



Freeport Public Schools

**Annual Risk Assessment Update
Pertaining to the Internal Controls
of District Operations**

June 2023

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED UPON PROCEDURES**

The Board of Education
Freeport Public Schools

We have performed the procedures enumerated below, which were agreed to by the Freeport Public Schools (the "District"), solely to assist the District. This agreed upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

We have updated our June 2022 Risk Assessment by performing certain internal audit procedures pertaining to the time period starting July 1, 2022 through June 30, 2023. The updated Risk Assessment and related internal audit plan concentrates on the following key internal control areas:

- | | |
|---------------------------------------|--------------------------------|
| • Governance and Planning | • Fixed Assets |
| • Budget Development | • Food Service |
| • Accounting and Reporting | • Extraclassroom Activity Fund |
| • Revenue and Cash Management | • Information Systems |
| • Grants | • Cybersecurity |
| • Payroll | • Student Data Management |
| • Human Resources | • Pupil Personnel Services |
| • Benefits | • Transportation |
| • Purchasing and Related Expenditures | • Security and Safety |
| • Facilities Maintenance | • Insurance / Risk Management |
| • Capital Projects | |

Our engagement is limited in scope and will be confined to our agreed-upon procedures. We will not be conducting an audit or review of the District's financial statements and therefore we will not express an opinion or any other form of assurance on them.

At the end of our engagement, we will present the results of applying the agreed-upon procedures in the form of our findings in a report. Our accountants' report should be used only for the intent of the original users of this report and will include a statement indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you. As such, using this report for anything other than the original intent of the agreed-upon procedures could mislead the readers. You must notify us immediately if the original users of the report change.

Very truly yours,

Nawrocki Smith LLP

November 21, 2023



Freeport Public Schools

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of District Operations

June 2023

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RISK ASSESSMENT OVERVIEW

This Risk Assessment report provides a presentation of our view of the Freeport Public Schools' risk pertaining to its financial operations. It gives the District's administration the information necessary to help optimize its overall performance. The report identifies, expresses, and prioritizes the key program risks so that the District's administration can focus on those areas most critical to its success. This analysis is used to define the District's risk profile. It will provide an overview of the risks facing the District's operations.

In accordance with the laws of New York, 2005, Chapter 263, all School Districts and BOCES were required to establish an internal audit function no later than July 1, 2006 and be in operation no later than December 31, 2006. This function should include, at a minimum, development of a risk assessment of district operations, including but not limited to:

- A review of financial policies, procedures and practices.
- An annual review and update of such risk assessment.
- Annual testing and evaluation of one or more areas of the District's internal controls.
- Preparation of reports that analyze significant risk assessment findings.
- Recommended changes for strengthening controls, reducing identified risk, and specifying time frames for implementing such recommendations.

Pursuant to Section 170.12 – Regulations of the Commissioner of Education – School District Financial Accountability, each School District must prepare a corrective action plan, approved by the Board of Education in response to findings to final reports issued by the internal auditor. This plan should include expected dates of implementation and should be filed with the New York State Education Department.

INTERNAL AUDIT OBJECTIVES

The objectives of our engagement are as follows:

- Develop an understanding of the critical business processes of the District within each functional area.
- Identify and qualify risks based on the understanding of the business processes and stated business rules.
- Identify stated controls that are currently in place to address those risks and ascertain if they are operating effectively.
- Recommend improvements in internal controls.

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SCOPE AND METHODOLOGY

The Board of Education has engaged Nawrocki Smith as the District's internal auditor. In compliance with New York State Laws, we have performed an annual update to the District risk assessment with respect to policies, procedures, and internal controls pertaining to District operations. The procedures applicable to the annual update of the District's risk assessment were performed during the twelve months ending June 2023 and were carried out in order to determine an internal audit plan for the fiscal year 2023/2024 and thereafter. This risk assessment will be updated annually to reflect any changes in the current control environment and the existing internal audit plan.

Our risk assessment consisted of the following methodology:

- Perform interviews of Administration and other appropriate personnel.
- Document procedures within key Functional Areas.
- Identify key controls and perform audit tests of those controls.
- Assess the effectiveness of the key controls.
- Identification and review of organization structure.
- Analysis of risks that are a threat to the achievement of objectives.
- Create a risk profile and internal audit plan.

