

# OFFICE OF AUDITOR GENERAL (OAG)

OAG's team, roles and responsibilities  
September 2024



## OAG's Mission, per School Board **Policy 1105**, Auditor General Authority:

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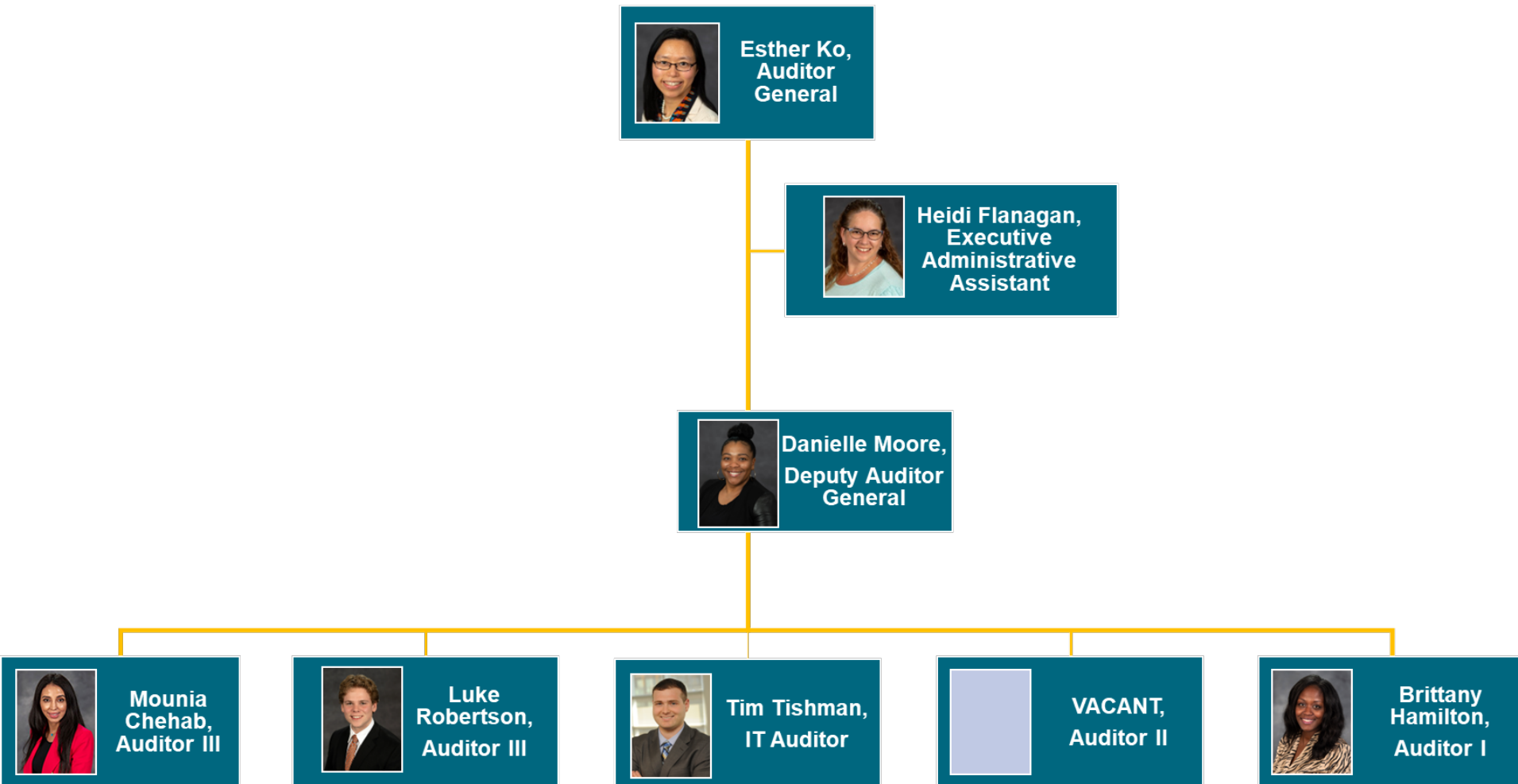
*To promote Fairfax County Public Schools' achievement of its strategic goals, Office of the Auditor General's (OAG) mission is to independently determine whether the ongoing processes for controlling fiscal and administrative operations and performance throughout Fairfax County Public Schools are adequately designed, functioning in an efficient, effective manner, and fully accountable to its citizens of Fairfax County.*

