



**OBM** | Office of Internal Audit

# OBM Office of Internal Audit

## Fiscal Year 2018 Annual Audit Plan

*July 1, 2017 – June 30, 2018*

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## Mission Statement

The OBM Office of Internal Audit (OIA) will provide independent, objective assurance and consulting activities designed to improve operations of state agencies obtaining OIA services. OIA will help these state agencies accomplish their objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

## Introduction

OIA performed an audit prioritization of 27 state agencies' (as required by Ohio Revised Code section 126.47) risk environment in order to develop the audit plan for fiscal year 2018. Development of the assessment was based on various risk factors to the organization, as well as interviews with various members of management and other stakeholders. Section 126.45 (A) requires OIA to conduct audits at 26 agencies; other state agencies, such as the Department of Education, may request this service per Section 126.45(D). As such, other agencies could be added throughout the year.

The goal of the audit prioritization and audit plan is to facilitate a process of continuous improvement in both business processes and internal controls throughout the organization with the ultimate goal of improving services to Ohio's constituency.

## Purpose

The purpose of internal audit is to provide an independent assessment of the adequacy of internal controls throughout the organization. The Institute of Internal Auditors (IIA) provides the following definition of internal auditing:

*"Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes."*

The role of internal auditing includes the following activities:

- Evaluating and improving the adequacy and effectiveness of risk management, control, and governance processes;
  - Evaluating the management process to determine whether reasonable assurance exists that management objectives and operational goals are achieved; and
  - Providing process and managerial consulting to improve risk management, control and governance processes.
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## FY 2018 Audit Prioritization Process

### **Risk Assessment Methodology**

In developing the audit plan, OIA performed a risk analysis for the 27 state agencies in OIA's planned oversight utilizing seven risk factors. The objective of the risk assessment is to ensure optimized assignment of audit resources through an understanding of the audit universe and the risks associated with each universe item.

The OBM Office of Internal Audit recognizes that most state agencies are at an informal stage of enterprise risk management. OIA plans to engage agency management on enterprise risk and lead them to a maturity level where they can independently assess their enterprise risk management processes over time. In the current audit plan, we obtained agency input for two of the seven risk factors (changes in systems, processes, and people, and stakeholder concerns).

The audit prioritization process included the following activities:

- Planning the assessment and identifying the audit universe
- Conducting the risk assessment with agency management
- Internal analysis of the results
- Discuss draft heat map and planned audit areas with agency management.

### **Audit Universe**

Each agency audit universe has multiple categories depending upon the state agency. The primary source for determining the categories is the biennial budget bill which identifies significant agency processes and functions. A secondary source is collaboration with state agency management.

Enterprise risks are not presented separately since the State has one agency that provides services for central support functions which typically are part of each agency audit universe. The central support functions applicable to the state agencies under OIA's purview include human resources, general services, IT enterprise applications, IT infrastructure services and IT security and privacy (Department of Administrative Services) and budget development, debt management, accounting operations, financial reporting and shared services (Office of Budget and Management).

### **Risk Factors**

The seven risk factors utilized for the assessment were developed using IIA guidance and historical knowledge of state government, as well as best practices in internal auditing. Each risk factor was scored based on likelihood of the risk and the measure of consequence of the event. The overall goal of the risk scoring approach is to ensure OIA audits high and moderate risk areas routinely with the consideration of work

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performed by other auditors.

Once the various risk factors were rated, they were weighted in order to arrive at a composite risk score for each area, which was used to determine areas to prioritize for the fiscal year 2018 audit plan.

The seven risk factors and assigned weighting are as follows:

<b>Risk Factors</b>	<b>Weight</b>	<b>Description</b>
Control Design and Effectiveness	25%	The assessed reliability of the internal control system is important in judging the likelihood of errors in the system.
Materiality	25%	This factor focuses on the financial size, complexity, or sensitive nature of auditable areas.
Changes: System, Process, and People	15%	A dynamic environmental change, in terms of systems/processes/people, increases the probability of efficiencies as well as errors occurring. <i>(Agency input obtained)</i>
Stakeholder Concerns/ Reputational Risk	10%	Management or other stakeholder concerns can influence the priority of an auditable area and could take priority over other risk factors in some cases. The reputation of an agency can be impacted by failures in certain sensitive processes. <i>(Agency input obtained)</i>
Impact of Fraud, Waste, and Abuse	10%	The impact of illegal acts or wasteful spending can result in a heightened consequence with public funds regardless of the dollar amount.
Prior Audits	10%	The recency of prior audits (OIA, Auditor of State, State Inspector General, actuaries, etc.) may more accurately predict the likelihood of future outcomes.
Financial/Operational Reporting	5%	Accuracy of reported financial activity is magnified through anticipated use by outside parties.