In addition to the above procedures, we have also evaluated and considered the following within our overall risk assessment:

- District policies and procedures.
- Recent focus of State Comptroller Audits.
- Board of Education/Audit Committee Meetings.
- Materiality to Financial Statements.
- Changes in management or key personnel.
- Financial reports provided to the Board.
- External auditor management letters.
- District corrective action plans.
- Organizational chart and job descriptions.

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INTERNAL AUDIT RISK ASSESSMENT UPDATE SUMMARY

We have analyzed twenty-one (21) Business Process areas within the District and have developed an internal audit plan based on our assessment of each area. Each of the twenty-one (21) Business Processes contains multiple categories for which an extensive cycle analysis will be performed during the proposed time period noted within the risk rating and internal audit plan. The plan, as presented, will be revised each year based on the annual risk assessment update and events/requests that occur during the year which impact the priority of future internal audit services.

The results of our risk assessment are summarized below and, in the tables, presented on pages 5 through 7. We have utilized a “Low,” “Moderate,” and “High” control risk rating assessment scale of the organization.

<u>CURRENT YEAR RATINGS</u>		<u>CHANGE FROM PRIOR YEAR</u>	
<u>Rating</u>	<u>2022/2023</u>	<u>Category (*)</u>	<u>Count</u>
High	- 0.00%	“High” to “Low”	- 0.00%
Moderate	8 8.70%	“High” to “Moderate”	- 0.00%
Low	84 91.30%	"Moderate" to “Low”	5 45.45%
Total	92 100.00%	“Low” to “Moderate”	6 54.55%
		“Moderate” to “High”	- 0.00%
		Total	11 100.00%

Our June 2023 risk assessment update contains two (2) recommendations, as follows:

<u>Business Process</u>	<u>Recommendation(s)</u>
Grants	1
Human Resources	1
Total	2

The District has completed or taken action on the eight (8) prior risk assessment report recommendations as follows:

	<u>Complete</u>	<u>In-Process</u>	<u>Not Started</u>	<u>Total</u>
Recommendations	4	4	-	8

Based on the work performed, we have summarized below the internal audit plan for the fiscal year 2023/2024:

<u>Cycle Reviews (Selection of One (1) Area):</u>	<u>Other 2023/2024 Planned Internal Audit Services:</u>	
• Human Resources	• External Audit Corrective Action Plan Monitoring	• Annual Risk Assessment Update as of June 2024
	• Key Control Testing (See Pages 5-7)	• Mid-Year Internal Audit Status Reports
	• Safety & Security Cycle Recommendations Follow-Up	• Other Internal audit Services at the Request of the District/BOE

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RISK RATING AND INTERNAL AUDIT PLAN

√ = Internal Audit Services Provided
★ = Business Cycle Review Complete

X = Proposed Business Cycle Review
T = Proposed Key Control Testing

	Business Process	Business Process Categories	Inherent	RISK		YEAR OF SERVICE		
				21-22	22-23	Prior	23-24	Subsequent
1	Governance and Planning	1 Governance Environment	H	L	L			
		2 Control Environment / Policies & Proc.	H	L	L	★		X
2	Budget Development	3 Budget Development	H	L	L	✓		X
		4 Budget Monitoring & Reporting	H	L	L	✓		X
3	Accounting & Reporting	5 Financial Accounting and Reporting	H	L	L	✓	T	X
		6 External/Internal/Claims Auditing	H	L	L	✓		X
		7 Fund Balance Management	H	L	L	✓		X
4	Revenue and Cash Management	8 Real Property Tax	M	L	L	★		
		9 State Aid	H	L	L	★		
		10 Out of District Tuition/Reimb. Exp.	M	L	L	★		
		11 Use of Facilities	L	L	L	★		
		12 Donations	M	L	L	★		
		13 Vending Machines	H	L	L	★		
		14 Cash Receipts	H	L	L	★	T	
		15 Cash & Investment Management	H	L	L	★		
		16 Petty Cash	L	L	L	★		
		17 Bank Reconciliations	H	L	L	★	T	
		18 Online Banking	H	L	L	★		
		19 Accounts Receivable	H	L	L	★		
5	Grants	20 General Processing	H	L	L	★		
		21 Grant Application	M	L	L	★		
		22 Allowable Costs & Expenditures	H	L	L	★		
		23 Monitoring	M	L	M	★	T	
		24 Reporting	H	L	L	★		
6	Payroll	25 Payroll Disbursements	H	L	L	★		
		26 Overtime Reporting	H	L	L	★		
		27 Payroll Accounting & Reporting	H	L	L	★		
		28 Payroll Tax Filings	H	L	L	★		
		29 Payroll Reconciliation	H	L	L	★		
7	Human Resources	30 Employment Requisition/Hiring	H	L	L	★	X	
		31 Personnel Evaluation	H	L	M	★	X	
		32 Termination	H	L	L	★	X	
		33 Employee Attendance	H	L	L	★	X	

