



## Audit Committee

# Discussion on the results of the Audit Department's internal Quality Assurance & Improvement Program for Fiscal Year 2024/25

Item 7d

March 9, 2026

Presented by: Kathryn Andrus

**Item 7d**  
Results of  
internal  
Quality  
Assurance &  
Improvement  
Program for  
FY 2024/25

## Subject

Discussion on the results of the Audit Department's internal Quality Assurance & Improvement Program for Fiscal Year 2024/25

## Purpose

- Share the FY 2024/25 internal quality assessment results
- Provide a status update on the compliance gaps and opportunities for improvement identified during the external quality assessment in 2023

# QAIP FY 24/25

## Objective

Evaluate conformance to the Institute of Internal Auditors' (IIA) Standards

## Scope

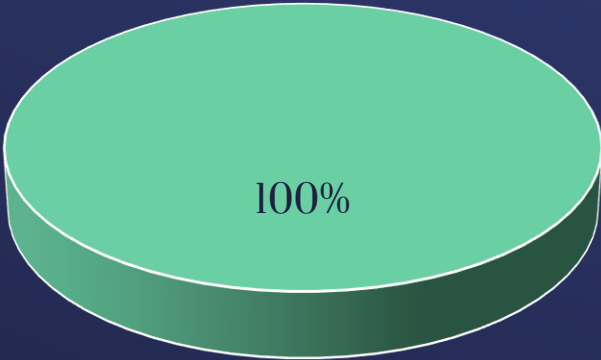
Audit Department efficiency and effectiveness in executing its mission, as set forth in the Charter.

- Internal Audit Governance
- Internal Audit Staff
- Internal Audit Management
- Internal Audit Process

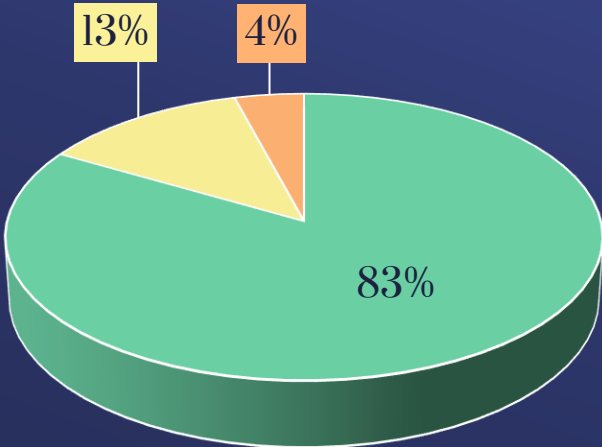
# Internal Audit Governance



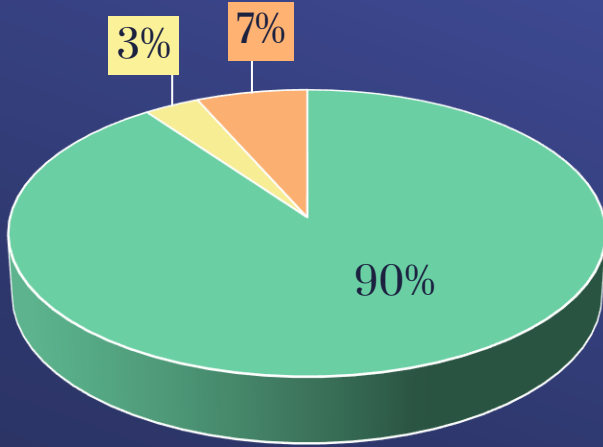
Staff



Management



Board



- Organizational value
- Conforms to the IIA's Standards/Principles and Rules of Conduct
- Unrestricted access to records
- Conflict-of-Interest policy/process

- Organizational value
- Information handling
- Professional objectivity
- Trusted advisor
- Unrestricted access to records
- Organizational independence

# Internal Audit Governance

## Survey Results: Feedback

STRENGTHS	OPPORTUNITIES
<ul style="list-style-type: none"><li>• Value added</li><li>• Professional</li><li>• Integrity</li><li>• Unrestricted access</li><li>• Direct report to the Board</li></ul>	<ul style="list-style-type: none"><li>• Provide proactive District education – risks, controls, etc.</li></ul>