## Preliminary Audit Scope

The state agency heat maps in Appendix A identify the audit priorities and preliminary scope for the 27 agencies based upon the seven risk factors. The audit universe categories are identified on a graph based upon likelihood and impact. The likelihood is the measure of the probability of an unfavorable event occurring while impact is the measure of the consequence of an unfavorable event occurring at the agency. Those areas in the upper right side corner of the heat map (red boxes) represent higher audit priorities while those in the lower left side corner (green boxes) represent lower audit priorities.

Based upon discussions with the Auditor of State (AOS), we have identified those areas planned for audit by the AOS in fiscal year 2018. There are some areas planned for audit by both OIA and AOS while some areas are not planned by either audit group.

For the Bureau of Workers' Compensation (BWC) and Ohio Lottery Commission (OLC), OIA plans to leverage the audit work completed by the BWC and OLC internal audit teams. In order for OIA to rely upon this work, OIA will perform the following:

- Review the independence and objectivity of the BWC and OLC internal audit teams.
- Assess the competencies and qualifications of the BWC and OLC audit teams by verifying the professional experience, qualifications, and professional certifications of the audit teams.
- Ensure the work performed by the BWC and OLC audit teams are appropriately planned, supervised, documented, and reviewed. Additionally, OIA will consider whether the audit evidence is sufficient to determine the extent of use and reliance on the work.
- Determine that audit significant observations have been communicated to the BWC Board of Directors' Audit Committee and OLC Audit Committee. Additionally, evaluate the follow-up procedures by the BWC and OLC audit teams to determine whether management has implemented the recommendations or assumed the risk of not implementing them.
- At least annually, OIA's Chief of Quality Assurance will provide the State Audit Committee with an assessment on the reliance of BWC and OLC's internal audit functions.



**Audit Priorities and Resources**

Based upon the audit prioritization process, OIA identifies audit areas with a focus on rotational audit coverage to include:

- High risk areas – every one to two years;
- Moderate risk areas - every three to four years; and
- Low risk areas - periodically, as appropriate

To complete the financial and information technology engagements in this plan, OIA estimates approximately 34,924 audit hours (21,670 financial, 12,504 IT and 750 Integrated) will be necessary. The chart below depicts that OIA has the appropriate mix of financial and IT audit staff to complete 92% of the planned engagements for fiscal year 2018.

	OIA Employees (total hours/24 auditors)	% Total
Annual Audit Hours Available/Employee	2,080	100%
Less: Holiday Hours	(80)	(4%)
Less: Leave Hours (vacation, personal, sick, adoption/childbirth)	(225)	(11%)
Less: Training (internal/external)	(50)	(2%)
Less: Administrative time [non-bill (payroll, email, supervision), breaks (union employees)]	(300)	(14%)
Less: Staff Replacement/Turnover (est. 3/yr.)	(60)	(3%)
Budgeted Hours/Employee	1,365	66%
x 24 employees	x 24	
Estimated Audit Hours before Remediation	32,760	
Less: Estimated Remediation Hours for Prior Year Projects	(500)	
Total estimated audit hours available	<b>32,260</b>	
Total estimated plan hours	<b>34,924</b>	
Estimated resources available to complete plan	<b>92%</b>	



## Planned Engagements

The following schedule represents planned audit areas based on an evaluation of agency audit priorities from heat maps and discussions with agency management.

OIA may revise audit areas and schedules of the annual plan. Based on anticipated changes in agency risk profiles, unplanned audits, and OIA staff changes, OIA will add audit areas that can be completed within OIA’s budget and add value to operational processes. Also, OIA will perform validation testing to ensure management has taken appropriate corrective action on previously reported audit observations.

The OIA level of effort included in the audit areas is as follows:

- Small – less than 300 audit hours
- Medium – between 300 and 500 audit hours
- Large – between 500 and 800 audit hours
- Extra Large – greater than 800 audit hours

The planned audit areas for fiscal year 2018 are included below:

#	Agency	Audit Area	Level of Effort	Description of Audit Scope
1	ADJ	Armory Board Funds	Medium	Assurance: Review agency controls over the armory board funds
2	DAS	General Services	Medium	Consulting: Assess the agency’s processes over fleet management
3	DAS	General Services	Medium	Consulting: Assess the agency’s processes over commercial printing
4	DAS	IT Infrastructure Services	Medium	Assurance: Review agency IT system controls over network perimeter security
5	DAS	IT Infrastructure Services	Medium	Consulting: Assess the agency’s costs and efficiencies with mobile communications vendor
6	DAS	IT Infrastructure Services	Medium	Consulting: Assess the agency’s process over the Centrex/VOIP transition
7	DAS	IT Infrastructure Services	Medium	Consulting: Assess the agency’s processes over the state network circuits
8	DAS	IT Enterprise Applications/Online Svcs	Medium	Assurance: Review IT general controls over Enterprise application





