



Seattle Public Schools



Photos by Susie Fitzhugh

Annual Internal Audit and Ethics Report

November 1, 2017

Internal Audit Annual Report

School Board Procedure 6550BP - Internal Audit

- Requires an annual report to the School Board within 90 days of the school year calendar end.
 - Audits Completed
 - Major Findings
 - Corrective Actions
 - Significant Findings Not Addressed By Management

Audits Completed

2016 – 2017

- Central Administration Cash Handling and Deposits
- Human Resources Follow-up
- Rainier Beach High School
- Rainier Beach High School – Use of School Facilities
- Genesee Hill Elementary School Design Follow-up
- West Seattle High School
- Orca K-8 School
- Disbursements
- Employee Leave Time
- Chief Sealth International High School
- Employee Background Checks

Major Audit Findings

- School Audits
 - Cash Handling and Receipting
 - ASB Activity Approval and Reconciliation Form
 - Untimely Vendor Payments and Unauthorized Purchases
 - Volunteer and Chaperone Screening
 - Risk Management (Field Trips)
 - Use of School Facilities

Major Audit Findings

- Human Resources Follow-up
 - Employee Data and Payroll Administration
- Disbursements
 - Personal Services Contracts
 - Segregation of Duties
 - General Requisitions

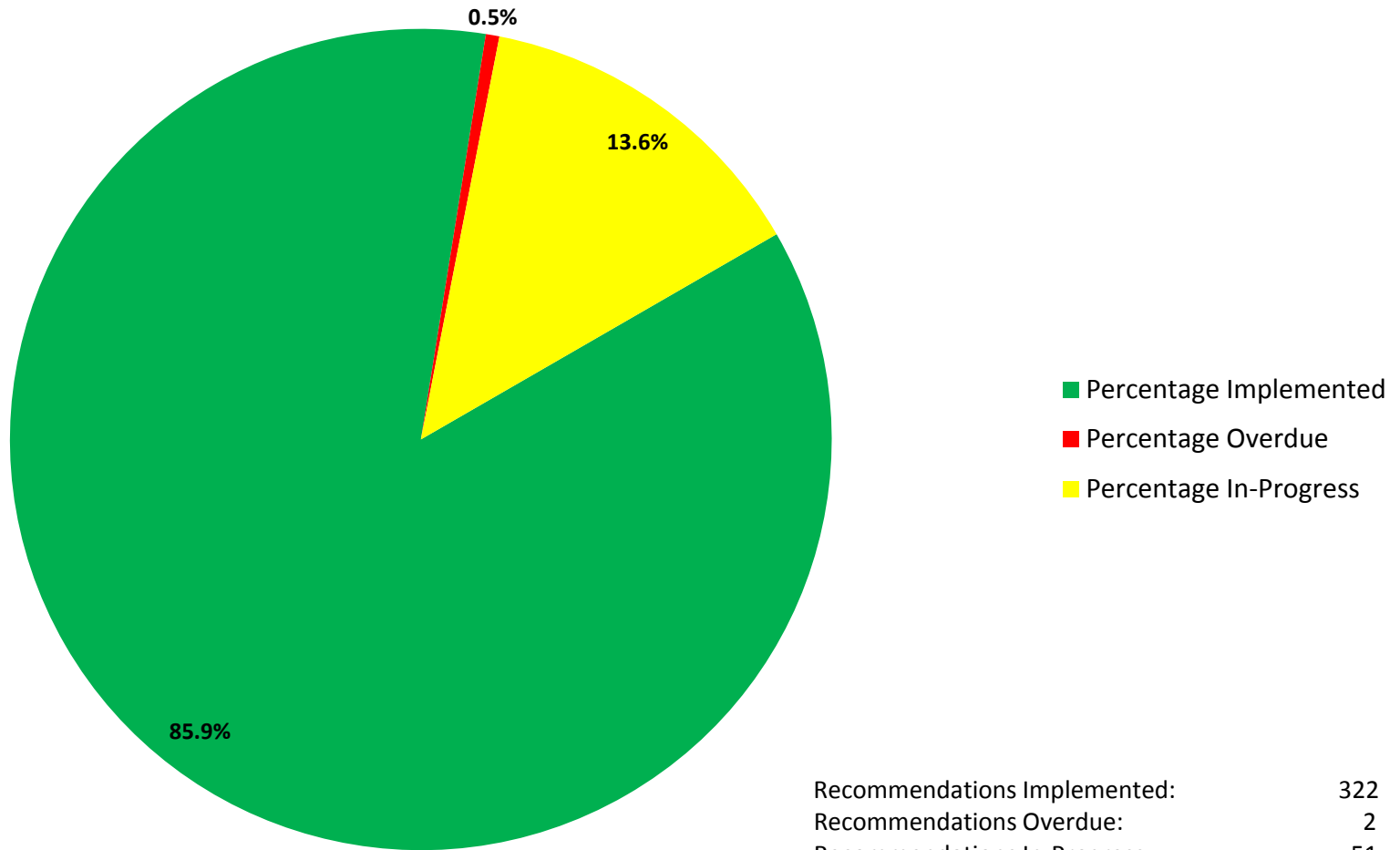
Major Audit Findings

- Employee Leave Time
 - Unrecorded Absences for Employees Using Subfinder
 - Unrecorded Absences for PASS and Non-Represented Management Staff
 - Internal Control Weaknesses Over Employee Leave Time
- Employee Background Checks
 - Employee Background Checks
 - Safeguarding of Fingerprint Cards
 - Receipting and Depositing of Fingerprinting Fees

Corrective Action Plans

- District Management Function
- Audit Response Manager
- Approved Corrective Action Plans
- Quarterly Updates to the A&F Committee
- Follow-up Audits

Percentage of Recommendations Implemented, Overdue, and In-Progress



Recommendations Implemented:	322
Recommendations Overdue:	2
Recommendations In-Progress:	<u>51</u>
Total Recommendations:	375

