A                                                                                                                    | 2                 | 3                | 2                                               | 5                     | 16                                  | Low/High                      |
| PEIMS Reporting - Financial                                                                                                         | 1                 | 5                | 2                                               | 3                     | 12                                  | Low/High                      |

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| Auditable Units                                                                                   | RISK FACTORS      |                  |                                                 |                       |                                     | Risk Score | Risk Rank (Likelihood/Impact) |
|---------------------------------------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|------------|-------------------------------|
|                                                                                                   | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |            |                               |
| Accounts Payable Cycle                                                                            | 1                 | 5                | 2                                               | 5                     | 5                                   | 18         | Low/High                      |
| Financial Services - Adjusting Journal Entries                                                    | 1                 | 5                | 2                                               | 5                     | 1                                   | 14         | Low/High                      |
| Federal Programs Financial Reporting and Draw Downs                                               | 1                 | 5                | 2                                               | 5                     | 1                                   | 14         | Low/High                      |
| Fixed Assets System (over \$5,000)                                                                | 1                 | 5                | 2                                               | 3                     | 1                                   | 12         | Low/High                      |
| Evaluation of Bids and Formulation of Recommendation to Board of Trustees for Award Consideration | 2                 | 5                | 1                                               | 4                     | 3                                   | 15         | Low/High                      |
| Prevailing Wage Rates - District and Federal Compliance                                           | 2                 | 5                | 1                                               | 3                     | 4                                   | 15         | Low/High                      |
| Procurement Process                                                                               | 1                 | 5                | 2                                               | 4                     | 4                                   | 16         | Low/High                      |
| Property Control Management - Inventory                                                           | 1                 | 5                | 2                                               | 3                     | 3                                   | 14         | Low/High                      |
| Purchasing Cycle                                                                                  | 1                 | 5                | 2                                               | 4                     | 2                                   | 14         | Low/High                      |
| Pupil Projections                                                                                 | 3                 | 5                | 3                                               | 4                     | 1                                   | 16         | Low/High                      |
| Treasury Services - Capital Projects Fund Monitoring                                              | 2                 | 5                | 1                                               | 3                     | 2                                   | 13         | Low/High                      |
| Treasury Services - Debt Service Fund Management                                                  | 1                 | 5                | 1                                               | 4                     | 1                                   | 12         | Low/High                      |
| Treasury Services - Investments                                                                   | 1                 | 5                | 1                                               | 4                     | 1                                   | 12         | Low/High                      |
| Treasury Services - Revenue Forecasting                                                           | 1                 | 5                | 1                                               | 4                     | 1                                   | 12         | Low/High                      |
| Academic Competition/Speech/Journalism                                                            | 1                 | 1                | 3                                               | 5                     | 3                                   | 13         | Low/Medium                    |

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| Auditable Units                                                                                                 | RISK FACTORS      |                  |                                                 |                       |                                     | Risk Score | Risk Rank (Likelihood/Impact) |
|-----------------------------------------------------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|------------|-------------------------------|
|                                                                                                                 | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |            |                               |
| Newspapers (costs, ads, production account, etc.)                                                               |                   |                  |                                                 |                       |                                     |            |                               |
| Academic Competition/Speech/Journalism Yearbook Bids                                                            | 2                 | 1                | 2                                               | 5                     | 3                                   | 13         | Low/Medium                    |
| Academic Competition/Speech/Journalism Yearbooks (costs per book, ads, production account, payment plans, etc.) | 2                 | 1                | 2                                               | 5                     | 3                                   | 13         | Low/Medium                    |
| Athletic Equipment Inventory High School                                                                        | 2                 | 3                | 3                                               | 3                     | 3                                   | 14         | Low/Medium                    |
| Athletic Expenditures                                                                                           | 2                 | 2                | 2                                               | 4                     | 3                                   | 13         | Low/Medium                    |
| Athletics - Compliance with UIL Guidelines                                                                      | 2                 | 1                | 2                                               | 5                     | 4                                   | 14         | Low/Medium                    |
| Standard Operating Procedures for Athletics Cash Handling/Deposits                                              | 2                 | 2                | 2                                               | 4                     | 4                                   | 14         | Low/Medium                    |
| Account Coding for Employee Assignments                                                                         | 1                 | 3                | 3                                               | 4                     | 2                                   | 13         | Low/Medium                    |
| Human Resources - Lawsuits, OCR, & EEOC Complaints                                                              | 1                 | 1                | 2                                               | 5                     | 1                                   | 10         | Low/Medium                    |
| Human Resources - Texas Workforce Commission - Unemployment Claims                                              | 2                 | 1                | 2                                               | 5                     | 1                                   | 11         | Low/Medium                    |
| Summer School Program - External Funding                                                                        | 2                 | 2                | 2                                               | 4                     | 3                                   | 13         | Low/Medium                    |
| Title I, Part Subpart 2- Delinquent Programs                                                                    | 2                 | 1                | 2                                               | 5                     | 1                                   | 11         | Low/Medium                    |

