



Seattle Public Schools Office of Internal Audit

Internal Audit Follow-up Report Fairmount Park Elementary School Construction

Issue Date: June 21, 2016



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Background

On December 16, 2014, the Office of Internal Audit issued a construction audit report for Fairmount Park Elementary School. Construction audits are intended to help ensure the effective use of public dollars and provide the district with value-added recommendations to improve internal controls, mitigate risks, and increase compliance.

In accordance with the 2016 capital audit plan, we have completed a follow-up review to determine if corrective action was taken in response to the findings and recommendations in the 2014 report.

Roles and Responsibilities

District management is responsible for follow-up and corrective action to address audit findings. To fulfill this responsibility, the district has a dedicated audit response function to track the status of audit recommendations and ensure that audit issues are adequately resolved.

Audit Approach

Management responses are part of each internal audit report. These responses typically include whether management concurs with the findings as well as any action management has taken or will take to address the concerns. Some key points to consider regarding corrective action plans for the district's capital function are as follows:

- Capital works with Audit Response to implement corrective action plans.
- Some construction audit recommendations are designed to increase effectiveness or efficiencies. They represent opportunities for improvement and do not reflect errors or noncompliance.
- Some corrective action plans may take considerable time to fully implement, and some may require the effort of other departments.
- For some audit findings, management may decide to assume the risk rather than try to mitigate it. If, in the judgment of management, the benefit of corrective action does not exceed the cost, this may be a reasonable approach. However, if Internal Audit's view is that this approach would subject the district to serious risk, we would report this to the Audit & Finance Committee.

Results

We consider an issue resolved if Internal Audit's recommendation or equivalent action has been taken to address the finding. We found that corrective actions sufficient to address the findings from the 2014 Fairmount Park Construction audit have been taken.

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