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- OAG reports to the School Board through the Audit Committee
- OAG is independent of the administration in the performance of its functions
- All FCPS schools, programs, departments, and functions are subject to audit or review by the Office of Auditor General
- Annually, the Auditor General shall submit to Audit Committee a work plan for the coming fiscal year which is then presented for approval by the School Board – *FY25 plan approved July 2024*

**Note:** Appendix I includes the job description for the Auditor General.

# OAG Organization Chart



**Note:** In addition to the above full-time employees, OAG is also supported by hourly auditors.

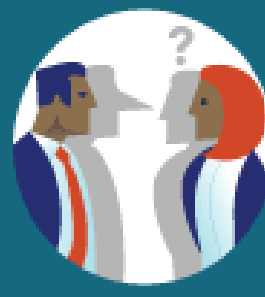
# What does OAG do?



Risk  
Assessment



Internal  
Audit

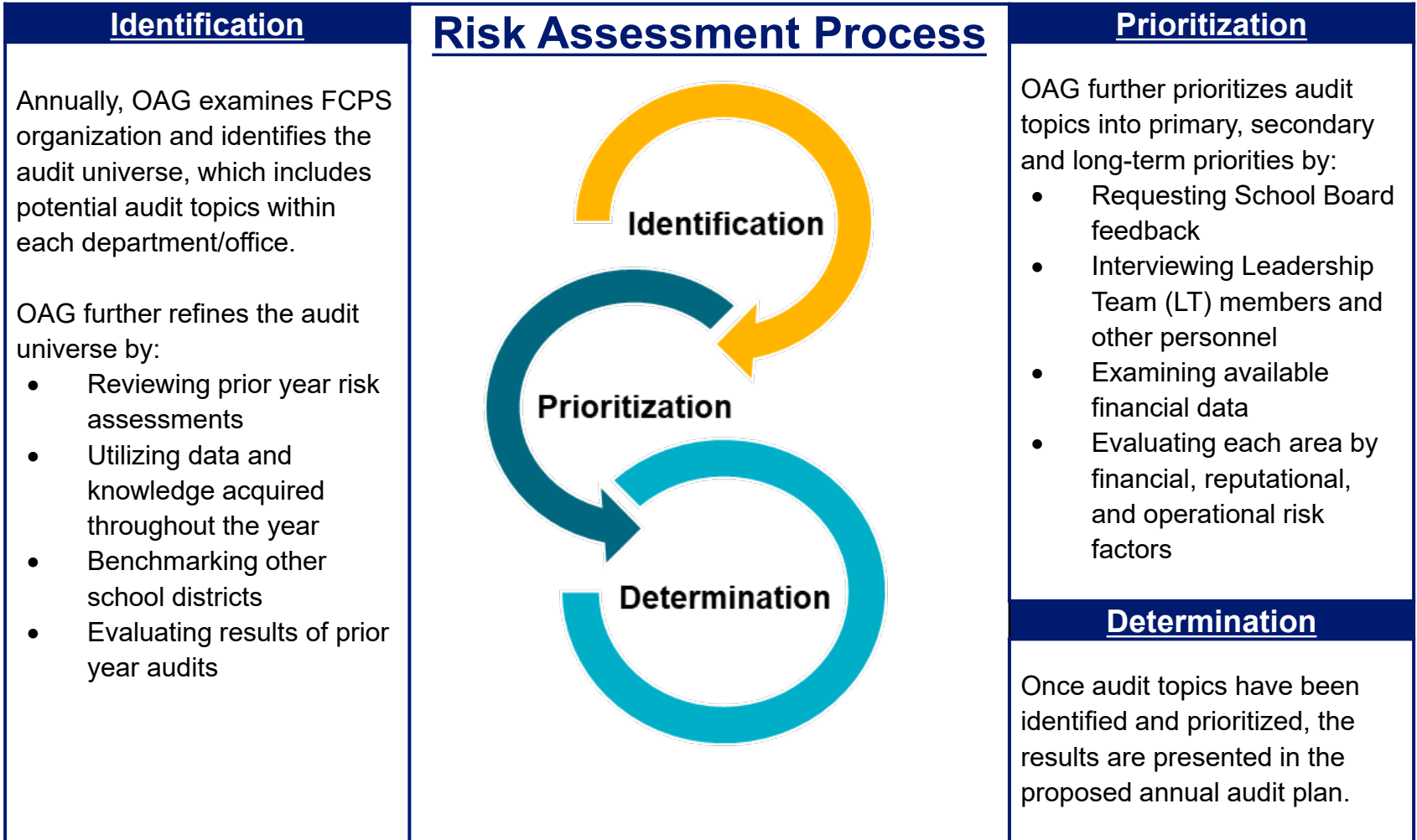


Fraud,  
Waste,  
and  
Abuse  
Hotline



Outreach  
and  
Education





[FY25 Office of Auditor General Risk Assessment and Audit Plan](#) includes information to the latest plan.