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| Auditable Units                                                                                                                                                    | RISK FACTORS      |                  |                                                 |                       |                                     | Risk Score | Risk Rank (Likelihood/Impact) |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|------------|-------------------------------|
|                                                                                                                                                                    | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |            |                               |
| Title III, LEP                                                                                                                                                     | 2                 | 2                | 2                                               | 5                     | 4                                   | 15         | Low/Medium                    |
| Financial Services - Bank Reconciliations                                                                                                                          | 1                 | 5                | 2                                               | 2                     | 1                                   | 11         | Low/Medium                    |
| Financial Services - Payroll Direct Deposits                                                                                                                       | 1                 | 5                | 2                                               | 2                     | 1                                   | 11         | Low/Medium                    |
| Financial Services - Accounts Payable Direct Payments                                                                                                              | 1                 | 1                | 2                                               | 5                     | 4                                   | 13         | Low/Medium                    |
| Free & Reduced-Price Meal Application Process (includes compliance with USDA requirements, student qualification, documentation, accurate reporting of data, etc.) | 2                 | 3                | 2                                               | 3                     | 1                                   | 11         | Low/Medium                    |
| National School Lunch & Breakfast Programs                                                                                                                         | 1                 | 4                | 2                                               | 3                     | 3                                   | 13         | Low/Medium                    |
| Purchase & Inventories of Food & Serving Products                                                                                                                  | 1                 | 4                | 2                                               | 2                     | 3                                   | 12         | Low/Medium                    |
| Construction Contracts (this includes compliance with bid specifications; whether terms/conditions deviate from standard; and consistency with construction plans) | 1                 | 5                | 1                                               | 2                     | 3                                   | 12         | Low/Medium                    |
| Energy Management                                                                                                                                                  | 2                 | 4                | 1                                               | 2                     | 3                                   | 12         | Low/Medium                    |
| Facilities Maintenance                                                                                                                                             | 1                 | 3                | 1                                               | 3                     | 3                                   | 11         | Low/Medium                    |
| Maintenance Work Order Process                                                                                                                                     | 1                 | 3                | 1                                               | 3                     | 3                                   | 11         | Low/Medium                    |
| Professional Services/Consultant Contracts/MOU's/Grants                                                                                                            | 4                 | 3                | 1                                               | 3                     | 3                                   | 14         | Low/Medium                    |

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| Auditable Units                                                                                              | RISK FACTORS      |                  |                                                 |                       |                                     | Risk Score | Risk Rank (Likelihood/Impact) |
|--------------------------------------------------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|------------|-------------------------------|
|                                                                                                              | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |            |                               |
| Utility Services Monitoring (Electr., water, refuse, internet)                                               | 2                 | 4                | 1                                               | 3                     | 3                                   | 13         | Low/Medium                    |
| Procurement Services - Master Vendor List Maintenance                                                        | 1                 | 4                | 2                                               | 2                     | 1                                   | 10         | Low/Medium                    |
| Vendor Background Checks                                                                                     | 2                 | 3                | 2                                               | 4                     | 3                                   | 14         | Low/Medium                    |
| Pupil Services - Student Discipline                                                                          | 2                 | 1                | 2                                               | 5                     | 1                                   | 11         | Low/Medium                    |
| School Attendance Zones                                                                                      | 1                 | 3                | 2                                               | 3                     | 1                                   | 10         | Low/Medium                    |
| Risk Management - District-wide Property & Casualty Insurance                                                | 1                 | 3                | 1                                               | 3                     | 3                                   | 11         | Low/Medium                    |
| Risk Management - Worker's Compensation TPA Services                                                         | 1                 | 3                | 5                                               | 3                     | 2                                   | 14         | Low/Medium                    |
| Risk Management - Workers' Compensation Cost Containment Services                                            | 1                 | 3                | 5                                               | 3                     | 2                                   | 14         | Low/Medium                    |
| Maintenance of Effort - IDEA B Monitoring/ Compliance                                                        | 2                 | 2                | 3                                               | 4                     | 1                                   | 12         | Low/Medium                    |
| Academic Competition/Speech/Journalism Extra-duty Compensation                                               | 2                 | 1                | 3                                               | 4                     | 3                                   | 13         | Low/Low                       |
| Academic Competition/Speech/Journalism Literary Magazine (costs, ads, production account, etc.) - Journalism | 2                 | 1                | 3                                               | 3                     | 3                                   | 12         | Low/Low                       |
| Academic Competition/Speech/Journalism Overtime for custodians, police                                       | 1                 | 1                | 3                                               | 4                     | 3                                   | 12         | Low/Low                       |