#	Agency	Audit Area	Level of Effort	Description of Audit Scope
9	AGE	Other Federal Grants	Medium	Assurance: Review agency controls over the Board of Executives of Long-Term Services and Supports' (BELTSS) licensing process and requirements
10	AGR	Animal Health	Medium	Assurance: Review agency controls over the livestock permitting process
11	AGR	Soil & Water and IT Operations	Medium	Assurance: Review agency IT general controls over the new Soil & Water computer system
12	OBM	Administration and Accounting Operations	Medium	Consulting: Assist the agency with developing a succession plan
13	OBM	Debt Management	Medium	Assurance: Review agency controls and compliance with debt management
14	COM	Division of Financial Institutions	Medium	Assurance: Review agency controls over consumer finance
15	COM	Industrial Compliance	Medium	Assurance: Review agency controls over the Board of Building Standards' Industrialized Unit program
16	COM	Real Estate	Small	Consulting: Assess agency controls within the real estate operating division
17	COM	IT Operations	Medium	Consulting: Assess agency controls over vendor management
18	DDD	Community Medicaid and Developmental Centers	Medium	Assurance: Review agency controls over the Medicaid direct billing process
19	DDD	Community Medicaid, IT Operations	Medium	Assurance: Review agency system controls over Medicaid processes (integrated audit)
20	DDD	IT Operations	Medium	Consulting: Assess agency controls over secure coding practices
21	DSA	Tourism	Small	Consulting: Assess agency controls over the tourism program (continued from FY 17)
22	DSA	Financial Incentives - Grants	Medium	Assurance: Review agency controls over the road work development program



#	Agency	Audit Area	Level of Effort	Description of Audit Scope
23	DSA	Financial Incentives – Tax Credits	Medium	Assurance: Review agency monitoring controls over the tax credit programs
24	DSA	State Grants – Business Services Division	Medium	Assurance: Review agency controls over the small business administration grants program
25	ODE	Curriculum & Assessment	Extra Large	Consulting: Assist the agency with developing a risk management tool
26	ODE	Teaching Profession	Medium	Assurance: Review agency controls over teaching licensure
27	ODE	Student Support & Educational Options	Large	Consulting: Assist the agency with developing a succession plan
28	EPA	Materials and Waste Management	Medium	Consulting: Evaluate the agency's Emergency and Remedial Response annual work plan for efficiencies
29	ODH	Health Assurance and Licensing	Medium	Assurance: Review agency controls over the radiation protection program
30	ODH	Other Program Areas	Medium	Assurance: Review agency controls over the Immunization billable model
31	ODH	IT Operations	Small	Consulting: Assess the agency's IT processes over Social Media
32	DHE	Federal Scholarship and Grants program	Medium	Assurance: Review agency controls over the GEAR-UP program
33	DHE	State Scholarship, Grant & Loan Programs	Small	Assurance: Review agency controls over the national guard scholarship program
34	DHE	State Share of Instruction	Medium	Assurance: Review agency monitoring controls over state share of instruction program
35	ODI	IT Operations	Medium	Assurance: Review agency IT controls over policies on disposing, servicing, and transferring of IT equipment



#	Agency	Audit Area	Level of Effort	Description of Audit Scope
36	JFS	Workforce Investment Act and Unemployment Insurance	Large	Consulting: Assess agency process and controls over the Reemployment Services and Eligibility Assessments (RESEA)
37	JFS	Food Assistance	Medium	Assurance: Review agency controls over the family assistance FNS county certification of costs process
38	JFS	IT Operations and Adoption/Foster Care	Extra Large	Assurance: Review agency processes for the SACWIS Security Review (NDNH)
39	JFS	IT Operations and Workforce Investment Act, Unemployment Insurance and Adoption/Foster Care	Large	Assurance: Review agency IT General Controls over ERIC and SACWIS
40	JFS	IT Operations	Medium	Consulting: Assess agency controls over IT Procurement System
41	JFS	IT Operations, Temporary Assistance for Needy Families, Child Care, Child Support, Food Assistance, and Adoption/Foster Care	Extra Large	Assurance: Review agency processes for the Death Master File Attestation Engagement
42	OLC	Administration	Medium	Consulting: Assist the agency with developing a succession plan
43	OLC	Prize Payments	Medium	Assurance: Review agency controls over the Cash Explosion overrides and non-traditional prize payments process
44	OLC	IT Operations	Medium	Assurance: Review agency IT processes over a Disaster Recovery Plan
45	OLC	Assurance Review	Small	Assurance: Perform review of Lottery's Internal Audit's process, including audit plan, working papers, reports, and other items to support OIA audit reliance
46	ODM	Administration and IT Operations	Small	Consulting: Evaluate data inputs, outputs and accuracy for vendor file distribution between MITS and OAKS (continued from FY17)
47	ODM	Unified Medicaid – Sister Agencies	Medium	Assurance: Review agency processes and controls for sister agencies and inter-agency agreements



