

AGENDA ITEM 9B.

**APPROVAL OF
FISCAL YEAR 2017 INTERNAL AUDIT PLAN**

Submitted for: Action

Summary: As defined in the Audit Committee Charter, the Audit Committee has the responsibility to “review the proposed scope of the internal audit plan and make a recommendation for final approval by the Commission”.

The proposed audit plan includes 13 audits to be conducted over the course of the next fiscal year. The program or operational areas included in the upcoming audit schedule are Budgeting / Accounting / Reporting, General Expenditure Controls, Travel Expense and Vehicle Usage, Payroll and Personnel Services, Dept. of Ed Reporting, Monetary Award Program, Student Portal Implementation and some other smaller areas. The FY2017 audit plan has been developed in conjunction with an audit plan for FY2018 in order to ensure that the agency conducts audits of all of its major systems of internal accounting and administrative controls as required under the Fiscal Control and Internal Auditing Act. The proposed FY2018 plan will be brought to you for consideration and approval later in this calendar year.

Action requested: That the Audit Committee has reviewed and approved the Fiscal Year 2017 Internal Audit Plan and requests the Commission to approve the following resolution:

“BE IT RESOLVED that the Commission has reviewed and approves the Fiscal Year 2017 Internal Audit Plan.”

Illinois Student Assistance Commission			5/24/16	
FY2017 Audit Plan				
= Statutory audits need to be done annually and/or at least once in a 2-year period in compliance with FCIAA.				
Audit #	FY 2017 Audit / Activity	Audit Scope Description	Budgeted Hours	Month Planned
1	Annual Coordination of FY17 FCIAA Certification	To coordinate the FCIAA certification process in its entirety with individual entity Director.	80.0	March
2	Budgeting/Accounting/Reporting	To evaluate and determine adequacy of internal controls for the Agency's budgeting, accounting, and financial reporting processes.	140.0	October
3	General Expenditure Controls	To evaluate whether policies, procedures, and practices pertaining to purchasing and accounts payable are in place and operating as designed and effectively.	120.0	July
4	Travel Expense and Vehicle Usage	To perform an operational and compliance review of Agency's processes and practices regarding travel and Agency vehicle usage.	120.0	August
5	Payroll & Personnel Services	To perform an operational and compliance review of Agency's processes and internal controls regarding payroll and personnel services.	150.0	Nov.
6	ED Reporting: a) General, b) Default Aversion, c) Claims Analysis, d) Recovery Services, e) Collection Agencies and f) Records.	To conduct an operational and compliance review of the U.S. Department of Education operations, records and processes to determine if appropriate internal controls exist and that the operations and processes are effective and efficient.	140.0	January
7	Ancillary Program: Grant Programs for Dependents of Police, Fire or Correctional Officers	To conduct an operational compliance review of the Grant Program for Dependents of Police, Fire or Correctional Officers (PFC) to determine adequacy of the internal controls and compliance with grant agreement terms and conditions.	80.0	Nov.
8	Monetary Award Program (MAP)	To determine with reasonable assurance that the agency complies with applicable laws, rules and regulations, policies and procedures, in administering and accounting for MAP funds. In addition, ensure that adequate internal controls exist over records and processes for effective administering of the MAP funds.	140.0	Sept.
9	College Illinois!	To perform a financial, operational and compliance review of the current College Illinois! management processes and records to ensure adequate internal controls exist.	120.0	June
10	FY16 GAAP Compliance	To review annual GAAP reporting process compliance with 30 ILCS 30 Section 20(a).	40.0	May
11	Petty Cash	A financial and operational review of petty cash controls to ensure proper management approval, adequate supporting documentation, and sufficient controls over petty cash checking account.	32.0	June
12	Student Portal Implementation	Review the project scope, objectives, planning, approval, budget, costs, benefits, portal information security and internal controls.	80.0	May
13	Baseline: Marketing & Sales Controls	A financial and operational review of internal controls, processes, budgets, expenditures, policies and procedures for marketing and sales activities.	120.0	Feb.
14				
15				
17				
Grand Total			1,362.0	
Assumptions:				
Work Week of 37.5 hours for 52.2 weeks of the year			1,957.5	
Less: Vacation: 5 weeks @ 37.5 hours per week			(187.5)	
Holiday: 12 holidays @ 7.5 hours each			(90.0)	
Training: Minimum 2 weeks: 37.5 hours per week			(75.0)	
Sick:			0.0	
Administrative time/Special Projects: Preparation/Attendance - Meetings (Board of Commissioners, Audit Committee, Executive Director, Weekly Executive Staff), annual risk assessment and audit plans.			(391.5)	
Audit Execution Time			1,213.5	
Hours required for planned audits			1,362.0	
Hours Over/(Under) for FY17			(148.5)	