## AUDIT PROCESS

- 1 RISK ASSESSMENT**  
Identify and prioritize audit topics.
- 2 PLANNING**  
Obtain a comprehensive understanding of the audit topic and objectives.
- 3 EXECUTION**  
Test and evaluate audit objectives; validate results with management.
- 4 REPORTING**  
Prepare and present audit report to School Board Audit Committee.
- 5 FOLLOW-UP**  
Periodic checks on progress of recommended actions.

OAG performs audits in accordance with Government Auditing Standards (Yellowbook), which require:

- OAG auditors be independent of mind and appearance
- Audits be adequately planned and designed to obtain sufficient, appropriate evidence that provides a reasonable basis for findings and conclusions based on the audit objectives
- Suitable criteria, based on the audit objectives, be identified

Findings have five components:

- **Condition** is a situation that exists.
- **Criteria** identify the required or desired state or expectation with respect to the program or operation.
- **Cause** is the factor or factors responsible for the difference between the condition and the criteria, and may also serve as a basis for recommendations for corrective actions.
- **Effect or potential effect** is the outcome or consequence resulting from the difference between the condition and the criteria.
- **Recommendations** encourage improvements in the conduct of government programs and operations.



## FY24 Carried Over Engagements

- (1) Local School Activity Funds, June 30, 2024
- (2) IT Systems Access Audit

## New Engagements

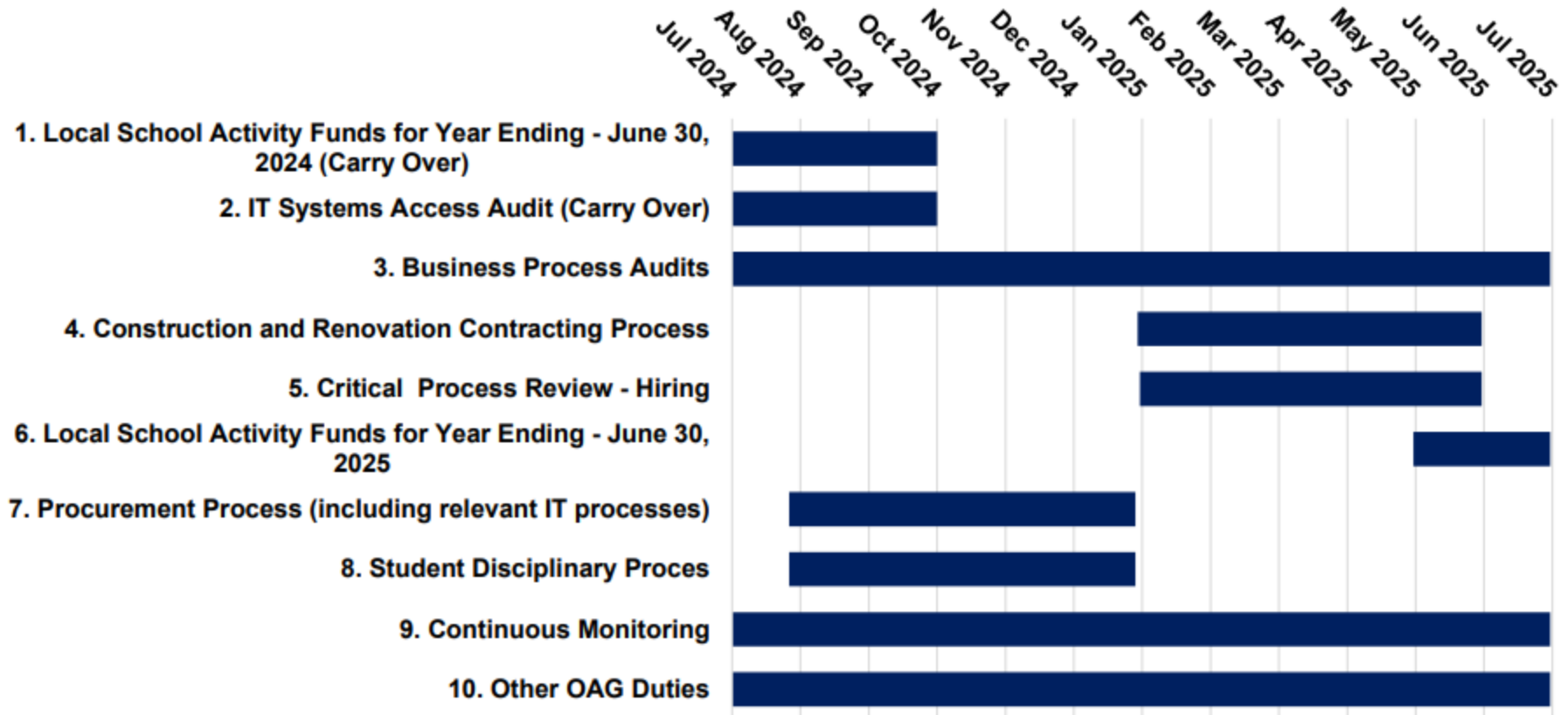
- (3) Business Process Audit
- (4) Construction and Renovation Contracting Process
- (5) Critical Process Review – Hiring
- (6) Local School Activity Funds, June 30, 2025
- (7) Procurement Process (including relevant Information Technology processes)
- (8) Student Disciplinary Process
- (9) Continuous Monitoring
- (10) Other OAG Duties