#	Agency	Audit Area	Level of Effort	Description of Audit Scope
48	ODM	Program Integrity, Fee for Service Claims, and Managed Care	Medium	Consulting: Assist agency with monitoring procedures over Medicaid enrollment
49	ODM	Fee for Service Claims	Medium	Assurance: Review agency processes and controls for institutional claims, payments, and franchise fees
50	ODM	Administration	Medium	Assurance: Review agency controls over collections and accounts receivable processes
51	ODM	IT Operations	Medium	Consulting: Assist in assessing the agency's IT operating processes, including overall organization, IT systems and data security processes
52	MHA	Central Administration	Medium	Consulting: Assess agency controls over the Medicare cost reports review process
53	MHA	ADAMH Board Monitoring	Medium	Assurance: Review agency controls over the county board reports review process
54	MHA	Community & Recovery Services	Medium	Assurance: Review agency controls over the adult care facilities licensing process
55	DNR	Mineral Resources Management	Medium	Assurance: Review agency controls over mineral resources management's coal severance revenue collections
56	DNR	Coastal	Medium	Assurance: Review agency controls over the Salt Revenue
57	DNR	Administration	Medium	Assurance: Review agency controls and compliance with the capital improvements program
58	OOD	Business Enterprise	Medium	Assurance: Review agency controls over the Business Enterprise operator revenue process
59	OOD	Business Enterprise	Medium	Consulting: Assess the agency's Business Enterprise operations
60	OOD	Disability Determination	Medium	Assurance: Review agency controls and evaluate compliance for the Social Security Disability Income program



#	Agency	Audit Area	Level of Effort	Description of Audit Scope
61	DPS	Criminal Justice Services	Medium	Assurance: Review agency controls over the criminal justice subrecipient monitoring process
62	DPS	State Highway Patrol	Medium	Assurance: Review agency controls over the State Highway Patrol salvage inspection process
63	DPS	IT Operations and Emergency Medical Services	Large	Consulting: Assess agency controls over IT vendor management for the emergency medical services system
64	DPS	IT Operations	Large	Consulting: Assess the agency IT operations and IT projects for the individual divisions and across the agency
65	PUC	Utility Regulation	Medium	Assurance: Review agency controls over utility regulation
66	PUC	Utility Regulation	Small	Consulting: Assess the agency's process over customer complaints
67	DRC	Parole and Community Operations	Medium	Assurance: Review agency controls over the parole and community operation's asset management
68	DRC	Institution Medical Services	Medium	Assurance: Review agency controls over the office of correction healthcare's processes for hospital repricing, review, and payment
69	TAX	Personal Income Tax and Commercial Activity Tax	Medium	Assurance: Review agency controls over the tax credit abatement process
70	TAX	Commercial Activity Tax and IT Operations	Medium	Assurance: Review the agency IT system controls over the commercial activity tax returns entry into STARS
71	TAX	Excise and Other Taxes and IT Operations	Medium	Assurance: Review the agency IT system controls over the cigarette tax returns entry into STARS
72	TAX	IT Operations	Small	Consulting: Assess controls, service level agreements and exit strategies over cloud storage



