



GARLAND INDEPENDENT SCHOOL DISTRICT

PURCHASING DEPARTMENT
501 SOUTH JUPITER ROAD
Garland, Texas 75042

May 14, 2019

ADDENDUM 2, RFQ #318-19, INTERNAL AUDIT SERVICES

This addendum modifies the original document as listed below and is hereby incorporated to the contract documents. Acknowledge receipt of this addendum by returning the completed and signed form with the solicitation response. Failure to submit the addendum may be used as an evaluated factor.

Delete Page 17, Follow Up Questions for Review

Change Section III, Proposal Content D Fees

From: PEIMS

To: PEIMS audit shall review processes in regards to required student coding upon enrollment (consistency from campus to campus, accuracy of these coding-Special Education, GT), course coding at the high school (CTE Courses), Allotment Programs (PIC Codes) to ensure accurate reporting at submission.

From: Cash Handling

To: Cash handling audits would involve properly executing the processes detailed in the Campus and Department Accounting Procedures (CDAP) when collecting cash on campus/departments for activity funds and the general operating fund. A previous internal audit performed a random sample of 9 campuses out of all middle and high schools.

QUESTIONS AND ANSWERS

Question 1: On average how many calls does the District's hotline receive each year and how many have historically resulted in investigations?

Answer: **The average is approximately 150 complaints and each call is investigated.**

Question 2: Is the intent of this RFP for the approved Firm to conduct a Risk Assessment and develop an Annual Audit Plan based on the RA performed? If the answer is no, how does GISD identify and prioritize the internal audits?

- Answer:** Not at this time. The Board of Trustees is currently identifying and prioritizing the internal audits.
- Question 3:** Based on Section E. Organization, number 5; it is our understanding that time should be budgeted for Internal Audit to assist the Title IX Coordinator. On average how many investigations have Internal Audit assisted with historically on an annual basis?
- Answer:** Average of nine per year between 2015-2018
- Question 4:** Section I – Audit Planning of the RFP, Number 6 – maintain a system to monitor follow-up; Is there a current follow-up process in place? If so, how long has follow-up monitoring and activities been performed and what system is used to track follow-up activities?
- Answer:** June 12, 2018, Internal Audit (IA) switched from auditing per GAGAS to auditing per IIA Standards. The more detailed IIA Standards requires “follow-up activities on each audit to ensure accountability.” “GAGAS requires follow-up on previous audits to the extent that such management actions could affect the planning of a current engagement” and that “establishing and maintaining a process to track the status of findings and recommendations is a management responsibility.” The former IA Director added the following to the IA Manual:
2500 – Monitoring Progress
 The chief audit executive must establish and maintain a system to monitor the disposition of results communicated to management.
 AICs will document monitoring of their audit recommendations with follow-up recommendation monitoring accomplishment. A spreadsheet was used to track follow up information.
- Question 5:** Section I – Audit Planning, Number 7 – Reporting periodically; what is the meeting frequency for the Board Finance and AC?
- Answer:** The Finance and Audit Committee meet monthly but the selected firm will only need to attend when requested.
- Question 6:** Section J – Reporting – Does GISD have reporting templates? If yes, would you please provide an example?
- Answer:** GISD has a reporting template for written reports and a template for audit programs. A template for written reports is attached below.

Internal Audit Department

Date

Director of Internal Audit

Independent Auditor's Report

Performance Report of XXXX from date to date

To: Board of Trustees
Superintendent

Executive Summary

Table of Contents (if necessary, include appendixes)

Background (if necessary)

Details (link to supporting document if better to be seen in report)

Describe what occurred during the audit or why the audit was done. Include:

- Objectives
 - 1) What you look at comparing to criteria; should match up to conclusion
 - 2) Second objective
 - 3) Third objective
- Scope
 - 1) Dates and accounts, etcetera of what you are looking at, parameters, to make the audit smaller, consider a smaller scope
- Methodology
 - 1) What you did
- Evaluation of Internal Control; one or two sentences regarding the extent of IC evaluation; looked at documents, interviews, attribute testing (as opposed to substantive testing)

Findings (we do not need all the elements)

- Criteria (include all criteria as an appendix of practical) (link to supporting document if better to be seen in report)
- Condition (link to supporting document if better to be seen in report)
- Cause why- how did this happen; should correspond one to one with recommendations
- Effect or potential effect why do I care
- Recommendation should address every root cause

Conclusion

Sufficient information is factual, adequate, and convincing so that a prudent, informed person would reach the same conclusions as the auditor. Reliable information is the best attainable information through the use of appropriate engagement techniques. Relevant information supports engagement observations and recommendations and is consistent with the objectives for the engagement. Useful information helps the organization meet its goals.

Should correspond one to one with objectives.

Management's Internal Control Responsibility

Management is responsible for designing, implementing, and maintaining internal control.

Management Response (include in total if not too long, otherwise summarize and reference original as an appendix) May also include under each finding or observation

Internal Audit Evaluation of Management Response (link to supporting documents if necessary)

If applicable, the nature of any confidential or sensitive information omitted.

Respectfully submitted,

Director of Internal Audit

Acknowledgements

XXXX, Staff Auditor, Auditor in Charge
 XXXX, Senior Staff Auditor
 XXXX, Staff Auditor

cc:

others by rank

Appendix One– Description of Appendix One

The report should include:

- The scope, including the time period to which the opinion pertains.
- Scope limitations.
- Consideration of all related projects, including the reliance on other assurance providers.
- A summary of the information that supports the opinion.
- The risk or control framework or other criteria used as a basis for the overall opinion.
- The overall opinion, judgment, or conclusion

END OF QUESTIONS AND ANSWERS

Mark A Booker
Mark A. Booker
Director of Purchasing

Company Name

Address

City State Zip

Signature

Title