Significant Findings Not Addressed by Management

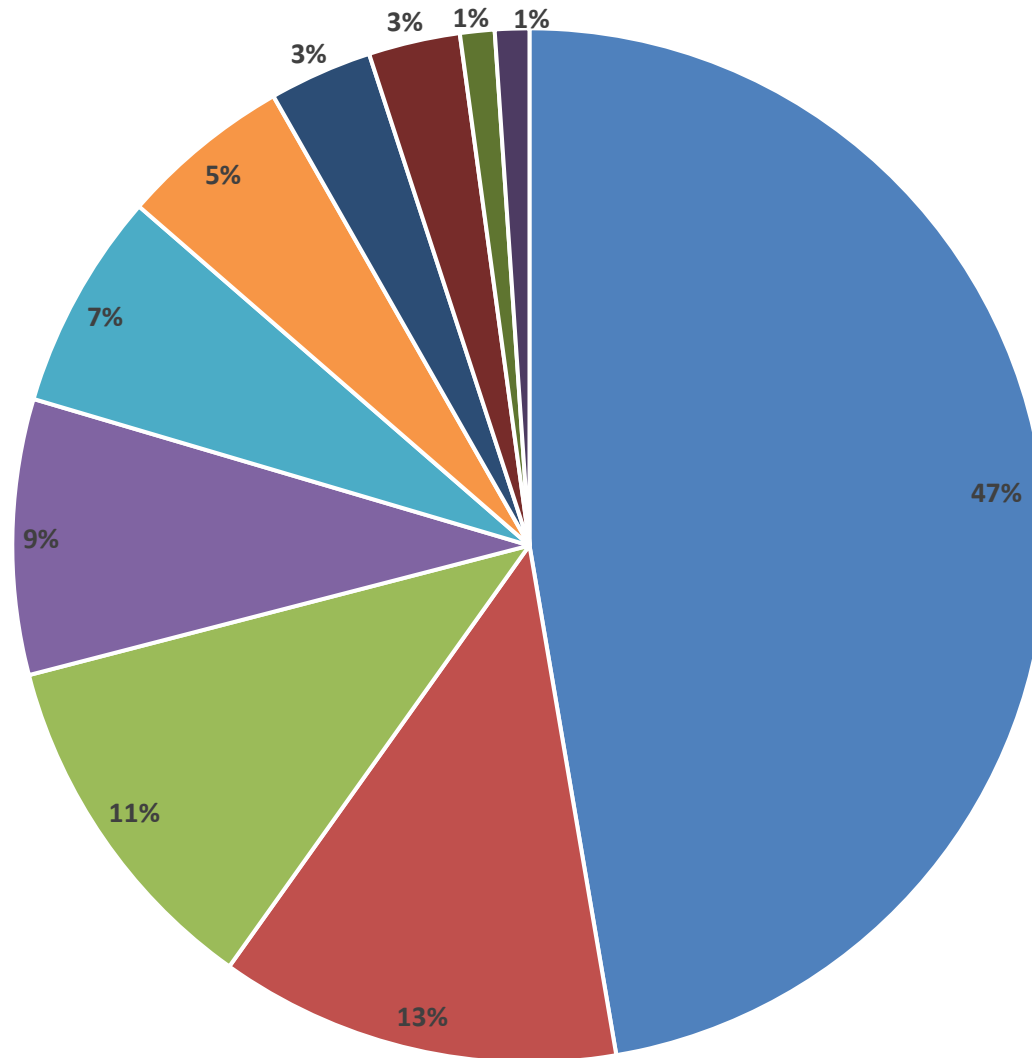
- Bargaining Items

Annual Ethics Report

School Board Policy 5251 - Ethics

- Requires an annual report to the School Board within 90 days of fiscal year end.
 - Number and Type of Contacts Received
 - Percentage of Contacts Submitted Anonymously
 - Status of Ethics Training Program

