The proposed audit projects and other audit activities continue to be ambitious. We designed this work plan to address what we consider to be risk areas, while limiting the scope of work to what we can realistically accomplish with the available staff resources.

Board of Education

Office of Internal Audit

FY24-27 Work Plan – Quarter 2 Update

Note: Corrections were made to the dates for Item #25 and #30 on page 5.

BALTIMORE COUNTY PUBLIC SCHOOLS

January 17, 2024

Members of the Audit Committee:

This Office of Internal Audit – FY24 Quarter 2 (Q2) update provides information on the Office of Internal Audit activities from July 1, 2023 through December 31, 2023. This includes the status of current audit projects, a list of planned audits not yet started, and audit reports issued during this period. All audit reports issued as of December 31, 2023 have been posted to our webpage.

Some projects may become more critical to complete than others, creating a shift in project prioritization and the need to complete unplanned projects. Consequently, start and completion dates for each audit project are estimates.

Board policy 8400 now requires us to provide quarterly summaries of significant audit issues and an update of corrective measures taken related to prior audit issues and recommendations to the Board and Superintendent. This information can be found beginning on page 7 of this report.

Please be aware that we issued a report under a separate cover related to the administration of the fraud, waste, and abuse hotline and the investigations that were completed from July 1, 2023, through December 31, 2023.

The Office of Internal Audit would like to extend its gratitude and appreciation to the Board, the Audit committee, the Superintendent and her cabinet, and all members of BCPS management and staff for providing cooperation and input into the development of our risk-based audit plan and for supporting the general mission of the office throughout the year.

Respectfully submitted,

Andrea M. Barr

Andrea, M. Barr, CGAP, CBM

Plan Summary

Work Plan Approval	Annually, the Office of Internal Audit submits its work plan to the Board of Education of Baltimore County and the Audit Committee for its review and approval.	**Delivery of Services**	The Office of Internal Audit will maintain the Audit Services Unit and the Investigative Unit in the delivery of its services to the Board and school system.
Vision and Mission	The Office of Internal Audit developed its vision and mission to ensure alignment with the Board and school system's objectives.	**Non-Salary Budget Request**	The proposed Office of Internal Audit FY24 non-salary budget is $49,779. A similar non-salary budget request is anticipated for FY25.
Goals and Strategies	The Office of Internal Audit will continue to focus on its goals of integrity, quality, and efficiency.	**Meetings**	The Office of Internal Audit routinely meets with stakeholders to provide project status updates and other relevant information.
Available Resource Hours	The Office of Internal Audit has a total of 15,285 available resource hours in FY24 and is projected to have 15,285 in FY25.		

FY24 Office of Internal Audit Workplan				
FY24 Fraud, Waste, and Abuse Hotline Administration: The Office of Internal Audit will continue to administer the fraud hotline and investigate any allegations related to fraud, waste, and abuse to ensure a culture of integrity, quality, and effectiveness.				
FY24 Internal Audit Projects by Division				
OVERALL OBJECTIVE FOR ALL FY24 PROJECTS: To review the objectives, risks and controls related to the Audit Focus areas. Specific audit objectives will be determined during the planning phase of each project.				
#	**Entity**	**Audit Focus Area**	**Risk Level**	**Status as of 12/31/23**
Division of Chief of Staff – No planned audits for FY24				
Division of Fiscal Services				
1	Office of Purchasing	Vendor relations and MBE/SBE programs	L	Fieldwork
2	Office of Payroll	W-2, payroll taxes, deductions and wage attachments	H	Deferred at the Superintendent's request. Approved by Audit Committee at November 2023 meeting.
3	Office of Accounting and Financial Reporting	Grants accounting and compliance	H	Not started
Division of Curriculum and Instruction				
4	Office of English Language Arts PreK-12	ELA digital resources	M	Not started
5	Office of ESOL & World Languages	Title II and III	M	Defer
6	Office of Science, Health & Physical Education	Health and PE curricular programs and assessments	H	Not started
7	Office of Science, Health & Physical Education	Science programs and risk mitigation	M	Not started
8	Office of Advanced Academics GT	Advanced academics eligibility	M	Report issued November 2023
9	Office of Special Education - Birth to 5 and Child Find	Infants and Toddlers Program and Community-based instruction	H	Not started
10	Office of Special Education - DSE Placement	Special Education Transportation services (ride time)	H	Not started