**Note:** Appendix II includes more details for Items (1) to (9).

# (10) Other OAG Duties

- 1) Monthly Audit Committee Meetings
- 2) FCPS Fraud, Waste and Abuse Inquiry
- 3) OAG Annual Report
- 4) OAG FY26 Risk Assessment
- 5) OAG Outreach and Education
  - National Association of State Boards of Accountancy (NASBA)'s certified training. As of July 2024, we have offered 15 courses to employees since October 2020.
  - School Based Administrator training
  - Finance technicians and other stakeholder group training
- 6) OAG Staff Professional Development
- 7) OAG Quality Control Monitoring/Peer Review
- 8) Recommendations Follow-Up

# FY25 OAG Operational Plan



Planning, execution, and reporting is determined once the engagement's scoping is completed. Engagements vary in hours and variables affecting completion, include management availability, data mining, number of accessible systems, objectives and scope, extent of risk factors, type of audit, other on-going audits, and non-audit services and projects.

**Note:** Extracted from page 15 of [FY25 Office of Auditor General Risk Assessment and Audit Plan](#).



# Fraud, Waste, and Abuse Hotline



- OAG provides FCPS employees and the public a confidential means for reporting suspected wrongdoing involving fraud, waste, and abuse of school assets and resources.
- OAG receives these inquiries via the hotline, internal audit email, phone calls, direct mails or walk-ins.

Inquiry Areas	FY21	FY22	FY23	FY24
Conflict of Interest	2	4	1	4
Documentation	4	4	11	11
Human Resources	8	9	10	15
Not Related to Fraud, Waste, and Abuse at FCPS	24	19	15	21
Procurement	3	1	3	1
Residency	4	5	3	7
Use of Assets	1	5	2	16
Vendor / Contractual Execution	0	1	2	4
<b>Grand Total</b>	<b>46</b>	<b>48</b>	<b>47</b>	<b>79</b>

- As of August 28, 2024, OAG received nine inquiries in FY25.
- OAG takes all complaints and reports seriously and makes every effort to investigate credible matters in accordance with applicable laws, codes, policies, or regulations.

**Fraud, Waste & Abuse Hotline:**  
 (571) 423-1333 (anonymous voicemail)  
[InternalAudit@fcps.edu](mailto:InternalAudit@fcps.edu) (email is not anonymous)



## Training and Education

- In FY24, OAG hosted 20 presentations to almost 1,500 FCPS personnel & outside stakeholders, including
  - DMV auditor group
  - NASBA training, topics including:
    - FCPS' Lines of Defense – Audits and Compliance Monitoring;
    - FERPA and FOIA;
    - See Something, Say Something.
- OAG developed a [Fraud, Waste, and Abuse Video](#) (collaborated with IT Learning). There were almost 2,500 employees watched this video, which highlights fraud, waste, and abuse categories and reporting means.