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| Auditable Units                                                                     | RISK FACTORS      |                  |                                                 |                       | Risk Score                          | Risk Rank (Likelihood/Impact) |
|-------------------------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|-------------------------------|
|                                                                                     | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |                               |
| services, judges, etc.                                                              |                   |                  |                                                 |                       |                                     |                               |
| Academic Competition/Speech/Journalism Stipends for coaches, judges, & coordinators | 1                 | 1                | 3                                               | 4                     | 3                                   | Low/Low                       |
| Advanced Academic Services Cultural Arts Academy                                    | 1                 | 1                | 1                                               | 1                     | 1                                   | Low/Low                       |
| Advanced Academic Services Digital Film Academy                                     | 1                 | 1                | 1                                               | 1                     | 1                                   | Low/Low                       |
| Advanced Academic Services Dreams Summer Program                                    | 1                 | 1                | 1                                               | 1                     | 1                                   | Low/Low                       |
| GT Curriculum Development & Sales                                                   | 1                 | 1                | 1                                               | 1                     | 1                                   | Low/Low                       |
| GT Program Equipment & Technology Inventory                                         | 1                 | 1                | 5                                               | 1                     | 1                                   | Low/Low                       |
| GT Program Materials & Books Inventory                                              | 1                 | 1                | 5                                               | 1                     | 1                                   | Low/Low                       |
| Summer Demonstration School (mundos unidos)                                         | 1                 | 1                | 1                                               | 1                     | 1                                   | Low/Low                       |
| Athletic Fund Revenue                                                               | 2                 | 1                | 2                                               | 4                     | 3                                   | Low/Low                       |
| Athletic Equipment Inventory Middle School                                          | 2                 | 2                | 3                                               | 3                     | 3                                   | Low/Low                       |
| Athletic Physicals                                                                  | 1                 |                  | 3                                               | 3                     | 3                                   | Low/Low                       |
| Athletic Travel                                                                     | 2                 | 1                | 2                                               | 4                     | 4                                   | Low/Low                       |
| Athletic Coaches Evaluations                                                        | 2                 | 1                | 3                                               | 2                     | 1                                   | Low/Low                       |

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| Auditable Units                         | RISK FACTORS      |                  |                                                 |                       | Risk Score                          | Risk Rank (Likelihood/Impact) |
|-----------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|-------------------------------|
|                                         | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |                               |
| CPR/AED/Concussion Training - Athletics | 3                 | 1                | 2                                               | 3                     | 2                                   | Low/Low                       |
| EPISD Police Overtime - Athletic Events | 3                 | 1                | 3                                               | 3                     | 2                                   | Low/Low                       |
| Receivables from Employee Travel        | 3                 | 1                | 2                                               | 3                     | 1                                   | Low/Low                       |
| Travel Credit Card Management           | 5                 | 1                | 2                                               | 3                     | 1                                   | Low/Low                       |
| Travel Expenditures                     | 3                 | 1                | 2                                               | 3                     | 1                                   | Low/Low                       |
| Travel Request Processing               | 3                 | 1                | 2                                               | 3                     | 1                                   | Low/Low                       |
| Magnet Programs                         | 2                 | 1                | 3                                               | 2                     | 2                                   | Low/Low                       |
| ELL Progress                            | 2                 | 1                | 2                                               | 4                     | 4                                   | Low/Low                       |
| Staff Certification - DELA              | 1                 | 1                | 1                                               | 4                     | 4                                   | Low/Low                       |
| Staff Funding - DELA                    | 1                 | 1                | 1                                               | 4                     | 2                                   | Low/Low                       |
| Testing - LEP                           | 2                 | 1                | 2                                               | 4                     | 4                                   | Low/Low                       |
| Title III funds                         | 1                 | 1                | 1                                               | 4                     | 1                                   | Low/Low                       |
| Grade Placement Committee               | 1                 | 1                | 2                                               | 1                     | 1                                   | Low/Low                       |
| Handling of Employee/Parent Complaints  | 1                 | 1                | 2                                               | 2                     | 1                                   | Low/Low                       |
| Principal Entry/Exit Procedures         | 1                 | 1                | 2                                               | 2                     | 1                                   | Low/Low                       |
| Human Resources - Benefit Module        | 1                 | 1                | 1                                               | 1                     | 1                                   | Low/Low                       |
| Human Resources - Leave Management      | 1                 | 1                | 1                                               | 4                     | 4                                   | Low/Low                       |
| Human Resources - Grievances            | 2                 | 1                | 2                                               | 3                     | 1                                   | Low/Low                       |
| Human Resources - Open Records Requests | 1                 | 1                | 1                                               | 3                     | 1                                   | Low/Low                       |