FY24 Office of Internal Audit Workplan

FY24 Internal Audit Projects by Division				
OVERALL OBJECTIVE FOR ALL FY24 PROJECTS: To review the objectives, risks and controls related to the Audit Focus areas. Specific audit objectives will be determined during the planning phase of each project.				
#	**Entity**	**Audit Focus Area**	**Risk Level**	**Status as of 12/31/23**
11	Office of Educational Opportunities	Online elearning opportunities	H	Not started
Division of Schools				
12	Office of School Climate	Extended suspensions/expulsions	H	Deferred at the Superintendent's request. Approved by Audit Committee at November 2023 meeting.
13	Office of Psychological Services	Eligibility of psychological services for students under Section 504 and IDEA	H	Not started
14	Office of School Safety	Sex Offenders	H	Not started
15	Office of School Safety	School safety measure programs	M	Fieldwork
Division of Human Resources				
16	Office of Benefits, Leaves, and Retirements	Separation/Termination (COBRA)	H	Not started
17	Office of Temporary Services	Hiring processes for temporary employees: Summer Program and Substitutes	H	Not started
18	Office of Equal Employment Opportunity	Discrimination claims process and ADA accommodations	H	Not started
19	Office of Investigations and Records Management (includes Fingerprinting)	Criminal background checks and fingerprinting	M	Not started
20	Department of Employee Training and Development - Technology Training and Compliance Management	Safe Schools, the online compliance management system	H	Deferred at the Superintendent's request. Approved by Audit Committee at November 2023 meeting.

FY24 Office of Internal Audit Workplan

	FY24 Internal Audit Projects by Division			
OVERALL OBJECTIVE FOR ALL FY24 PROJECTS: To review the objectives, risks and controls related to the Audit Focus areas. Specific audit objectives will be determined during the planning phase of each project.				
#	**Entity**	**Audit Focus Area**	**Risk Level**	**Status as of 12/31/23**
Division of Information Technology				
21	Department of Technology Support Services	Help Desk and repair shop services	L	Planning
Chief Operating Officer				
22	Department of Research, Accountability and Assessment	Strategic Plan management	M	Deferred at the Superintendent's request. Approved by Audit Committee at November 2023 meeting.
23	Office of Strategic Planning	Educational Facilities Master Plan process	H	Not started
Office of Law				
24	Office of Law	PIA requests	L	Report issued October 2023.
FY23 Carry Over Projects				
25	Division of Human Resources	Overpayment of Separated Employees	H	Report issued September 2023.
26	Office of Career & Technical Education & Fine Arts	CTE accreditation	H	Report issued November 2023.
27	Office of Special Education – Compliance	Special Education dispute resolution	H	Reporting
28	Office of Health Services	Programs and services to prevent/mitigate health barriers to learn	M	Report issued December 2023.
29	Department of Enterprise Solutions	Oversee SAS applications	H	Fieldwork
30	Office of Facilities Operations	Use of Facilities Program	L	Report issued August 2023.
31	Office of Facilities Construction and Improvement	Change Orders: Consultants, Construction Managers, and Contractors	M	Report issued December 2023.
32	Office of Transportation	Bus contractor management	H	Fieldwork

FY24 Office of Internal Audit Workplan				
FY24 Internal Audit Projects by Division				
OVERALL OBJECTIVE FOR ALL FY24 PROJECTS: To review the objectives, risks and controls related to the Audit Focus areas. Specific audit objectives will be determined during the planning phase of each project.				
#	**Entity**	**Audit Focus Area**	**Risk Level**	**Status as of 12/31/23**
33	Division of Information Technology	IT Security	H	Report issued October 2023.
FY 24 Unplanned Projects				
34	Office of Food & Nutrition Services	Financial Review	M	Memo issued October 2023.
35	Carroll Manor Elementary School	School Activity Fund and Procurement card audit	L	Report issued October 2023.
36	Staff Relations & Employee Performance Management	Advanced Academics Facilitator EDA	H	Fieldwork
37	Fiscal Services	MSDE State Aid Audit Liaison	N/A	Planning

FY24 General Office Responsibilities: The Office of Internal Audit will continue to complete required general office responsibilities such as: maintain software applications, as well as attend regularly scheduled meetings and relevant staff development activities.

