

**Joint Legislative Audit
and Review Commission**

*Annual Work Plan
Peer Review Results*

May 11, 2009

APA

**Auditor of
Public Accounts**
COMMONWEALTH OF VIRGINIA

Auditor of Public Accounts

- **Annual Work Plan**
- **Peer Review Results**

Proposed 2010 Work Plan

- **Annual work plan = work performed during most of fiscal year 2010**
- **CAFR, Statewide Single Audit, and mandatory audits and special projects are major focus**
- **Risk model used to evaluate the audit work needed for agencies and institutions, and other special projects with remaining resources**

2009 Work Plan – Budget to Actual

	<u>Budget</u>	<u>Actual</u>
Agencies	54,381	58,353
Higher Education	37,386	38,138
Local Gov'ts/Courts & Clerks	34,480	32,995
Special Projects	16,385	12,043
Cycled Agencies	<u>3,000</u>	<u>5,115</u>
Work Plan to JLARC	145,632	146,644
Additional Work:		
Prior year audits		9,819
Additional agencies		<u>1,869</u>
Total		<u>158,332</u>

2009 Work Plan – Budget to Actual

Notes to Budget vs. Actual

- All planned agencies and institutions were performed
- Cycled Agencies – We had a larger number of agencies in the cycle than last year. We also developed a new approach for planning the audits which required some upfront time that should result in future savings.

2009 Work Plan – Budget to Actual

Notes to Budget vs. Actual (continued)

- **Special Projects –**
 - **The Southeastern Public Service Authority of Virginia project took more time than anticipated due to the numerous issues we identified.**
 - **The need to perform work on the Hampton Roads Transportation Authority did not materialize.**
 - **We dropped the study of inventory management as our initial work determined the risk here was minimal.**
 - **Several of the special projects were just recently started and we anticipate completing them and releasing the reports in the first quarter of our new work plan year.**

2009 Work Plan – Budget to Actual

Notes to Budget vs. Actual (continued)

- **Other – Several agency audits were not completed at end of the 2008 work plan due to lower staffing levels than expected in 2008 so work carried forward to the 2009 work plan. This spring, we have already completed most of the agency audits and actually began work on several agencies for next year.**

Work Plan Comparison

Fiscal Year 2010 Work Plan	144,517
Prior Year Work Plan (FY 2009)	<u>145,632</u>
Decrease	<u>(1,115)</u>

Total Hours by Function

Statewide and Agency Projects:

Special Projects	16,030
Judicial Branch	775
Executive Departments	84,229
Cycled Agencies	4,000
Independent Agencies	6,390
Local Governments, Clerks, & Courts	<u>33,093</u>
TOTAL WORK PLAN	<u>144,517</u>

Hours by Executive Departments

Executive Offices and Administration	2,470
Agriculture and Forestry	400
Commerce and Trade	2,460
Education (including Higher Ed)	39,285
Finance	17,860
Health and Human Services	9,580
Natural Resources	280
Public Safety	4,459
Technology	1,020
Transportation	<u>6,415</u>
Total Hours by Executive Departments	<u>84,229</u>

Cycled Agencies

- **Using a Risk-Based Analysis of Controls**
 - **Approximately 50 agencies are subject to audit over a 2-year cycle**
 - **Analyzing activity during the current and past year, we will identify which agencies to audit**
 - **Allows for flexibility to address issues as they arise**

Special Projects

Types of Reports

- **Projects Required by Legislation, Statutes, and Appropriation Act**
- **Projects Determined by an Analysis of Risk**

Special Projects

Required by Legislation, Statute, or Appropriation Act

- **Maintaining Internet Database**
- **Review of Performance Measures**
- **Review of Higher Education Performance Measures**
- **APA Annual Report**
- **MEI Project Approval Commission**

Special Projects

Risk Based Analysis

- **Study – Collection of Receivables – Part 2**
- **Review of Department of Transportation’s Asset Management System – continuation**
- **Review of Department of General Services Division of Real Estate Services - continuation**

Special Projects

Risk Based Analysis

- **FICAS Deferred Maintenance Follow-up - continuation**
- **Review of Competitive Contracting**
- **Review of Non-general Fund Forecasting**
- **Study of Costs for Operating Court System**

Special Projects

Risk Based Analysis

- **VITA - Contract Management**
- **Department of State Police - STARS Radio System**
- **Review of IT Governance**
- **Review of Commonwealth Data Standards**

Special Projects

Risk Based Analysis

- **Systems Development Projects**
- **Statewide Report of Systems Security Findings**
- **Review of Energy Performance Contracts**
- **Review of Eligibility for Social and Medical Services**

Special Projects

Risk Based Analysis

- **Inspector General Study**
- **Review of Higher Education Housing**
- **Review of Internal Audit Departments**
- **Review of Investment Policies**
- **Review of Cell Phone Usage and Policies**

Special Projects

Risk Based Analysis

- Service Arrangement Review
- Review of Purchasing Cycle
- Review of Disbursement Methods
- Review of Tax Debt Set Off Process

Peer Review

- **Conducted by the National Association of State Auditors**
- **For the Period March 1, 2008 through February 28, 2009**
- **Unqualified Opinion on Work Performed**
- **No Letter of Comments**

Requested Actions

- **Approval of the Work Plan**