## Audit Buzz

- Periodical which provides an update into OAG's work by summarizing the results of completed audit projects, describing upcoming audits, and providing insight into other audit-related tasks
- Subscriptions available via FCPS *News You Choose* and routinely distributed in the weekly *Employee News* and *Infogram* after publishing
- Currently with about 3,600 subscribers and growing!

Visit “News You Choose” on [www.fcps.edu](http://www.fcps.edu). Enter your email address and then select ‘Audit Buzz Newsletter’ under Office of Auditor General.

# Appendix I – Auditor General’s Job Description

# Job Description – Auditor General

1. Directs and manages the Division's internal audit functions;
2. Establishes, designs, and administers program and performance and financial audits for the Division, including monitoring the accomplishments of Division objectives;
3. Directs formal division-wide risk assessments to focus audit resources on high-risk areas;
4. Supervises the appraisal of Division activities in terms of efficiency, effectiveness, and compliance with applicable laws, regulations, procedures, and good management practices;
5. Prepares an annual audit plan that identifies and prioritizes areas to be examined;
6. Conducts compliance reviews of expenditures and the proper handling of funds;
7. Oversees and leads investigations conducted by Office of Auditor General (OAG) of financial wrongdoing;
8. Establishes operating and administrative protocols and procedures for OAG, and oversees the day-to-day operations of OAG and performance of audit staff; and
9. Performs other related duties as required or assigned by the School Board.

# Appendix II – FY25 Audit Plan by Topics



# (1) Local School Activity Funds Audit (LSAF), June 30, 2024

## Description

In accordance with the Code of Virginia (8VAC20-240-40), all LSAF (i.e. including all the approximate 200 FCPS sites) shall be audited annually.

## Objectives / Scope

(1) Determine if cash balances are fairly stated, (2) Assess compliance with applicable regulations and policies, (3) Determine if internal controls are adequate and functioning as intended, and (4) Determine if transactions are reasonable and do not appear to be fraudulent (completed as part of the continuous monitoring procedures)

## Internal Stakeholders

- (1) Financial Services (FS)
- (2) Schools, Offices & Departments (with LSAF)

## Schedule

The division-wide report is scheduled to present to the Audit Committee in October 2024.

## (2) IT Systems Access Audit

### Description

System access is a system security technique that regulates who or what can be viewed or used in a computing environment. The Department of Information Technology (DIT) serves the diverse technology needs of FCPS staff, students and central office teams managing information resources and ensuring security and integrity for large number of FCPS systems.

### Objectives / Scope

(1) Select specific IT applications that capture, process, and store sensitive data per the FCPS data classification policy and evaluate the operating effectiveness of the access controls at the application level. (2) Evaluate the compliance with applicable laws and regulations, such as Family Educational Rights and Privacy Act (FERPA) with a focus on data handling, and (3) Evaluate the user access controls over FCPS systems and data such as (a) physical access controls to safeguard physical IT assets (data centers and servers) and (b) logical access controls to properly (i) assign access privileges to users based on their roles and responsibilities, (ii) validate user identities and (iii) manage changes in access.

### Internal Stakeholders

- (1) Department of Information Technology (DIT)
- (2) Departments, Offices, and Schools

### Schedule

The report is scheduled to present to the Audit Committee in October 2024.

# (3) Business Process Audits (BPA)

## Description

These audits will be performed on an ad-hoc basis depending on the results of the Continuous Monitoring; departures or additions in principals, finance technician/administrative assistants, or management/staff; or situations as deemed necessary.

## Objectives / Scope

(1) Evaluate the effectiveness of school/office processes and compliance with applicable regulations and policies; (2) Determine if controls are adequate and functioning as intended; and (3) Determine if transactions are reasonable and do not appear to be fraudulent. If applicable, the scope will include targeted review of financial controls, processes, and transactions for the schools' Career Technical and Education fund accounts.

## Internal Stakeholders

- (1) Departments and Offices
- (2) Schools
- (3) Office of Counselling and College and Career Readiness

## Schedule

Ongoing throughout the fiscal year.

# (4) Construction and Renovation Contracting Process

## Description

Construction and renovation contracting process is a joint responsibility of the Office of Administrative Services (OAS) managed by the Chief Operating Officer, and the Office of Design and Construction (D&C) managed under the Chief of Facilities. OAS is responsible for contract procurement and contract management. D&C is responsible for project management.