Status of Project Findings and Management Corrective Action Plans

As noted above, Board policy 8400 now requires us to provide quarterly summaries of significant audit issues and an update of corrective measures taken related to prior audit issues and recommendations to the Board and Superintendent.

The status of project findings, management corrective action plans and Office of Internal Audit follow up is found on the chart below.

Status of Project Findings and Management Corrective Action Plans

Item	Issue	Recommendation	Status	Due Date
1	**Carroll Manor ES: SAF and Procurement Card**			
	1. Pre-numbered receipt stock issued to the school was not available for review and was not issued in numerical sequence.	Ensure that all manual receipts are safeguarded, properly recorded, and issued in numerical sequence.	Closed-Verified	10/20/2023
	2. SAF transfers were not documented and/or approved by the principal.	Ensure that journal entry proof sheets are prepared for all SAF transfers.	Closed-Verified	10/20/2023
	3. BCPS Procurement Card Manual single transaction spending limit was exceeded.	Review BCPS Procurement Card Manual requirements with all Pcard holders.	Closed-Verified	10/13/2023
2	**Certification: MSDE Certifications and Maintenance**			
	1. The projected certificate letter and certification evaluation for certificated employees hired with a conditional certificate were not issued in accordance with Standard Operating Procedure (SOP) – 2-6.01 MSDE Initial Certification Requirements.	The manager of the OOC should ensure that evaluations and projected certificate letters are issued to conditionally certificated employees in accordance with the SOP 2-6.01 MSDE Initial Certification Requirements.	In Progress	7/1/2024
	2. The OOC, Division of HR, is manually tracking the MSDE teaching certificate status for the certificated employees. Additionally, the OOC must download documents and individually email them to certificated employees.	The manager of the OOC should communicate the needs of her office to the implementation team for the newly selected enterprise resource planning system.	Closed-Verified	6/13/2023
3	**Educational Opportunities: Homeschool Programs**			
	1. Home school student data is not integrated into the BCPS Student Information System.	Integrate home school data into the Student Information System.	Closed-Verified	8/31/2023
4	**ESOL: New Immigrant Enrollment**			
	1. The ESOL office cannot fully accomplish their mission at their current staffing level.	Provide the proper staffing to the ESOL Office.	In Progress	Ongoing due to hiring freeze
	2. The home language survey data (HLS) is not always documented when students enroll in BCPS via the Parent Portal or when former students re-enroll.	HLS data must be documented when a student is enrolled.	Tested in December 2023 - the issue is not yet resolved	Full completion date TBD - Working with ESOL to resolve.
	3. There is no data to support that all newly enrolled non-English speaking students were assessed or are receiving ESOL services.	Have Focus automatically determine eligible students and set their EL Status to Assessment Pending.	Tested in December 2023 - the issue is not yet resolved	Full completion date TBD - Working with ESOL to resolve.
	4. The ESOL Welcome Center student assessment area is not adequate.	Provide privacy to adequately assess student for ESOL services	Closed-Verified	10/1/2023
5	**Facilities Construction and Improvement: Change Orders Audit**			
	1. Standard Operating Procedures (SOPs) for change orders are not updated.	Review and update the existing written process for change orders and document them on the standard BCPS SOP template. Processes to be documented should include change order proposals, documentation requirements and approvals.	In Progress	7/1/2024
	2. The OFCI did not have written notification of potential change orders prior to initiation of the work by the contractor.	Develop and implement a procedure to expedite change order approvals for time critical contract changes: 1. Determine when expedited change order approval is warranted. 2. Identify the steps required to document that OFCI personnel are aware of, and agree with, the proposed changes prior to the start of work by the contractor. Contractors who fail to adhere to the BCPS change order process should be notified in writing of their non-compliance and reminded that failure to comply may result in non-payment for unauthorized work.	In Progress	7/1/2024
	3. Internal change order procedures were not followed by OFCI staff.	Ensure that all change orders are properly supported and approved.	In Progress	7/1/2024