#	Agency	Audit Area	Level of Effort	Description of Audit Scope
73	DOT	Highway Construction – Infrastructure Bank	Medium	Assurance: Review agency controls over the state infrastructure bank process
74	DOT	Transportation Planning and Research	Medium	Assurance: Review the Division of Planning’s controls over the review and approval processes of invoices and contracts
75	DOT	Administration, District Operations, and IT Operations	Medium	Assurance: Review agency controls over the EIMS system (integrated audit)
76	DOT	IT Operations	Large	Assurance: Review agency IT general controls
77	DOT	Administration	Medium	Assurance: Review controls over the agency’s third party inventory vendor <i>**FY 17 carryover</i>
78	DOT	Highway Construction – Local Managed	Large	Assurance: Evaluate consistency and adequacy of controls over local managed contracts <i>**FY 17 carryover</i>
79	DOT	IT Operations	Small	Consulting: Assess agency controls over IT vendor management <i>**FY 17 carryover</i>
80	DOT	IT Operations/ IT Security Controls	Large	Assurance: IT general controls for internal mainframe systems <i>**FY 17 carryover</i>
81	DOT	Administration	Small	Assurance: Through the utilization of automation, assess payment card anomalies <i>**FY 17 carryover</i>
82	DOT	Administration	Small	Assurance: Review agency controls over contract management <i>**FY 16 carryover</i>
83	DOT	Administration	Small	Assurance: Review and evaluate agency controls over voyager card/fleet <i>**FY 16 carryover</i>
84	DVS	Georgetown Veterans Facility – Non payroll	Medium	Assurance: Review agency controls over the asset management process

*\*\* Regarding carry-over projects for Department of Transportation, these projects were completed but not able to be approved by the State Audit Committee due to a lack of quorum.*



#	Agency	Audit Area	Level of Effort	Description of Audit Scope
85	BWC	IT Security Controls	Medium	Assurance: Review agency IT detection controls over cybersecurity
86	BWC	IT Security Controls	Medium	Assurance: Review agency IT response controls over cybersecurity
87	BWC	IT Operations	Medium	Consulting: Assess agency IT controls over the SOCC migration
88	BWC	IT Operations	Medium	Assurance: Review agency IT controls over Business Continuity Management
89	BWC	IT Operations/Revenues: Fees and Assessments	Medium	Assurance: Review agency IT controls over the receipt of credit card payments from individuals
90	BWC	Assurance Review	Small	Assurance: Perform review of BWC's Internal Audit's process, including audit plan, working papers, reports, and other items to support OIA audit reliance
91	DYS	Court, County, & Community Subsidies and County Operated Community Correctional Facilities	Medium	Assurance: Review agency controls over the RECLAIM program monitoring
92	DYS	IT Operations	Medium	Assurance: Review agency IT controls over IT governance

Each state agency is provided a memorandum of understanding (MOU) at the beginning of the fiscal year which identifies OIA's planned scope, audit fees, and other general provisions. The MOU will include an area for remediation to reflect OIA's follow-up procedures on the agency's previously issued observations. In addition, OIA may perform additional audit areas if time allows.