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Annual Risk Assessment Update
June 2023

Risk Rating and Internal Audit Plan (Continued)

√ = Internal Audit Services Provided
★ = Business Cycle Review Complete

X = Proposed Business Cycle Review
T = Proposed Key Control Testing

	Business Process	Business Process Categories	RISK			YEAR OF SERVICE		
			Inherent	Control		Prior	23-24	Subsequent
				21-22	22-23			
8	Benefits	34 Eligibility	H	L	L	★		
		35 Benefit Calculations	H	L	L	★		
		36 Patient Protection & Affordable Care Act	H	L	L	★		
		37 Retiree Benefits	H	L	L	★		
		38 ERS/TRS	H	L	L	★		
9	Purchasing and Related Expenditures	39 PO System & Vendor Database	H	L	L			X
		40 Purchasing Process	H	L	L			X
		41 Payment Processing	H	L	L			X
		42 Employee Reimbursements	H	L	L			X
		43 Credit Cards	H	L	L			X
10	Facilities Maintenance	44 Facilities Maintenance/Work Orders	H	L	L	★		
		45 Staff Supervision	M	L	L	★		
		46 Preventive Maintenance	M	L	L	★		
		47 Coordination with Outside Vendors	M	L	L	★		
11	Capital Projects	48 Construction Planning & Monitoring	H	L	L	✓		X
		49 Capital Project Funding & Payments	M	L	L	✓		X
		50 Recordkeeping & Reporting	M	L	L			X
12	Fixed Assets	51 Inventory/ Capitalization Policy	H	L	L	★		
		52 Acquisition and Disposal	H	L	L	★		
		53 Inventory Process & Recordkeeping	H	M	M	★		
13	Food Service	54 Sales Cycle and System	M	L	L	★		
		55 Inventory and Purchasing	M	L	L	★		
		56 Free & Reduced Meals	M	L	L	★		
		57 Federal and State Reimbursement	H	L	L	★		
		58 Financial Reporting & Monitoring	H	M	L	★		
14	Extraclassroom Activity Fund	59 General Controls	H	M	L	★		
		60 Revenue	H	L	L	★		
		61 Expenditures	M	L	L	★		
		62 Reporting	M	L	L	★		

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Risk Rating and Internal Audit Plan (Continued)

√ = Internal Audit Services Provided
★ = Business Cycle Review Complete

X = Proposed Business Cycle Review
T = Proposed Key Control Testing

	Business Process	Business Process Categories	Inherent	RISK		YEAR OF SERVICE		
						Prior	23-24	Subsequent
				21-22	22-23			
15	Information System	63 Governance	H	L	L	★		
		64 Inventory	H	L	L	★		
		65 Network Security	H	M	L	★		
		66 Application Security	H	L	M	★		
		67 Physical Security	H	M	M	★		
		68 Disaster Recovery	H	L	L	★		
16	Cybersecurity	69 General Controls	H	M	L	★		
		70 Information & Asset Security	H	L	M	★		
		71 Vulnerability Assessment	H	L	L	★		
		72 Incident Response & Recovery	H	L	M	★		
17	Student Data Management	73 Registration & Enrolment	H	L	L			X
		74 Student Attendance	H	L	L			X
		75 Student Performance	H	M	L	◆		X
		76 Student Eligibility	H	L	L			X
18	Pupil Personnel Services	77 Budgeting and Planning	H	L	L	★		
		78 STAC Reimbursement	H	L	L	★		
		79 Medicaid Reimbursement	H	L	L	★		
		80 RFP and Contracts	H	L	L	★		
19	Transportation	81 Fleet Inventory and Maintenance	H	L	L	★		
		82 Bus Routing and Planning	H	L	L	★		
		83 Labor and Supervision	H	L	L	★		
		84 Contract Management	H	L	L	★		
		85 Federal and State Reimbursement	H	L	L	★		
20	Safety & Security	86 Plan Development & Strategy	H	L	L	★		
		87 Building Access & Security System	H	L	M	★		
		88 Compliance and Incident Reporting	H	L	L	★		
		89 Safety & Security Monitoring	H	L	L	★		
21	Insurance / Risk Management	90 General	H	L	L			X
		91 Policy Management	H	L	L	✓		X
		92 Claims Reporting	H	L	L			X

Inherent Risk - Inherent risk pertains to the overall School District industry. Inherent risk is the risk of a material misstatement that may occur assuming the absence of internal controls.