Item	Issue	Recommendation	Status	Due Date
6	**Facilities Operations: Use of Facilities Program**			
	1. Proof of insurance was either not obtained or retained as required for UOF activities.	Retain insurance documentation in the software and update SOP to include Recreation and Parks insurance requirements.	Closed-Verified	12/8/2023
	2. Applicable permits and/or licenses were not obtained or retained for various UOF activities.	Required documentation must be obtained and retained for all UOF activities.	Closed-Verified	12/8/2023
	3. Use of Facilities fees may not cover the actual costs associated with community use of BCPS properties.	The fees charged to use BCPS facilities should be increased.	Closed-Verified	10/1/2023
	4. The Office of Facilities Operations lacks an established fee collection process.	Payment request letters should be sent consistently so that fees are collected timely.	Closed-Verified	10/11/2023
	5. Use of Facility requests were denied because requests became stalled in the Event Manager system.	Regular training for school administrators to timely approve requests.	Schedule follow-up for February 2024	1/31/2024
7	**Human Resources: Overpayment of Separated Employees**			
	Separated and current employees in each bargaining unit were overpaid.	1. Develop and implement proper internal controls to prevent or reduce further erroneous payments to individuals:		
		a. Create the necessary SOPs to address the procedural and knowledge gaps that currently exist.	Schedule follow-up for January 2024	10/31/2023
		b. Define and communicate expectations for HR staff and their business partners.	Schedule follow-up for January 2024	10/31/2023
		c. Conduct routine training related to the SOPs and expectations.	Schedule follow-up for January 2024	10/31/2023
		d. Document training attendance and retain in accordance with records retention schedules.	Schedule follow-up for January 2024	10/31/2023
		e. Fast track the implementation of KRONOS and ERP system.	Schedule follow-up for January 2024 (Kronos only)	Kronos - August 31, 2023 ERP - January 31, 2025
		2. Determine if and how the overpayments to the individuals will be recovered.	Schedule follow-up for January 2024	10/31/2023
		3. Determine the loss associated with non-salary related expenses such as pension contributions, annuity contribution, state and local taxes paid, and health care expenses.	Schedule follow-up for January 2024	10/31/2023
8	**Information Technology: IT Security Audit**			
	We identified six findings related to cybersecurity, as defined by the State Finance and Procurement Article, Section 3A-301(b) of the Annotated Code of Maryland, and therefore are subject to redaction from publicly available reports in accordance with the State Government Article, Section 2-1224(i).			
	Finding 1	Redacted cybersecurity-related finding	In Progress	6/24/2024
	Finding 2	Redacted cybersecurity-related finding	Schedule follow-up for March 2024	12/21/2023
	Finding 3	Redacted cybersecurity-related finding	Schedule follow-up for March 2024	10/17/2023
	Finding 4	Redacted cybersecurity-related finding	In Progress	6/26/2024
	Finding 5	Redacted cybersecurity-related finding	Schedule follow-up for March 2024	1/30/2024
	Finding 6	Redacted cybersecurity-related finding	In Progress	6/30/2024
9	**Law Office: Public Information Act (PIA) Process**			
	1. Ten-Business Day Notification Letters Were Sent Late	Consider the feasibility of purchasing PIA management software.	In Progress	6/24/2024
10	**Magnet Programs: Magnet Admissions**			
	1. Required approvals for magnet seat projections were not properly documented in accordance with the SOP.	Obtain and document approvals for Magnet Seat Projections	Closed-Verified	11/7/2023
	2. Disqualification reasons were not consistently documented.	Document all reasons for student disqualification.	Closed-Verified	2/1/2023
11	**Payroll: FY 22 Manual Payroll Audit**			
	1. Manual payroll payments were not accurate.	Ensure that time records are processed accurately, including supervisory review of time records processed. Consider conversion of manual payrolls to automated processes.	In Progress	2/28/2024
	2. Manual payroll payments were not supported by an approved time record.	Ensure that all manual payroll payments are supported by properly approved documentation.	In Progress	2/28/2024
	3. Internal controls were not in place to adequately address key risks.	Develop and implement standard operating procedures, a listing of payroll approvers and a duplicate direct deposit report.	In Progress	2/28/2024