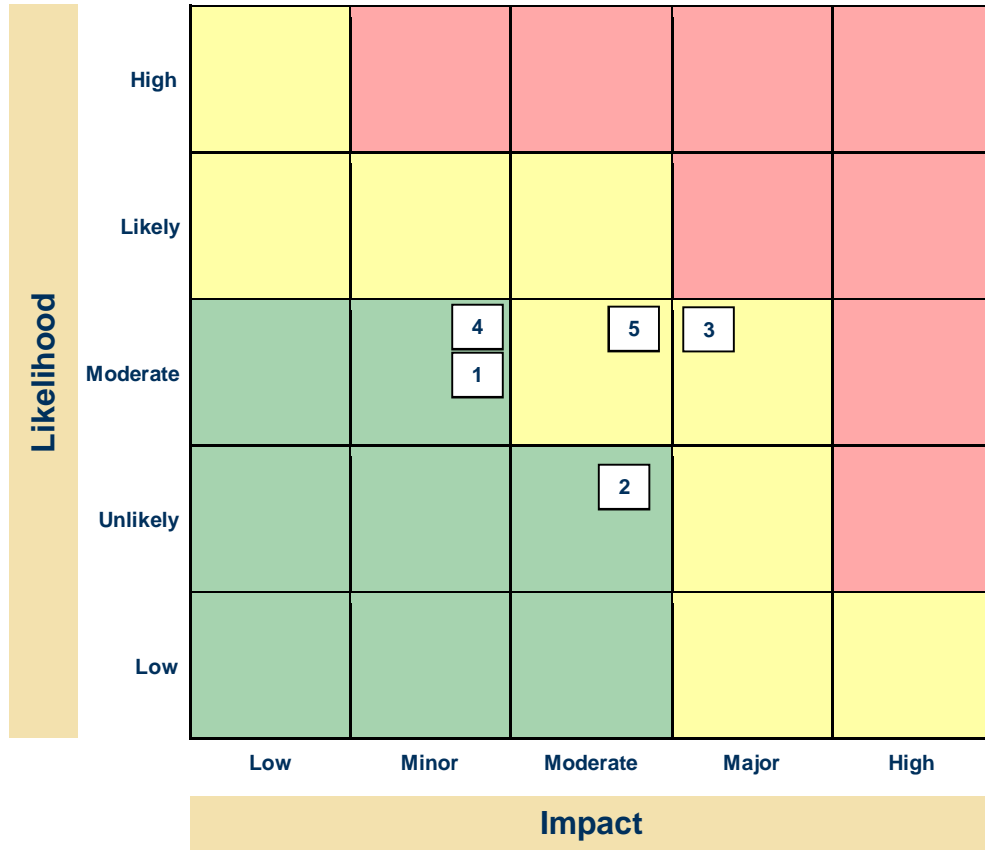
# Appendix A

## Agency Risk Heat Maps





**ADJUTANT GENERAL  
FISCAL YEAR 2018 AUDIT PRIORITIES**

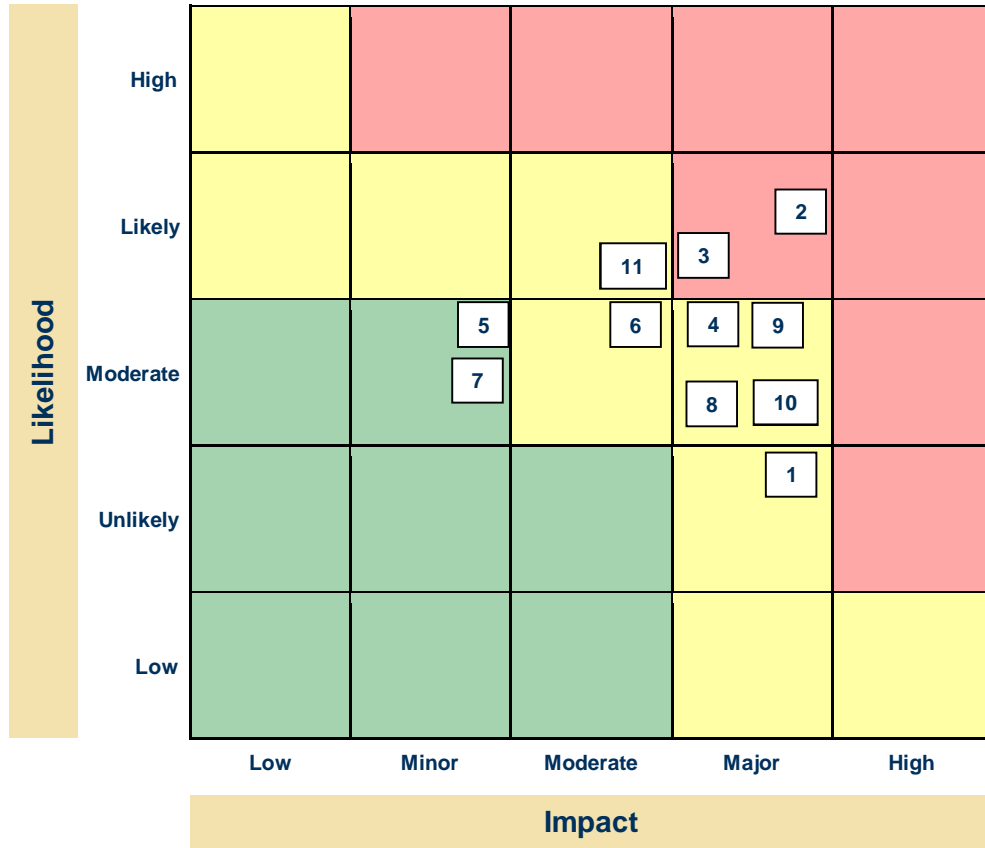


No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Billeting and Event Facilities	ü	ü		
2	Central Administration	ü	ü	AOS	AOS
3	National Guard	ü			OIA
4	Property and Fleet Management		ü		
5	Armory Board Funds			OIA	

Note: All IT systems and networks at ADJ are owned and managed by the federal government; therefore, the IT systems are not under OIA oversight.



