

PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS
Board of Education
Upper Marlboro, Maryland

Policy No.
8373

BOARD OF EDUCATION POLICY

INTERNAL BOARD OPERATIONS

Office of Internal Audit

Purpose

The Board of Education of Prince George's County has established the Office of Internal Audit as an independent office that reports directly to the Board. The primary objective of the Office of Internal Audit is to assist the Board of Education in effectively discharging its duties and responsibilities for oversight of the management of the Prince George's County Public Schools (PGCPS). To accomplish this objective, the Office of Internal Audit shall complete audits of PGCPS and furnish the Board of Education with analyses, recommendations, counsel, and information concerning the activities audited or reviewed. The Office of Internal Audit shall also facilitate and support any audit processes and assist external auditors to the extent required by the Board of Education and/or federal, state or local authorities. In addition, the Office of Internal Audit may conduct special audits requested by the Board of Education and/or the Chief Executive Officer, as authorized by the Board of Education.

Organization

- A. The authority and responsibilities of the Office of Internal Audit shall be established by the Board of Education. The Director of Internal Audit reports directly to the Board of Education and has access to the Board Chair, Board Vice-Chair and the Chief Executive Officer. To ensure independence and objectivity, Board approval is required for the hiring, removal or replacement of the Director of Internal Audit. The Board of Education shall be responsible for annually evaluating the Director of Internal Audit. All employees in the Office of Internal Audit are responsible for assisting and acting in a confidential capacity to the Board of Education and the Chief Executive Officer.
- B. The Office of Internal Audit shall have the following authority:
 - 1. Complete access to all PGCPS schools, records, including personnel records, documents and files in any form;
 - 2. Authority to request assistance and receive full cooperation from appropriate PGCPS personnel in obtaining the information listed in Item 1 above;

3. Authority to interview PGCPs staff and employees to obtain information pursuant to audit investigations; and
 4. Access and inspection rights to all PGCPs assets, property and facilities owned, leased or borrowed by PGCPs and the authority to request assistance from appropriate PGCPs personnel in locating assets, property and facilities.
- C. The Office of Internal Audit shall maintain its independence and objectivity at all times and avoid conflicts of interest. In performance of duties, no staff member of the Office of Internal Audit shall have any direct responsibility or authority over any of the activities audited. The Office of Internal Audit shall not draft or implement procedures, prepare records, or engage in any other activity that it would normally review and evaluate, which could be construed as compromising its independence and objectivity. However, such objectivity shall not be considered as compromised when the Office of Internal Audit recommends standards for internal controls, recommendations to modify or change existing policies, administrative procedures, labor agreement provisions, and/or practices and procedures.

Scope of Work

- A. The Office of Internal Audit shall evaluate the reliability and integrity of financial and operational information and the means used to identify, measure, classify, and report such information.
- B. The Office of Internal Audit shall determine proper compliance by PGCPs staff with Board Policies, Administrative Procedures, applicable laws and regulations, and grant(s) requirements, where failure to comply would have significant impact on PGCPs.
- C. The Office of Internal Audit may evaluate the security and accountability over PGCPs assets and resources, and as appropriate, verify the existence of such assets and resources.
- D. The Office of Internal Audit shall recommend improvements to PGCPs operations, programs, activities, and information systems to improve management, economy and efficiency in operations.
- E. The Office of Internal Audit shall conduct special reviews and investigations as directed by the Board of Education and may seek assistance from legal counsel as designated by the Board.
- F. The Office of Internal Audit shall conduct investigations of reported fraud, waste and abuse in response to complaints received via the hotline and other methods of communication.
- G. The Office of Internal Audit shall provide support to the Board of Education. This support includes analysis of Board Office appropriations, assistance with review during the annual budget development process, and other pertinent requests from the Board Chair.

Reporting

- A. The Office of Internal Audit shall prepare draft audit reports and provide to appropriate PGCPs management following the conclusion of each operational audit. Management shall be required to respond to the findings and recommendations included in the draft audit report within 15 to 30 business days as determined by the Director of Internal Audit. The response should include actions management intends to implement to properly address each audit finding and recommendation, along with a time table to complete such actions. A final audit report shall be prepared and issued by the Director of Internal Audit that will address management's responses. Internal Audit will inform Executive staff and the Chief Executive Officer when management does not provide a response. Copies of the final audit report shall be provided to the Board of Education, Chief Executive Officer, and Executive and management staff as appropriate. Student activity fund reports issued with management responses attached are considered final reports. The Office of Internal Audit shall conduct follow-up audits to ensure that management implements corrective actions.
- B. The Office of Internal Audit shall provide an annual summary report of significant audit findings and recommendations for each school year on or by September 30. The report shall also include the audit plan for the subsequent school year. The Office of Internal Audit also provides quarterly reports of its activities to the Board of Education.
- C. Beginning School Year 2015/2016, Internal Audit shall be audited by an independent external audit and thereafter shall be audited every three (3) years.

Policy Adopted

6/25/15