Types of Contacts Received

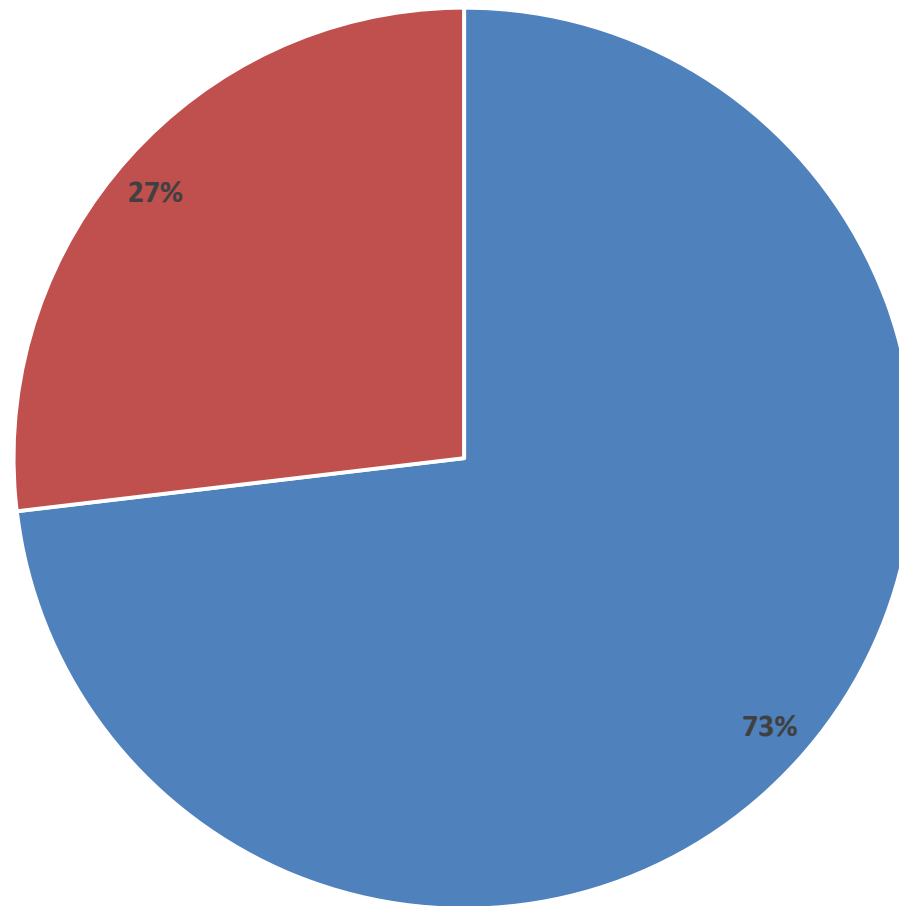


July 2014 – October 2017

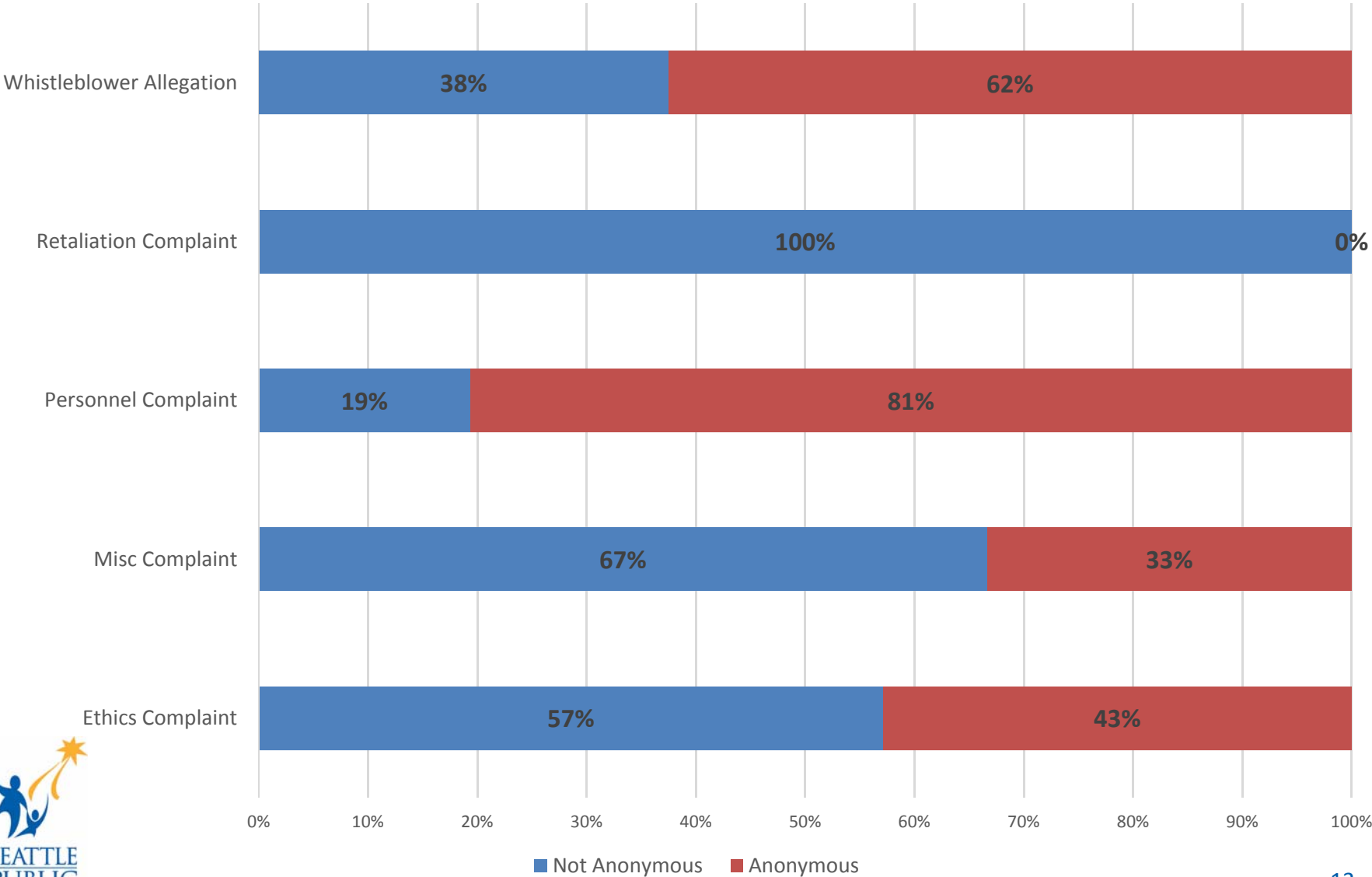
- Advisory Opinion (132)
- Ethics Complaint (35)
- Personnel Complaint (31)
- Exploring Available Options (24)
- Other (19)
- Misc Complaint (15)
- Conflict of Interest Disclosure (9)
- Whistleblower Allegation (8)
- Training Request (3)
- Retaliation Complaint (3)