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| Auditable Units                                                                                                                                     | RISK FACTORS      |                  |                                                 |                       |                                     | Risk Score | Risk Rank (Likelihood/Impact) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|------------|-------------------------------|
|                                                                                                                                                     | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |            |                               |
| Title III, Immigrant                                                                                                                                | 1                 | 1                | 1                                               | 1                     | 1                                   | 5          | Low/Low                       |
| Title IV, Part A-Safe & Drug Free Schools                                                                                                           | 1                 | 1                | 1                                               | 1                     | 1                                   | 5          | Low/Low                       |
| Title VIII                                                                                                                                          | 1                 | 1                | 1                                               | 1                     | 1                                   | 5          | Low/Low                       |
| Financial Services - Department Standard Operating Procedures (i.e. to address management override, segregation of duties, monthly reporting, etc.) | 1                 | 1                | 2                                               | 4                     | 1                                   | 9          | Low/Low                       |
| Payroll Cycle (i.e. segregation of duties, monitoring activities, reconciliations, compliance with laws, etc.)                                      | 1                 | 1                | 2                                               | 4                     | 1                                   | 9          | Low/Low                       |
| Payroll Information Backup (electronic format)                                                                                                      | 1                 | 1                | 2                                               | 2                     | 1                                   | 7          | Low/Low                       |
| Payroll Standard Operating Procedures                                                                                                               | 1                 | 1                | 2                                               | 2                     | 1                                   | 7          | Low/Low                       |
| Financial Services - Segregation of Duties and Technology Access controls                                                                           | 1                 | 1                | 2                                               | 2                     | 1                                   | 7          | Low/Low                       |
| Fine Arts \Music Library                                                                                                                            | 1                 | 1                | 1                                               | 1                     | 1                                   | 5          | Low/Low                       |
| Fine Arts Contests                                                                                                                                  | 1                 | 1                | 1                                               | 1                     | 1                                   | 5          | Low/Low                       |
| Fine Arts Instrument Inventory                                                                                                                      | 1                 | 1                | 1                                               | 2                     | 5                                   | 10         | Low/Low                       |
| Fine Arts Repair Shop                                                                                                                               | 1                 | 1                | 2                                               | 1                     | 1                                   | 6          | Low/Low                       |
| Fine Arts Staff Development                                                                                                                         | 1                 | 1                | 2                                               | 1                     | 2                                   | 7          | Low/Low                       |
| Fine Arts Student Instrument Rental                                                                                                                 | 1                 | 1                | 1                                               | 1                     | 3                                   | 7          | Low/Low                       |

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| Auditable Units                                                                                   | RISK FACTORS      |                  |                                                 |                       |                                     | Risk Score | Risk Rank (Likelihood/Impact) |
|---------------------------------------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|------------|-------------------------------|
|                                                                                                   | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |            |                               |
| Fine Arts Summer Enrichment Program                                                               | 1                 | 1                | 3                                               | 3                     | 1                                   | 9          | Low/Low                       |
| Fine Arts Van Go/Mobile Melodies Program                                                          | 1                 | 1                | 2                                               | 1                     | 1                                   | 6          | Low/Low                       |
| Compliance with City of El Paso Dept. of Public Health Requirements (includes HACCP requirements) | 2                 | 2                | 2                                               | 3                     | 4                                   | 13         | Low/Low                       |
| FMNV & Competitive Sales Requirements                                                             | 2                 | 2                | 2                                               | 3                     | 4                                   | 13         | Low/Low                       |
| Food Services Cash Management (cafeteria collections/deposits)                                    | 2                 | 2                | 2                                               | 2                     | 4                                   | 12         | Low/Low                       |
| Nutrition Education Programs                                                                      | 1                 | 1                | 2                                               | 2                     | 1                                   | 7          | Low/Low                       |
| Purchase, Maintenance, & Disposal of Kitchen Equipment                                            | 1                 | 2                | 2                                               | 2                     | 3                                   | 10         | Low/Low                       |
| Summer Food Service Program                                                                       | 1                 | 1                | 2                                               | 3                     | 3                                   | 10         | Low/Low                       |
| Computer Systems & Software Support (includes performing equipment inventory)                     | 2                 | 1                | 1                                               | 1                     | 3                                   | 8          | Low/Low                       |
| Library Media Inventory                                                                           | 3                 | 1                | 1                                               | 1                     | 3                                   | 9          | Low/Low                       |
| Operations - Change Orders Process                                                                | 1                 | 1                | 2                                               | 4                     | 2                                   | 10         | Low/Low                       |
| Community Use of District Facilities                                                              | 1                 | 1                | 1                                               | 4                     | 1                                   | 8          | Low/Low                       |
| Custodial Operations                                                                              | 1                 | 1                | 3                                               | 2                     | 3                                   | 10         | Low/Low                       |
| Enforcement of District's Apprenticeship Program                                                  | 2                 | 1                | 2                                               | 3                     | 3                                   | 11         | Low/Low                       |
| Facilities Emergency Plan                                                                         | 1                 | 1                | 1                                               | 1                     | 1                                   | 5          | Low/Low                       |