Control Risk - Control risk pertains specifically to the Freeport Public Schools. Control risk is the risk that a material misstatement will not be detected and corrected by Management's internal controls on a timely basis.

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RISK ASSESSMENT OBSERVATIONS AND RECOMMENDATIONS

Current Year Observations and Recommendations

Grants

1. The District does not have a formal process to identify capital assets purchased with federal grant funds within its property ledger and conduct physical inspections of these assets.
 - *According to the Federal Uniform Grant Guidance (2 CFR, Part 200), the District should include within its inventory system the source of financing or acquisition (general funds, Federal funds, etc.). Equipment that is easily portable, desirable for personal use, or readily marketable and of less than \$5,000 should also be safeguarded and tracked along with an inventory done every two years. High-risk assets are items the District identifies as easily portable, desirable for personal use, or readily marketable.*

Human Resources

2. The District has not established a process to formally evaluate part-time and per diem staff, who may be considered to fill full-time positions, in a consistent manner.
 - *The District should develop procedures to formally evaluate part-time and per diem employees considered to be employed by the District on a full-time basis. The District should ensure that all employee evaluation forms are signed by the respective employees. Completed employee evaluations should be forwarded to the Human Resources Department for review and approval and be maintained in each employee's personnel file. This will ensure that the District properly communicates to employees about their performance and expected goals and that the employee personnel files are complete.*

Safety & Security

We have reviewed the policies, procedures, and internal controls pertaining to the District's safety & security cycle. Due to the potential sensitive nature of this information, we have discussed our observations and recommendations with the Management team.

Cybersecurity

We have reviewed the policies, procedures, and internal controls pertaining to the District's cybersecurity cycle. Due to the potential sensitive nature of this information, we have discussed our observations and recommendations with the Management team.

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Status of Prior Year Recommendations

We have performed follow-up internal audit services applicable to our previously issued risk assessment update report dated June 2022. The services we performed included observing and evaluating the implementation status of the District's action plan in respect to our prior risk assessment recommendations. The June 2022 risk assessment update identified eight (8) recommendations within seven (7) distinct areas. The District has completed or taken action on the eight (8) recommendations as follows:

<u>Business Process</u>	<u>Complete</u>	<u>In-Process</u>	<u>Not Started</u>	<u>Total</u>
Governance and Planning	1	-	-	1
Accounting and Reporting	-	1	-	1
Fixed Asset	-	1	-	1
Food Service	1	-	-	1
Extraclassroom Activity Fund	1	-	-	1
Information System	-	2	-	2
Cybersecurity	1	-	-	1
Total	4	4	-	8

Governance and Planning

- During the course of our audit, we developed narratives regarding employee remote working and telecommuting procedures and a sample employee remote working agreement. We recommend the District consider including the narratives attached to our internal audit report as supplemental enclosures to the existing documented guidelines. Additionally, we recommend that the District consult and review the sample employee remote working agreement with its legal counsel.

Status as of June 2023: Complete

Accounting and Reporting

- According to the Office of State Comptroller's School District Website Transparency guidelines, the Business Office should post the District's annual external and internal audit reports or corrective action plan on the District's website. This will assist the District in its efforts to communicate its financial information to the public.

Status as of June 2023: In-Process

Fixed Asset

- All Administrators, Department Heads, and employees who sign off on the receiving copy of the purchase order should be required to attach inventory tags on the applicable fixed assets. In addition, the District should assign an employee separate from the Business Office and the Facilities Department or Internal Auditors to conduct periodic walkthrough observations and verify whether the fixed assets are properly affixed to the equipment. The observation function should be performed annually during the month of March and the results should be documented and communicated to the Assistant Superintendent for Business. Any exceptions should be investigated and corrective action should be implemented in a timely manner.