Total Contacts Received: 279

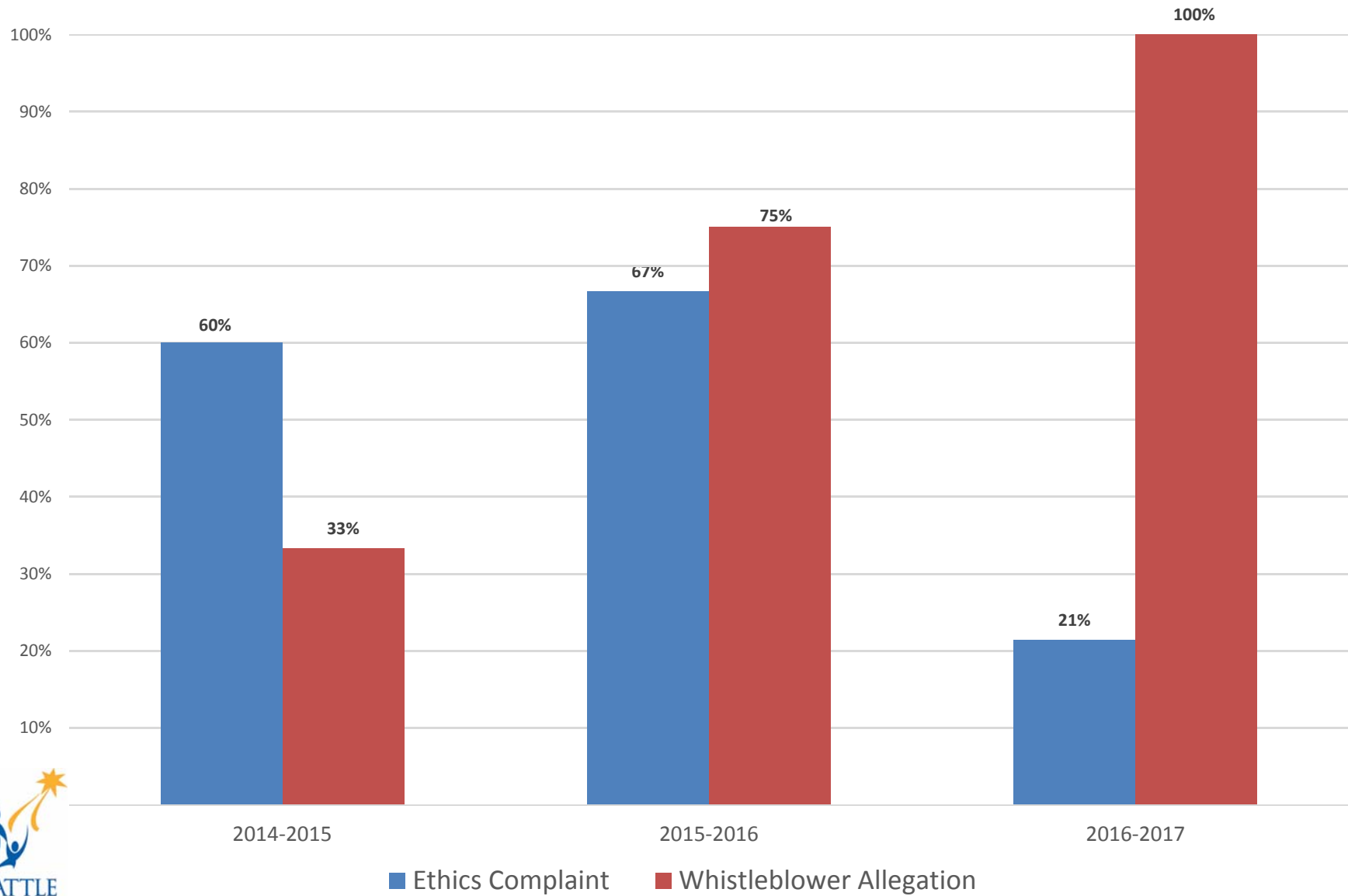
Anonymous Contacts



Anonymous Complaints



Trend of Anonymous Ethics and Whistleblower Complaints



Ethics Training

- New Employee Orientation
- Safe Schools
- Requests for Training
- QRD
- Online Reporting Form
- Media Operations Center

Discussion and Questions

- The A&F Committee has approved next year's [audit plan](#) (The plan can change and new risks can be brought forward at anytime)
- Individual audit reports are available on the [Office of Internal Audit's webpage](#)
- Internal Auditing in the [Great City Schools - White Paper](#)
- Questions/Comments