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| Auditable Units                                                                                               | RISK FACTORS      |                  |                                                 |                       | Risk Score                          | Risk Rank (Likelihood/Impact) |
|---------------------------------------------------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|-------------------------------|
|                                                                                                               | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |                               |
| Staff Appraisals (monitoring that administrators are conducting staff appraisals in compliance with policies) | 1                 | 2                | 2                                               | 1                     | 2                                   | Low/Low                       |
| PEIMS Reporting - Human Resources                                                                             | 2                 | 2                | 2                                               | 1                     | 3                                   | Low/Low                       |
| EASE/TEAMS Absences Reporting                                                                                 | 1                 | 1                | 1                                               | 1                     | 1                                   | Low/Low                       |
| Employee Application Process (submission of transcripts, I9, CRC)                                             | 1                 | 2                | 2                                               | 1                     | 1                                   | Low/Low                       |
| Human Resources - Employee Compensation                                                                       | 1                 | 3                | 2                                               | 1                     | 2                                   | Low/Low                       |
| Human Resources - Highly Qualified (compliance with NCLB requirements)                                        | 2                 | 1                | 2                                               | 1                     | 1                                   | Low/Low                       |
| Human Resources - Job Descriptions                                                                            | 2                 | 1                | 1                                               | 1                     | 1                                   | Low/Low                       |
| Human Resources - Monitoring Employees' Certifications, Licensures & Qualifications                           | 2                 | 1                | 2                                               | 1                     | 1                                   | Low/Low                       |
| Human Resources - Monitoring/Providing Required Training (FLSA/technology access)                             | 1                 | 1                | 1                                               | 1                     | 1                                   | Low/Low                       |
| Human Resources - New Employee Orientation                                                                    | 1                 | 1                | 1                                               | 1                     | 1                                   | Low/Low                       |
| Human Resources - Personnel Files (records retention and disaster recovery plan)                              | 2                 | 1                | 2                                               | 1                     | 2                                   | Low/Low                       |
| Human Resources - Procedures for Hiring, Moving, & Promoting Personnel                                        | 1                 | 1                | 2                                               | 1                     | 2                                   | Low/Low                       |

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| Auditable Units                                                                                                                              | RISK FACTORS      |                  |                                                 |                       |                                     | Risk Score | Risk Rank (Likelihood/Impact) |
|----------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|------------|-------------------------------|
|                                                                                                                                              | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |            |                               |
| Human Resources - Procedures for Recruiting Personnel                                                                                        | 1                 | 1                | 2                                               | 1                     | 2                                   | 7          | Low/Low                       |
| Human Resources - Quality & Integrity of files                                                                                               | 1                 | 1                | 2                                               | 1                     | 1                                   | 6          | Low/Low                       |
| Human Resources - Stipends/Extra Performance Pay                                                                                             | 1                 | 1                | 1                                               | 1                     | 1                                   | 5          | Low/Low                       |
| Human Resources - Teacher Certification & Enhancement Program                                                                                | 1                 | 1                | 2                                               | 1                     | 1                                   | 6          | Low/Low                       |
| Human Resources - Updating District Legal/ Local Policies (for consistency with the law)                                                     | 1                 | 1                | 2                                               | 1                     | 1                                   | 6          | Low/Low                       |
| Police Services - Crime Prevention Programs                                                                                                  | 1                 | 1                | 1                                               | 1                     | 1                                   | 5          | Low/Low                       |
| Police Services - Crossing Guard Program                                                                                                     | 1                 | 1                | 1                                               | 1                     | 1                                   | 5          | Low/Low                       |
| Police Services Departmental Inventory Controls & Procedures                                                                                 | 1                 | 1                | 1                                               | 2                     | 1                                   | 6          | Low/Low                       |
| Police Services - Officer/Dispatcher Payroll                                                                                                 | 1                 | 1                | 1                                               | 2                     | 1                                   | 6          | Low/Low                       |
| Police Reports - ILEADS                                                                                                                      | 1                 | 1                | 1                                               | 4                     | 4                                   | 11         | Low/Low                       |
| Police Services Grants                                                                                                                       | 1                 | 1                | 1                                               | 1                     | 1                                   | 5          | Low/Low                       |
| Police Services - Staffing Patterns (evaluate the long-term plan for allocating of resources to new campuses, extra-curricular events, etc.) | 1                 | 2                | 1                                               | 2                     | 3                                   | 9          | Low/Low                       |
| Print Shop Internal Service Funds                                                                                                            | 1                 | 1                | 2                                               | 1                     | 1                                   | 6          | Low/Low                       |