## Objectives / Scope

(1) Evaluate FCPS' internal controls and processes, including policies and regulations and their operating effectiveness; (2) Select sample contracts and review their compliance and accountability, including evaluating vendor compliance with contract terms and conditions; and (3) Benchmark industry standards related to contract mechanism for construction and renovation projects. Applicable state and local requirements will be part of the audit.

## Internal Stakeholders

- (1) Chief of Facilities
- (2) Chief of Operating Office

## Schedule

This performance audit is estimated to take five months to complete.

# (5) Critical Process Review – Hiring

## Description

A critical process review will evaluate the strengths and weaknesses of critical business processes for FCPS. This review is helpful in identifying and understanding the critical and redundant processes so that we can provide recommendations to enhance process efficiency and effectiveness. We will review the hiring critical process during FY25.

## Objectives / Scope

(1) Understand the business processes and the acceptable risk level determined by management, (2) Evaluate the design and operating effectiveness of controls, (3) Identify key or redundant controls, and (4) Propose recommendations to management to improve process effectiveness and efficiency.

## Internal Stakeholders

Department of Human Resources

## Schedule

This performance audit is estimated to take five months to complete.

# (6) Local School Activity Funds Audit, June 30, 2025

## Description

In accordance with the Code of Virginia (8VAC20-240-40), all LSAF (i.e. including all the approximate 200 FCPS sites) shall be audited annually.

## Objectives / Scope

(1) Determine if cash balances are fairly stated, (2) Assess compliance with applicable regulations and policies, (3) Determine if internal controls are adequate and functioning as intended, and (4) Determine if transactions are reasonable and do not appear to be fraudulent (completed as part of the continuous monitoring procedures)

## Internal Stakeholders

- (1) Department of Financial Services
- (2) Schools, Offices & Departments (with LSAF)

## Schedule

The final division-wide report is expected to be presented to the Audit Committee in October 2025.

# (7) Procurement Process (Including Relevant Information Technology Processes)

## Description

FCPS utilizes different methods of procurement including small purchase, open market, competitive sealed bidding, competitive negotiation, sole source, and emergency. Annually, over 2,950 of purchase order requests and 750 contracts were administered by the Office of Procurement Services (OPS). With increase focus on managing risk in information technology during procurement, various processes are instituted by the Department of Information Technology and Chief Safety and Security Office.

## Objectives / Scope

(1) Assess whether adequate controls are in place, and whether they operate effectively and achieve desired outcomes for the following areas: bidding process, vendor selection (including relevant Information Technology processes, such as Cybersecurity Architecture Checklist); and (2) Assess compliance with policies and regulations. For this audit, OAG will focus on the procurement process administered by OPS.

## Internal Stakeholders

- (1) Department of Financial Services
- (2) Department of Information Technology
- (3) Chief Safety and Security Office
- (4) Office of Division Counsel

## Schedule

This performance audit is estimated to take five months to complete.

# (8) Student Disciplinary Process

## Description

Student Rights and Responsibilities document includes the acts for which students may be disciplined, disciplinary procedures, and interventions. FCPS also establishes procedures to be used by the School Board for handling student hearings and appeals.

## Objectives / Scope

(1) Evaluate the student disciplinary process, including appeals, to ensure compliance with federal, state, and FCPS' policies, regulations, and procedures, across FCPS; (2) Assess the effectiveness of existing controls for the student disciplinary process, across FCPS, and (3) Benchmark hearings and appeals operations against other educational institutions and leading practices.

## Internal Stakeholders

- (1) Schools and Region
- (2) Hearings Office
- (3) School Board

## Schedule

This performance audit is estimated to take five months to complete.



# (9) Continuous Monitoring

- Utilizing technology-based audit techniques to analyze patterns and trends and select and test transactions.
- These methods will enable OAG to better understand risks and identify exceptions in a timely manner.
- Technology-based resources allow users to import many records and execute audit specific commands to search for duplicates, detect gaps in numeric sequences, group data by categories, and filter numerous rows and columns of data.
- Areas of focus to include Schools, Departments, and Offices expenditures.
- OAG will perform unannounced cash counts and e-commerce collection of event fees for school events (i.e. athletics, performing arts) during FY24 Q3 Continuous Monitoring. OAG is planning to continue this effort in FY25.