

RISK ASSESSMENT UPDATE FISCAL YEAR 2015-2016

PROJECT REPORT

Audit Control Number: 16-04
April 29, 2016



Issued: June 22, 2016

**LOUISIANA DEPARTMENT OF EDUCATION
BUREAU OF INTERNAL AUDIT
Baton Rouge, LA**

NOTICE

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the Superintendent of Education, members of the Board of Elementary and Secondary Education, and other officials as appropriate or required by law. A copy of this report has been made available for public inspection in the Bureau of Internal Audit at the Louisiana State Department of Education.



LOUISIANA DEPARTMENT OF EDUCATION

June 22, 2016

Board of Elementary and Secondary Education
John White, Superintendent of Education
Louisiana Department of Education

Enclosed is our updated risk assessment of the Department's programs for fiscal year 2016-2017. This project updates our risk assessment, Project 15-02, which was published September 29, 2014 and used to develop a long-term audit plan for the Department.

The first audit to be performed using this updated risk assessment is the 21ST Century Community Learning Centers program as listed in the ranking of audit areas.

Respectfully submitted,

Dudley J. Garidel, Jr. CPA
Director of Internal Audit

DJGJr

Enclosure

Distribution:

Board of Elementary and Secondary Education (11)
John White, Superintendent of Education
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EXECUTIVE SUMMARY

This is an updated audit risk assessment for the Louisiana Department of Education (LDE) for the fiscal years beginning in 2014-15 through 2018-19. The original risk assessment, Project 15-02, was submitted to the Board of Elementary and Secondary Education October 15, 2014.

The objective of assessing risk exposure is to identify those areas considered essential to LDE operations when developing an audit plan and reasonably ensuring activities with the greatest risk are audited. The risk assessment strengthens the audit planning and scheduling process; however, it is not intended to replace professional judgment, but, rather, to supplement it.

This risk assessment is based on the following factors:

1. Financial Analysis
2. Public Disclosure Implications
3. Date of Previous Audit

Certain programs which have ended since the original risk assessment was prepared have been removed from this update. Two examples of such are the Virtual School and Hurricane Educator Assistance programs.

The next audit to be performed based on this updated risk assessment is the 21ST Century Community Learning Centers program.

DESCRIPTION of RISK FACTORS

Financial Analysis

This represents the amount of funds flowing through an entity, department, or division, and the related accounts. This evaluation includes the actual annual budget and/or the amount of federal funds received. It also considers the possible impact a diversion or misapplication of funds may have on the Department.

Public Disclosure Implications

The potential public relations impact if an error is made or if confidential, sensitive information is made public. The types of issues addressed include formal policy, confidentiality of information, and external factors such as reporting requirements, political changes, and regulations.

Date of Previous Audit

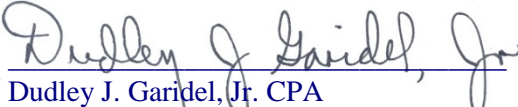
The length of time since the program was last audited. Risk increases in direct relation to the increase in time since the last audit.

Program Risk Assessment Audit Ranking

21st Century Community Learning Centers	28,109,309.00
Education Excellence	13,990,861.00
Teacher Incentive Fund	11,687,350.00
Secondary Vocational Education	9,418,903.00
Nonpublic Early Childhood Development Program	7,184,800.00
Rural Education Achievement Program	6,608,207.00
Professional Improvement Program	4,379,312.00
Jobs for America's Graduates, TANF	3,950,000.00
Special Education Extended School Year Program	3,033,140.00
Language Acquisition Grant	2,944,412.00
Math and Science Partnerships	2,840,731.00
Migrant Education	2,213,224.00
Education for Homeless Children & Youth Grants	1,123,610.00
School Choice Program	787,661.00
Advanced Placement Fee Program	63,000.00
8(g) – Statewide Allocation	1,888,840.00
Title I School Improvement	12,933,045.00
School Improvement Grants, 1003g	10,341,377.00
Child & Adult Food and Nutrition	85,734,146.00
IDEA Part B	188,452,008.00
IDEA Preschool	7,360,712.00
School Food and Nutrition Program	273,575,237.00
Title I Grants to Local Educational Agencies	304,097,103.00
Minimum Foundation Program (MFP)	3,510,142,422.00
Title II, Part A	\$65,991,760.00
The Cecil J. Picard LA4 Early Childhood Program	39,621,219.00
The Cecil J. Picard LA4 Early Childhood Program, TANF	34,956,588.00

This risk assessment was conducted in accordance with policies and procedures of the Bureau of Internal Audit.

By provisions of state law this report is a public document. In accordance with state law it has been distributed to appropriate public officials.


Dudley J. Garidel, Jr. CPA
Director of Internal Audit