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| Auditable Units                                                                         | RISK FACTORS      |                  |                                                 |                       | Risk Score                          | Risk Rank (Likelihood/Impact) |
|-----------------------------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|-------------------------------|
|                                                                                         | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |                               |
| Print Shop Materials Inventory                                                          | 1                 | 1                | 2                                               | 1                     | 6                                   | Low/Low                       |
| Procurement Services - Conflict of Interest Requirements                                | 2                 | 2                | 2                                               | 2                     | 10                                  | Low/Low                       |
| Professional Services/Consultant Contracts/MOU's                                        | 1                 | 2                | 2                                               | 2                     | 9                                   | Low/Low                       |
| Property Control Management Services                                                    | 1                 | 2                | 2                                               | 2                     | 10                                  | Low/Low                       |
| CIP Requirements for Parent Involvement Program                                         | 1                 | 1                | 3                                               | 1                     | 9                                   | Low/Low                       |
| Fiscal Issues - Parental Involvement                                                    | 1                 | 1                | 1                                               | 1                     | 5                                   | Low/Low                       |
| Parental Engagement Activities Required by NCLB (to include parent policies & compacts) | 1                 | 1                | 3                                               | 1                     | 9                                   | Low/Low                       |
| Parent Notifications                                                                    | 1                 | 1                | 3                                               | 1                     | 9                                   | Low/Low                       |
| Parent Policies & Compacts                                                              | 1                 | 1                | 3                                               | 1                     | 9                                   | Low/Low                       |
| Parental Engagement Services to Private Schools                                         | 1                 | 1                | 2                                               | 1                     | 7                                   | Low/Low                       |
| VIPS & PIES Programs                                                                    | 2                 | 1                | 3                                               | 1                     | 10                                  | Low/Low                       |
| Pupil Services - Dropout/Leaver Codes                                                   | 2                 | 1                | 2                                               | 4                     | 10                                  | Low/Low                       |
| Student Code of Conduct & Student/Parent Handbooks                                      | 1                 | 1                | 2                                               | 2                     | 7                                   | Low/Low                       |
| Pupil Services - Student Records                                                        | 3                 | 1                | 2                                               | 3                     | 10                                  | Low/Low                       |
| Pupil Services - Student Transfer Requests                                              | 3                 | 1                | 2                                               | 3                     | 10                                  | Low/Low                       |

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| Auditable Units                                                            | RISK FACTORS      |                  |                                                 |                       |                                     | Risk Score | Risk Rank (Likelihood/Impact) |
|----------------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|------------|-------------------------------|
|                                                                            | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |            |                               |
| Testing Center - Distribution of Test Material                             | 1                 | 1                | 4                                               | 4                     | 3                                   | 13         | Low/Low                       |
| Testing Center - Online Testing for State-Mandated Tests                   | 1                 | 1                | 2                                               | 4                     | 4                                   | 12         | Low/Low                       |
| Testing Center - Return of Secure Material to the State                    | 1                 | 1                | 4                                               | 4                     | 1                                   | 11         | Low/Low                       |
| Testing Center - Test Security Procedures Compliance                       | 1                 | 1                | 3                                               | 4                     | 4                                   | 13         | Low/Low                       |
| Testing Center - Training of Test Coordinators                             | 1                 | 1                | 2                                               | 4                     | 3                                   | 11         | Low/Low                       |
| Providing Accurate Data for Public Information Requests                    | 3                 | 2                | 2                                               | 2                     | 3                                   | 12         | Low/Low                       |
| Redistricting for Board of Trustees - Census Years                         | 1                 | 1                | 2                                               | 3                     | 4                                   | 11         | Low/Low                       |
| Standard Operating Procedures for Staffing Adjustments Based on Class Size | 1                 | 1                | 2                                               | 3                     | 1                                   | 8          | Low/Low                       |
| Risk Management - Accident Prevention Plan                                 | 1                 | 1                | 1                                               | 3                     | 2                                   | 8          | Low/Low                       |
| Risk Management - Return to Work Program                                   | 1                 | 1                | 1                                               | 3                     | 2                                   | 8          | Low/Low                       |
| Risk Management - Transportation Safety Programs                           | 2                 | 1                | 1                                               | 3                     | 3                                   | 10         | Low/Low                       |
| ROTC MPA & OMA (Military Budget)                                           | 1                 | 1                | 2                                               | 4                     | 2                                   | 10         | Low/Low                       |

