Internal Audit Office
Summary of Activities

PERIOD OF 07/01/18 – 08/03/18
Achieve Business Process Excellence and Maintain Financial Stability
FY 2019 Budget Status Update

• **Approved budget is $1,348,142**

• **10 FTEs**

• **Internal Audit is actively managing all costs and expecting to finish the year within budget.**
## FY 2019 Audit Plan & Activities

<table>
<thead>
<tr>
<th>FY’19 RISK-BASED AUDITS: (TBD)</th>
<th>QUARTERLY STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1</td>
</tr>
<tr>
<td></td>
<td>Jul - Sep</td>
</tr>
<tr>
<td>FY’18 Year-End Payroll Review</td>
<td>![In Process]</td>
</tr>
<tr>
<td>FY’18 Carryover Audit Projects:</td>
<td>![Not Started]</td>
</tr>
<tr>
<td>Blue Plains O&amp;M Billing FY’15 &amp;’16</td>
<td>![Not Started]</td>
</tr>
<tr>
<td>Fleet Services Performance/Op</td>
<td>![Not Started]</td>
</tr>
<tr>
<td>IT Basic Ordering Agreement</td>
<td>![Not Started]</td>
</tr>
<tr>
<td>Retiree Benefits Performance/Op</td>
<td>![Not Started]</td>
</tr>
<tr>
<td>Continuous Compliance Audits:</td>
<td>![Not Started]</td>
</tr>
<tr>
<td>Procurement-Card Reviews</td>
<td>![Not Started]</td>
</tr>
<tr>
<td>Accounts Payable Reviews</td>
<td>![Not Started]</td>
</tr>
<tr>
<td>Bi-Weekly Payroll Reviews</td>
<td>![Not Started]</td>
</tr>
<tr>
<td>System Development Charges</td>
<td>![Not Started]</td>
</tr>
<tr>
<td>External Auditing Services (CLA)</td>
<td>![Not Started]</td>
</tr>
</tbody>
</table>

**Color Legend**
- **Complete**
- **In Process**
- **Not Started**

Source: cdn2.hubspot.net
FY’19 Audit Plan & Activities (Cont’d)

- FY’19 Risk-Based Self-Assessments
  - Executive Leadership Team, 59% complete
  - Division Managers, 45% complete
  - Deadline 07/31/18
- Next Step, Draft Risk-Based Audit Plan
Management
Action Plans Aging Chart

NOTE: Open/started items include delinquent items
Improve Infrastructure
SYSTEM DEVELOPMENT CHARGES (SDCs)
Total FY’18 actual financial adjustments

$1,755,024.17
Protect our People, Infrastructure, Systems, and Resources
Fraud, Waste and Abuse (FW&A)

Provided FW&A Training to 8 new employees on 07/30/18 during the New Employee Orientation (NEO)
**Ethics Program Update July 2018**

**Board of Ethics Meeting**
- 3 Open Session Items
- 7 Closed Session Items

**Ethics Training**
8 new employees trained

**Advisory Services**
#EthicsQuestions, phone, walk-ins, etc.

**Ethics Office Advisory Services by Category**
- Soliciting or Acceptance of Gifts; 3; 16%
- Conflicts of Interest; 2; 10%
- Restrictions On Participation; 4; 21%
- Disclosure Statements; 6; 32%
- General Inquiries; 2; 11%
- Employment Restrictions; 2; 10%

Total = 19
Board of Ethics Vacancy/Expired Term Search

Newspaper Advertisement:
- Washington Post
- Prince George’s Sentinel
- The Afro American Newspaper

Web and/or Listserv Advertisement:
- WSSC’s Website
- Ethics & Compliance Initiative (ECI)
- Office of Government Ethics (OGE)

Application deadline is August 27, 2018
Inspire Employee Engagement
Advisory Services

- Automatic Meter Installation (AMI)
- Customer Care Billing Project (C2M)
- Enterprise Resource Planning (ERP)
- E-Business Suite (EBS)
- Internal Security Task Force (ITSF)
- Mobile Workforce Management/Work and Asset Management (MWM/WAM)
- Oracle E-Business Suite (EBS)
- Procure to Pay (P2P) [formerly Procurement Phase II & Intake] Implementation
- Supply Chain Risk Management
Enhance Customer Experience and Community Engagement
IAO Staff Participated in the following events:

- WSSC’s Employee Service Awards, 07/10/18
- 24th Annual THINGAMAJIG Invention Convention, 07/26/18
## Key Performance Indicators

<table>
<thead>
<tr>
<th>Achieve Business Process Excellence &amp; Maintain Financial Stability</th>
<th>Key Performance Indicators</th>
<th>Target</th>
<th>FY’18 Actual</th>
<th>FY’ 19 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of Audit Recommendations Accepted</td>
<td>80%</td>
<td>TBD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Blue Plains O&amp;M Billings Actual Reimbursements</td>
<td>Reimbursements</td>
<td>TBD</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Improve Infrastructure</th>
<th>Key Performance Indicators</th>
<th>Target</th>
<th>FY’18 Actual</th>
<th>FY’ 19 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>SDC Reimbursements Requests Fiscal Year Cost Savings</td>
<td>Savings</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Protect Our People, Infrastructure, Systems &amp; Resources</th>
<th>Key Performance Indicators</th>
<th>Target</th>
<th>FY’18 Actual</th>
<th>FY’ 19 Actual</th>
</tr>
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<tbody>
<tr>
<td>Budgeted Hrs. and/or within Fiscal Year</td>
<td>25%</td>
<td>TBD</td>
<td></td>
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<tr>
<td>% of Continuous Audits Completed within the Fiscal Year</td>
<td>100%</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Enhance Customer Experience &amp; Community Engagement</th>
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<th>FY’ 19 Actual</th>
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<tbody>
<tr>
<td>Number of Auditors with relevant Professional Certifications</td>
<td>100%</td>
<td></td>
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</tbody>
</table>

Key Risk Indicator: ❄️ = Met target ❗️ = Exceeded target ⚠️ = Below target
Relevant Certifications of the Internal Audit Office

Certified Public Accountant
Certified Internal Auditor
Leading Professional in Ethics & Compliance
Certified in Risk Management Assessment
Professional Administrative Certification of Excellence

Certified Information Systems Auditor
Certified Government Auditing Professional
Certified Compliance & Ethics Professional
Certification Control Self Assessment
Certified Fraud Examiner
QUESTIONS?