Item	Issue	Recommendation	Status	Due Date
12	**Purchasing: Contracts, Agreements, and Leases**			
	1. Purchasing has not completed corrective action related to prior audit reports	Implement and finalize corrective action that is cited in BCPS' response to Recommendation 2a in the OLA Financial Management Practices Audit Report from November 2020.	In Progress	7/1/2025
13	**School Safety: SRO Program**			
	1. SROs are not consistently providing DARE at middle schools.	Ensure all SROs are trained to teach DARE and ensure that DARE is taught to all 6th graders.	In Progress	6/30/2024
	2. The BCoPD Chief of Police and BCPS Superintendent do not meet on a regular basis.	The BCPS Superintendent should meet with the BCoPD Chief of Police on a regular basis.	In Progress	6/30/2024
	3. SRO program evaluations are not completed.	Implement a policy requiring all applicable school administrators to evaluate the overall effectiveness of the SRO program on an annual basis.	In Progress	10/31/2024
	4. Former SRO's have access to BCPS technology.	Develop and implement a policy to inform DoIT when an SRO is no longer assigned to BCPS so their account can be immediately deactivated.	Closed-Verified	12/4/2023
	5. BCoPD is not reporting information of students witnessing traumatic events to BCPS.	Ensure that information related to students witnessing traumatic events is properly reported.	Closed-Verified	2/1/2023
	6. BCoPD did not submit the date of charge for reportable offenses to BCPS.	Monitor the timeliness of the reporting of reportable offenses and work with BCoPD to ensure that all reportable offenses are reported to BCPS within 24 hours of the charge.	Closed-Verified	7/1/2023
	7. Professional development is not provided to BCPS Building Security Monitors	Ensure that all building security monitors receive professional development as agreed upon by both agencies.	Closed-Verified	12/18/2023
14	**Social and Emotional Support: Student Enrollment Data in Focus**			
	1: System-wide enrollment liaison training is not provided for newly hired school secretaries.	Newly hired secretaries should receive enrollment liaison training.	In Progress	6/30/2024
	2: Student enrollment information on the BCPS website is not concise or user friendly.	The presentation of concise student enrollment information on the BCPS website should be coordinated by the Office of Social and Emotional Support.	Closed-Verified	9/1/2023
	3: Required documentation for newly enrolled students was not available to verify Baltimore County residency in accordance with Superintendent's Rule 5150.	Ensure that the proper documentation is obtained for all newly enrolled students.	In Progress	6/30/2024
	4: Shared Domicile Disclosure Forms are not completed and approved in accordance with Superintendent's Rule 5150.	Ensure that the appropriate form and proper documentation is completed and approved for all Shared Domicile designations.	In Progress	6/30/2024
	5: Data in Focus is not accurate or sufficient to identify students attending a school outside of their home school via an approved Application for Special Permission Transfer.	Ensure that the Address Override Reason field is used appropriately so that special permission transfer students can be accurately identified.	In Progress	6/30/2024
	6: Special permission transfers are not completed and approved in accordance with Superintendent's Rule 5140.	Ensure that the appropriate application form is completed and approved for all special permission transfers.	In Progress	6/30/2024
	7: Data in Focus is not accurate to identify students attending a school via Special Enrollment	Ensure that the appropriate form and proper documentation is completed and approved for all Special Enrollments. .	In Progress	6/30/2024
	8: Enrollment related help desk requests are not resolved timely.	Dedicated staff should be assigned to assist registrars with enrollment assistance.	In Progress	6/30/2024
15	**Special Education: Third Party Billing Self-Monitoring**			
	1. Inadequate documentation of case management and health-related services.	Continue training to ensure compliance.	Closed-Verified	1/1/2023