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| Auditable Units                                                                                                                                              | RISK FACTORS      |                  |                                                 |                       |                                     | Risk Score | Risk Rank (Likelihood/Impact) |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|------------|-------------------------------|
|                                                                                                                                                              | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |            |                               |
| ROTC Program                                                                                                                                                 | 1                 | 1                | 2                                               | 3                     | 2                                   | 9          | Low/Low                       |
| Campus Activity Funds                                                                                                                                        | 1                 | 1                | 1                                               | 2                     | 1                                   | 6          | Low/Low                       |
| Campus Improvement Plans                                                                                                                                     | 1                 | 2                | 2                                               | 2                     | 2                                   | 9          | Low/Low                       |
| Accessibility (school buildings & facilities)                                                                                                                | 1                 | 2                | 1                                               | 2                     | 2                                   | 8          | Low/Low                       |
| Equipment Inventory (campus)                                                                                                                                 | 2                 | 2                | 2                                               | 2                     | 2                                   | 10         | Low/Low                       |
| GT Course Requirements & Differentiation                                                                                                                     | 2                 | 1                | 2                                               | 2                     | 2                                   | 9          | Low/Low                       |
| Pupil Services - Student Attendance                                                                                                                          | 1                 | 1                | 1                                               | 3                     | 2                                   | 8          | Low/Low                       |
| WTS Reviews                                                                                                                                                  | 1                 | 1                | 1                                               | 3                     | 2                                   | 8          | Low/Low                       |
| Bilingual/ESL Program                                                                                                                                        | 2                 | 1                | 2                                               | 2                     | 2                                   | 9          | Low/Low                       |
| Campus Procedures for Student Grade Changes – while campuses scored as low risk, subsequent release of the USDE report led to an elevated risk score/rank    | 1                 | 1                | 1                                               | 2                     | 2                                   | 7          | Low/Low                       |
| Campus Process for Student Grade Level Changes – while campuses scored as low risk, subsequent release of the USDE report led to an elevated risk score/rank | 1                 | 1                | 1                                               | 2                     | 1                                   | 6          | Low/Low                       |
| Special Education (documenting services provided, timely ARDs, data quality, completeness of student folders, etc.)                                          | 1                 | 1                | 2                                               | 3                     | 2                                   | 9          | Low/Low                       |

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| Auditable Units                                                      | RISK FACTORS      |                  |                                                 |                       | Risk Score                          | Risk Rank (Likelihood/Impact) |
|----------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|-------------------------------|
|                                                                      | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |                               |
| Student Cumulative Folders - data quality                            | 1                 | 1                | 1                                               | 2                     | 6                                   | Low/Low                       |
| Student Learner Data (campus)                                        | 1                 | 1                | 1                                               | 3                     | 7                                   | Low/Low                       |
| Student LEP identification, monitoring, and exiting                  | 2                 | 1                | 2                                               | 3                     | 11                                  | Low/Low                       |
| Title I Program - Campus Requirements                                | 1                 | 2                | 1                                               | 2                     | 8                                   | Low/Low                       |
| Special Education & Services - 504 Timelines                         | 2                 | 1                | 2                                               | 2                     | 10                                  | Low/Low                       |
| Special Education & Services - ARD Timelines                         | 2                 | 1                | 2                                               | 4                     | 12                                  | Low/Low                       |
| Special Education & Services - Deaf Education                        | 2                 | 1                | 2                                               | 4                     | 12                                  | Low/Low                       |
| Special Education & Services - DRD Assessments                       | 2                 | 1                | 2                                               | 3                     | 11                                  | Low/Low                       |
| Health Services                                                      | 2                 | 1                | 2                                               | 4                     | 12                                  | Low/Low                       |
| IDEA Funding                                                         | 2                 | 1                | 1                                               | 4                     | 9                                   | Low/Low                       |
| Special Education & Services - Medicaid Administrative (MAC) Billing | 1                 | 1                | 2                                               | 1                     | 6                                   | Low/Low                       |
| Special Education Services Compliance                                | 2                 | 1                | 2                                               | 4                     | 13                                  | Low/Low                       |
| Special Education Student Coding Accuracy                            | 1                 | 1                | 1                                               | 4                     | 10                                  | Low/Low                       |
| Student Health & Related Svcs (SHARS)                                | 2                 | 1                | 2                                               | 3                     | 9                                   | Low/Low                       |