Status as of June 2023: In-Process

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Food Service

- According to the New York State Education Department, the District should make efforts to reduce the fund balance of the school lunch account and not exceed three months' average expenditures at any time to maintain its nonprofit status. The District should take steps to reduce its net cash resources or have an acceptable plan for using surplus net cash resources. A plan should be submitted to the Child Nutrition Program Administration and provide the following:
 - Explanation of how the District will reduce the fund balance (net cash resources) to an acceptable level within one year by improving food quality or purchasing needed supplies, services, or equipment.
 - Explanation of what the District will do to ensure that an excessive fund balance (Net cash resources) will not occur in the future.

Status as of June 2023: Complete

Extraclassroom Activity Fund

- According to the NYSED Extraclassroom Activity Fund guidelines, the District should appoint a Faculty Auditor to review all Extraclassroom Activity Fund transactions to ensure that all collections and disbursements are supported, approved, and processed accurately. The Faculty Auditor should be an individual distinct and separate from other appointed officers. The Faculty Advisor should reconcile monthly the Central Treasurer and Club Advisors' ledgers to ensure they are complete and accurate. This will enhance the District's oversight of internal controls over the Extraclassroom Activity Fund and ensure compliance with State Education Guidelines.

Status as of June 2023: Complete

Information Systems

- The Information Technology Department should establish protocols to prevent building-level employees from saving data on District desktops or laptops. Storing data on the network ensures that, if a user's computer breaks down, that data will not be lost and could be accessed from the network by logging on from another computer.

Status as of June 2023: In-Process

- The Information Technology Department should implement a remote wipe and/or remote factory reset ability on all laptops. This will protect sensitive data from people who possess enterprise-owned devices without authorization to view the data or possess the device.

Status as of June 2023: In-Process

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Cybersecurity

- We recommend the District consider having Nawrocki Smith perform a NIST gap analysis (cybersecurity assessment) of the current state of the information security level of the District in accordance with the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF), Center for Internet Security (CIS) 18 Critical Security Controls, New York State Education Law §2-D Regulation, Part 121 of the Commissioner's regulations, and best practices.

Status as of June 2023: Complete

EXHIBITS

Exhibit I History of Internal Audit Services

Exhibit II Internal Audit Plan for 2023/2024



Freeport Public Schools
History of Internal Audit Services

◇ = Risk Assessment Complete ★ = Business Cycle Review Complete
✓ = Limited Testing on Business Process Provided ◆ = Special Request Services Provided

		YEAR OF SERVICE																	
	Business Process	Business Process Categories	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23
	Risk Assessment	Risk Assessment	◇	◇	◇	◇	◇	◇	◇	◇	◇	◇	◇	◇	◇	◇	◇	◇	◇
1	Governance and Planning	Governance Environment				✓												★	
		Control Environment / Policies & Proc.																	
2	Budget Development	Budget Development							✓										
		Budget Monitoring & Reporting	✓		✓	✓			✓			✓			✓			✓	
3	Accounting & Reporting	Financial Accounting and Reporting	✓		✓	✓			✓										
		External/Internal/Claims Auditing	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
		Fund Balance Management			✓														
4	Revenue and Cash Management	Real Property Tax					✓							★					
		State Aid				✓								★					
		Out of District Tuition/Reimb. Exp.			✓								✓	★					
		Use of Facilities			✓			✓						★					
		Donations			✓									★					
		Vending Machines					✓							★					
		Cash Receipts	✓	✓	✓	✓					✓			★				✓	
		Cash & Investment Management			✓									★					
		Petty Cash			✓	✓								★					
		Bank Reconciliations	✓	✓	✓	✓	✓					✓		★					
		Online Banking	✓				✓							★					
		Accounts Receivable												★			✓		
5	Grants	General Processing					★										★		
		Grant Application			✓		★						✓				★		
		Allowable Costs & Expenditures					★										★		
		Monitoring			✓		★						✓				★		
		Reporting			✓		★						✓				★		
6	Payroll	Payroll Disbursements	✓		★			✓		✓					★				
		Overtime Reporting			★										★				
		Payroll Accounting & Reporting			★										★				
		Payroll Tax Filings			★										★				
		Payroll Reconciliation			★										★				
		Payroll Procedures	◆																
		Payroll Payout				◆									◆				
7	Human Resources	Employment Requisition/Hiring				★						✓							
		Personnel Evaluation				★								✓					
		Termination				★													
		Employee Attendance			✓	★				✓									