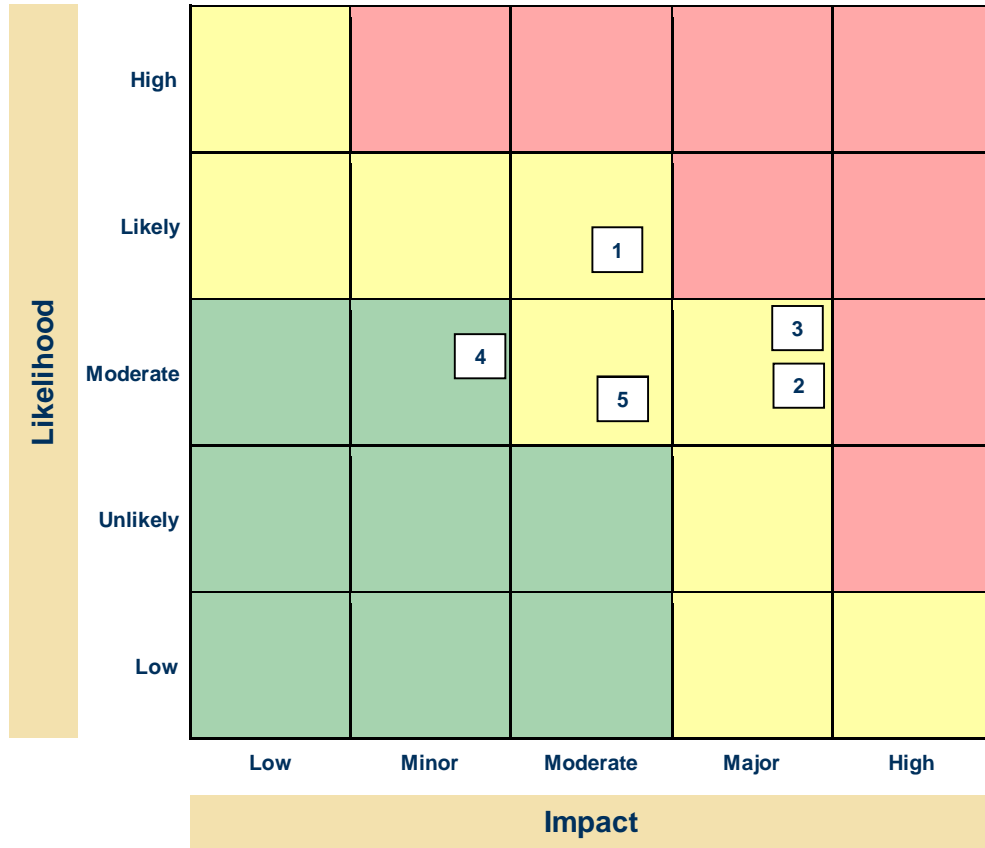
**DEPARTMENT OF ADMINISTRATIVE SERVICES  
FISCAL YEAR 2018 AUDIT PRIORITIES**



No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Human Resources	ü	ü		
2	IT Enterprise Application/Online Srvcs	ü	ü	OIA/AOS	AOS
3	General Services	ü	ü	OIA	
4	IT Infrastructure Services	ü	ü	OIA	
5	Central Services Agency	ü	ü	AOS	AOS
6	State Employee Support & Compliance				OIA
7	Finance Administration	ü	ü		
8	SWCAP	ü	ü	AOS	AOS
9	IT Security & Privacy (enterprise-wide)	ü	ü	AOS	AOS
10	OIT Enterprise Management				OIA
11	IT Operations (DAS only)	ü	ü		OIA



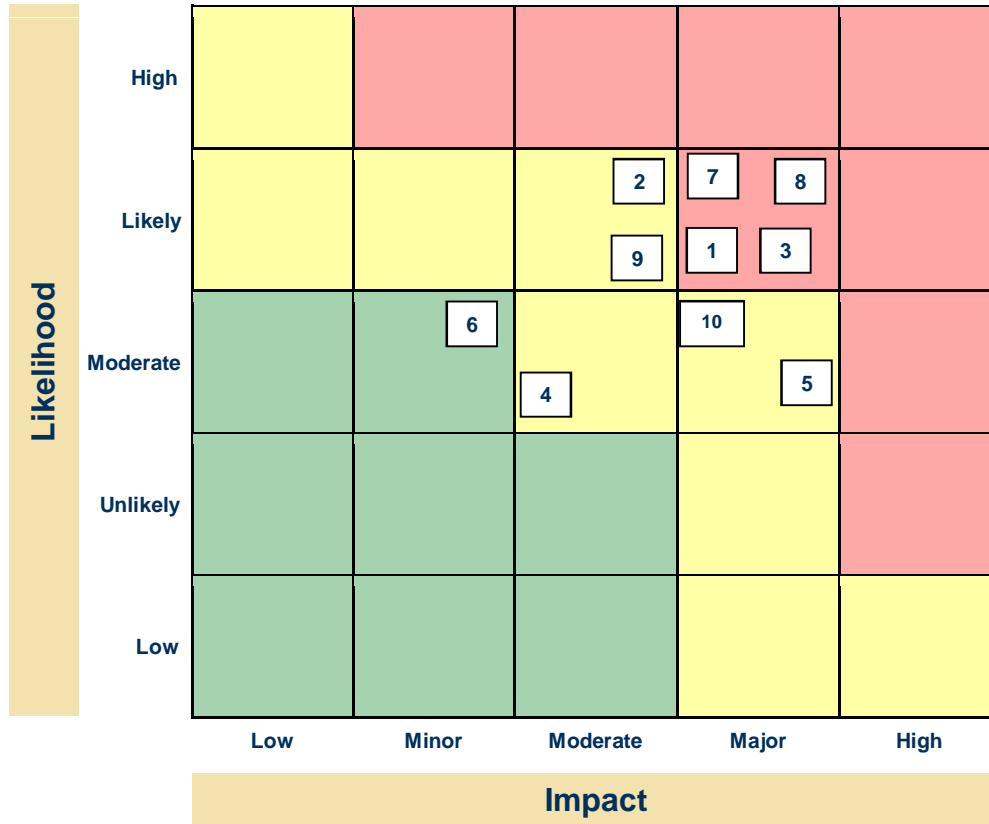
**DEPARTMENT OF AGING  
FISCAL YEAR 2018 AUDIT PRIORITIES**