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| Auditable Units                                                                                                                                                                       | RISK FACTORS      |                  |                                                 |                       |                                     | Risk Score | Risk Rank (Likelihood/Impact) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|------------|-------------------------------|
|                                                                                                                                                                                       | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |            |                               |
| Technology Services - Change Management Process                                                                                                                                       | 2                 | 1                | 2                                               | 1                     | 1                                   | 7          | Low/Low                       |
| Technology Services - Disaster Recovery and Business Continuity Plan                                                                                                                  | 3                 | 3                | 2                                               | 1                     | 3                                   | 12         | Low/Low                       |
| Technology Services - Help Desk Management (includes support services provided to users, incident/problem management, prioritization/delegation, customer satisfaction surveys, etc.) | 2                 | 1                | 2                                               | 1                     | 1                                   | 7          | Low/Low                       |
| IT Applications Management (Includes Software/Program Licensing)                                                                                                                      | 2                 | 1                | 2                                               | 1                     | 2                                   | 8          | Low/Low                       |
| IT Needs Assessment Process                                                                                                                                                           | 1                 | 1                | 1                                               | 1                     | 1                                   | 5          | Low/Low                       |
| Technology Services - Organizational Structure, Roles & Responsibilities                                                                                                              | 1                 | 1                | 2                                               | 1                     | 1                                   | 6          | Low/Low                       |
| Transportation - Bus Routes (planning, documentation used to develop routes, budgeting for personnel/fleet, etc.)                                                                     | 2                 | 1                | 1                                               | 2                     | 2                                   | 8          | Low/Low                       |
| Transportation - Dossier System (auto shop)                                                                                                                                           | 2                 | 1                | 1                                               | 1                     | 2                                   | 7          | Low/Low                       |
| Transportation - Handling of Parent Complaints (are transportation employees trained on how to handle/filter these, SOPs, etc.)                                                       | 3                 | 1                | 2                                               | 1                     | 2                                   | 9          | Low/Low                       |
| Transportation - KRONOS                                                                                                                                                               | 2                 | 1                | 1                                               | 1                     | 2                                   | 7          | Low/Low                       |

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| Auditable Units                                                                                               | RISK FACTORS      |                  |                                                 |                       | Risk Score                          | Risk Rank (Likelihood/Impact) |
|---------------------------------------------------------------------------------------------------------------|-------------------|------------------|-------------------------------------------------|-----------------------|-------------------------------------|-------------------------------|
|                                                                                                               | Internal Controls | Financial Impact | Changes in Management, Structure, or Priorities | Regulatory Compliance | Complexity of Monitoring Activities |                               |
| Transportation - Maintenance of Buses                                                                         | 2                 | 1                | 1                                               | 2                     | 2                                   | Low/Low                       |
| Transportation - Monitoring of Fuel Inventory/Usage                                                           | 2                 | 1                | 1                                               | 1                     | 2                                   | Low/Low                       |
| Transportation - Operations Report                                                                            | 1                 | 1                | 1                                               | 2                     | 2                                   | Low/Low                       |
| Transportation - Route Services Report                                                                        | 1                 | 2                | 1                                               | 2                     | 2                                   | Low/Low                       |
| Transportation - Safety in Buses (training for bus drivers, monitors)                                         | 1                 | 1                | 1                                               | 2                     | 2                                   | Low/Low                       |
| Transportation - School Choice Transportation                                                                 | 1                 | 1                | 1                                               | 1                     | 4                                   | Low/Low                       |
| Special Education Transportation                                                                              | 1                 | 1                | 1                                               | 2                     | 2                                   | Low/Low                       |
| Accounts Receivable (and cash receipts)                                                                       | 1                 | 3                | 2                                               | 2                     | 2                                   | Low/Low                       |
| Treasury Services - Internal Service Fund Monitoring (Worker's Comp. and Health Care Clinics only)            | 1                 | 2                | 1                                               | 3                     | 2                                   | Low/Low                       |
| Warehouse Services - Surplus Sales (this includes the process for acquiring & disposing of salvage materials) | 3                 | 1                | 2                                               | 3                     | 3                                   | Low/Low                       |
| Warehouse Distribution Process                                                                                | 1                 | 2                | 3                                               | 1                     | 1                                   | Low/Low                       |
| Warehouse Inventory                                                                                           | 3                 | 2                | 3                                               | 1                     | 1                                   | Low/Low                       |
| Warehouse Order Process                                                                                       | 2                 | 2                | 3                                               | 1                     | 3                                   | Low/Low                       |