Freeport Public Schools
History of Internal Audit Services

◆ = Risk Assessment Complete ★ = Business Cycle Review Complete
✓ = Limited Testing on Business Process Provided ◆ = Special Request Services Provided

		YEAR OF SERVICE																
Business Process	Business Process Categories	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23
8	Benefits						★			✓								
	Eligibility						★											
	Benefit Calculations			✓			★					✓						
	Patient Protection & Affordable Care Act						★				✓							
	Retiree Benefits						★											
	ERS/TRS															✓		
	Retirement/Separation Payout Review			◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
9	Purchasing and Related Expenditures								◆									
	PO System & Vendor Database								✓									
	Purchasing Process																★	
	Payment Processing		✓	✓														
	Employee Reimbursements					✓												
	Credit Cards										◆							
10	Facilities Maintenance										★							
	Facilities Maint. & Work Order Proc.										★							
	Custodial Overtime & Training										★							
	Preventive Maintenance										★							
	Coordination with Outside Vendors										★							
11	Capital Projects					✓												
	Construction Planning & Monitoring																	
	Capital Project Funding & Payments									✓								
	Recordkeeping & Reporting																	
12	Fixed Assets		★															
	Inventory/ Capitalization Policy		★															
	Acquisition and Disposal		★	✓			✓	✓	✓								★	
	Inventory Process & Recordkeeping		◆															
	Textbook Inventory Process & Recordkeeping																	
13	Food Service				✓	✓						★						
	Sales Cycle and System											★						
	Inventory and Purchasing									✓		★						
	Free & Reduced Meals							✓				★						
	Federal and State Reimbursement											★				✓		
	Financial Reporting & Monitoring											★						
14	Extraclassroom Activity Fund	★	◆	◆	◆								✓			◆		
	General Controls	★	◆															
	Revenue	★	◆							✓								
	Expenditures	★	◆							✓								
	Reporting	★	◆															
	Training			◆														
	Club Advisors				◆													



Freeport Public Schools
History of Internal Audit Services

◆ = Risk Assessment Complete ★ = Business Cycle Review Complete
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			YEAR OF SERVICE																	
	Business Process	Business Process Categories	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	
15	Information System	Governance								★										
		Inventory								★										
		Network Security								★										
		Application Security						✓		★										
		Physical Security								★										
		Disaster Recovery						✓		★										
16	Cybersecurity	General Controls														★			◆	
		Information & Asset Security												✓		★			◆	
		Vulnerability Assessment														★			◆	
		Incident Response & Recovery														★			◆	
17	Student Data Management	Registration & Enrolment																		
		Student Attendance																		
		Student Performance											◆							
		Student Eligibility																		
		Regents Examination															◆			
18	Pupil Personnel Services	Budgeting and Planning							★											
		STAC Reimbursement				✓				★				✓						
		Medicaid Reimbursement								★				✓						
		RFP and Contracts								★										
19	Transportation	Fleet Inventory and Maintenance									★									
		Bus Routing and Planning									★									
		Labor and Supervision									★									
		Contract Management									★									
		Federal and State Reimbursement							✓		★									
20	Safety & Security	Plan Development & Strategy								✓									★	
		Building Access & Security System													✓				★	
		Compliance and Incident Reporting										✓							★	
		Safety & Security Monitoring																	★	
21	Insurance / Risk Management	Actuary & Underwriting																		
		Policy Management															✓			
		Claims Reporting																		



Freeport Public Schools

2023/2024 INTERNAL AUDIT PLAN

**(Based upon June 2023 Risk Assessment Update)
Exhibit II**

Cycle Reviews

Status

- **Human Resources**

Planned for Dec-23

Key Control Testing Areas

Status

- **Journal Entries**
- **Bank Reconciliation**
- **Cash Receipts**
- **Grants Monitoring**

Planned for May-24
Planned for May-24
Planned for May-24
Planned for May-24

Additional Internal Audit Services

Status

- **Annual Risk Assessment Update as of June 2023**
- **Mid-Year Status Report**
- **External Audit Corrective Action Plan Monitoring**
- **Safety & Security Cycle Recommendations Follow Up**
- **Annual Risk Assessment Update as of June 2024**
- **Other Internal Audit Services at the Request of the District**

Draft Complete
Planned for Jan-24
Planned for Jul-24
Planned for Jul-24
Planned for Jul-24
As Requested