# Internal Audit Staff

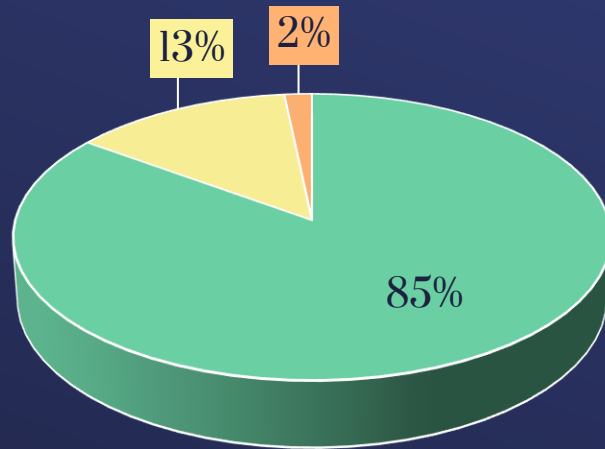
Key

Agree

Disagree

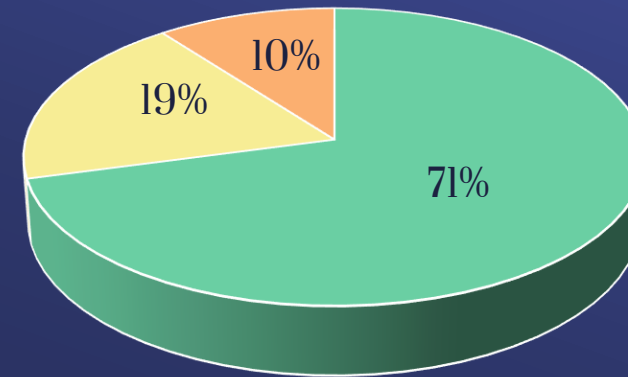
Don't Know

Staff



- Skill/knowledge growth opportunities:
  - Develop professionally/advance career
  - Know key business processes
  - Encourage professional certifications
- Identification of “red flags”
- Performance reviews regular & constructive
- Department – development assignment
- Sufficient IT knowledge

Management



- Communicates effectively
- Keeps current – business/industry
- Adequate knowledge of key business processes
- Effective problem-identification/solution skills
- Effective conflict resolution/negotiation skills
- Viewed as a source of talent for the organization

# Survey Results: Feedback

## Internal Audit Staff

STRENGTHS	OPPORTUNITIES
<ul style="list-style-type: none"><li>• Communicates effectively</li><li>• Is collaborative/approachable</li><li>• Has knowledge of District business processes</li></ul>	<ul style="list-style-type: none"><li>• Proactive communication</li><li>• Department career path strategy</li><li>• Timeliness of management feedback to staff</li><li>• Obtain training to improve efficiency/effectiveness</li></ul>

# Internal Audit Management

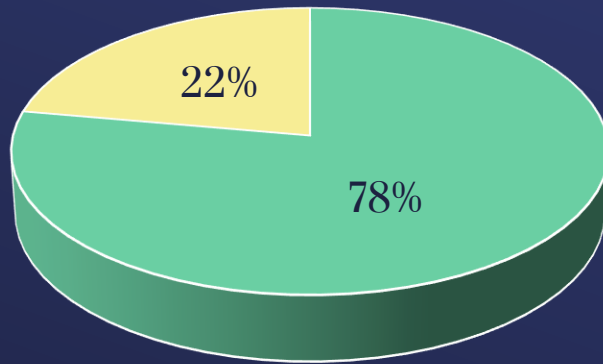
Key

Agree

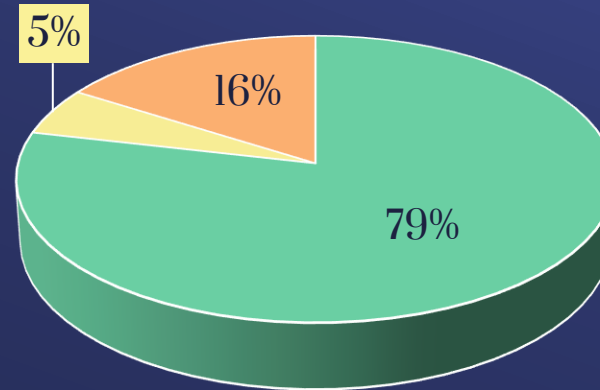
Disagree

Don't Know

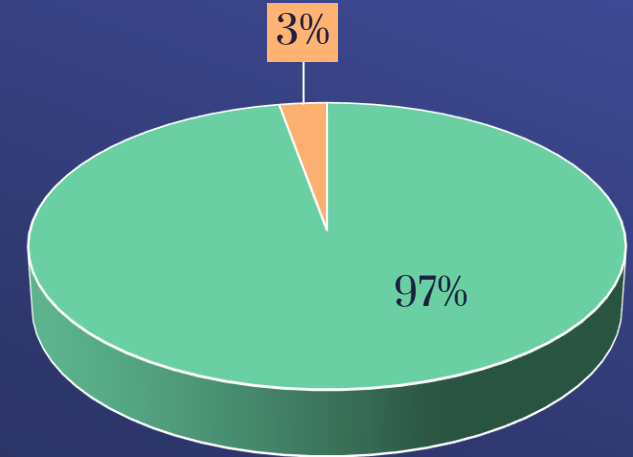
## Staff



## Management



## Board



- Department policies/procedures in place
- Encourages collaboration – management/staff
- Competently assesses District's:
  - Governance processes
  - Risk management processes
  - Internal controls
- Promotes organizational ethics/values

- Establishes risk-based audit plan
- Effectively communicates, including audit plan (scope/objectives)
- Adequately assesses risk management processes/system of internal controls
- Keeps current business/industry
- Promotes organizational ethics/values

# Internal Audit Management

## Survey Results: Feedback

STRENGTHS	OPPORTUNITIES
<ul style="list-style-type: none"><li>• Proactively communicates</li><li>• Is collaborative/approachable</li><li>• Uses a risk-based audit plan</li><li>• Promotes District ethics/values</li><li>• Provides status updates</li><li>• Continue management/Board education efforts</li></ul>	<ul style="list-style-type: none"><li>• Fill open positions</li></ul>

# Internal Audit Process

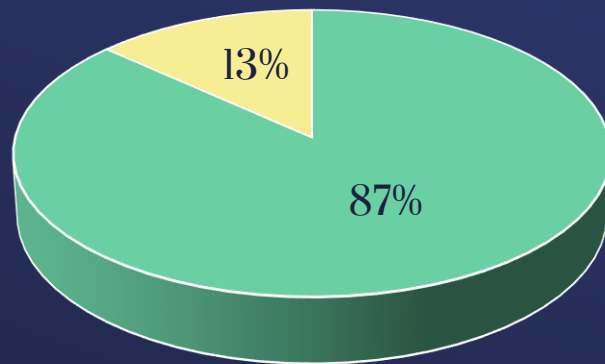
Key

Agree

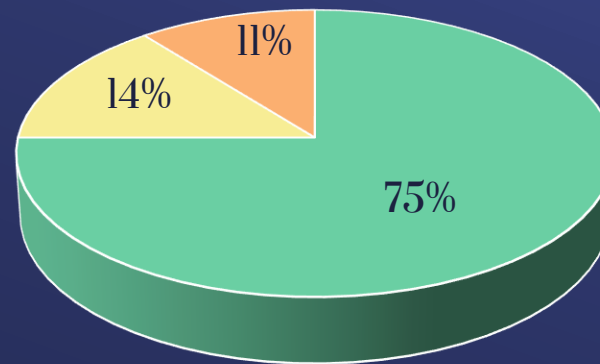
Disagree

Don't Know

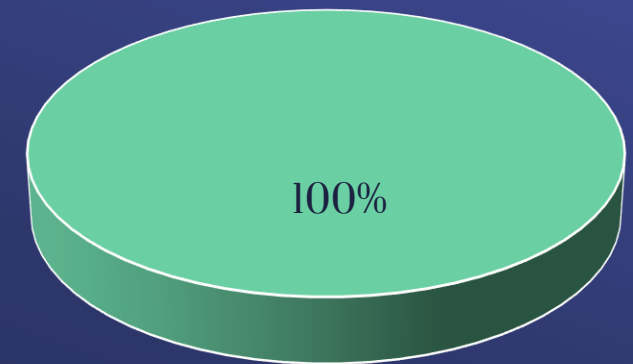
## Staff



## Management



## Board



- Engagement objectives align with risks
- Employ data analytics
- Engagement feedback – timely/constructive
- Proficient project management
- Proficient organization skills
- Timely engagement completion
- Effective conflict/resolution skills

- Timely engagement completion
- Sufficient IT risks/controls knowledge
- Sufficient fraud knowledge
- Reporting – accurate, objective, clear, concise, constructive, and complete

# Internal Audit Process

## Survey Results: Feedback

STRENGTHS	OPPORTUNITIES
<ul style="list-style-type: none"><li>• Engagement planning – scope/objective vs. risks</li><li>• Constructive feedback – engagement performance</li><li>• Engagement reporting format/content</li></ul>	<ul style="list-style-type: none"><li>• Increase engagement, completion timeliness &amp; efficiency</li><li>• Increase use of data analytics</li><li>• Increase staff IT knowledge</li><li>• Improve staff project management skills</li><li>• Improve staff organizational skills</li><li>• Evaluate District-level risk and governance processes</li></ul>

# External Assessment Observations – Compliance Gaps

COMPLETED	IN PROCESS	NOT STARTED
Internal Assessment	Engagement Review	Ethics-Related Objectives, Programs, and Activities
External Assessment	Reporting Timelines	
Engagement Level Risk Assessments		
Final Engagement Communications		
Condition Causes		

# External Assessment Observations – Improvement Opportunities

COMPLETED	IN PROCESS	NOT STARTED
IA Charter	Talent Management	Department Manual Update
	IT-Related Credentials	Key Performance Indicators
	Data Analytics	Enterprise Risk Framework
	Internal Audit Strategic Plan	
	District Fraud Investigations	
	Risk Reporting	

Quality  
Assurance &  
Improvement  
Program for  
FY 2024/25

Questions?