No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Passport Medicaid Waiver				OIA
2	Other Federal Grants	ü		OIA	
3	Aging Cluster	ü			AOS
4	Administration	ü	ü	AOS	AOS
5	IT Operations	ü	ü		OIA



**DEPARTMENT OF AGRICULTURE  
FISCAL YEAR 2018 AUDIT PRIORITIES**

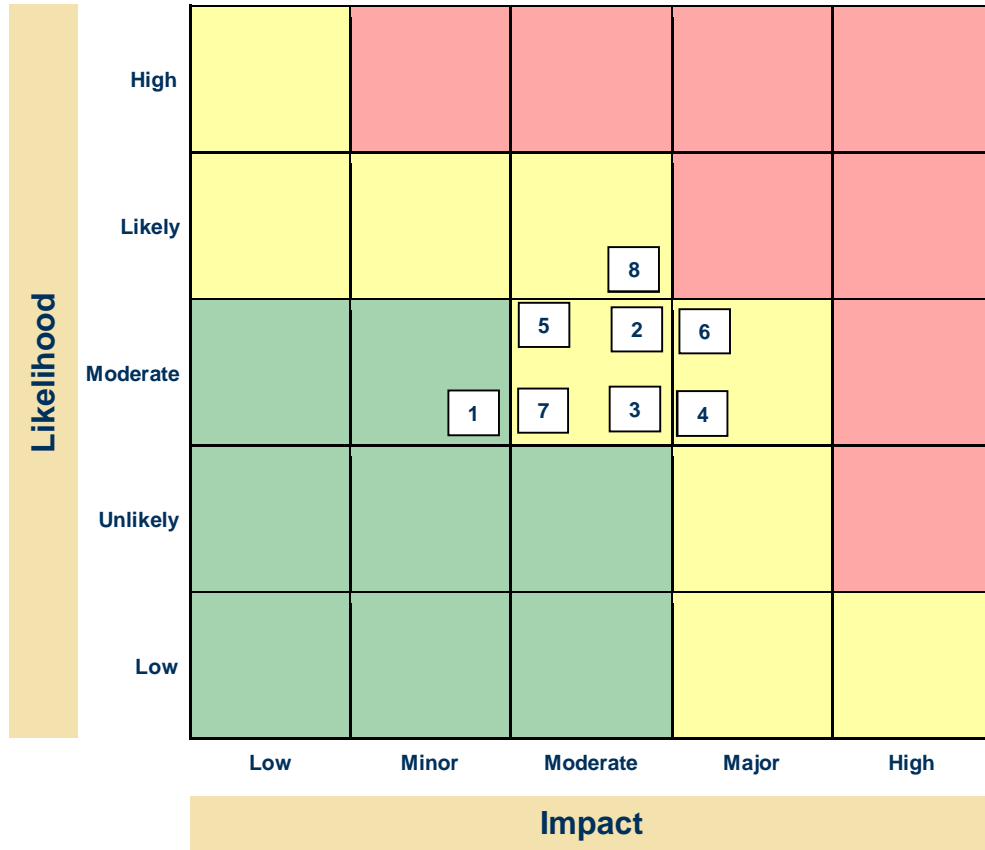


No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Animal Health			OIA	
2	Food Safety	ü			
3	Meat Inspection				OIA
4	Administration	ü	ü	AOS	AOS
5	Plants and Pesticides		ü		
6	Amusement Ride Safety				
7	Consumer Protection Labs	ü			OIA
8	Soil & Water			OIA	
9	Dairy				OIA
10	IT Operations	ü	ü	OIA	

Note: The Auditor of State performs a general revenue audit each year.



**OFFICE OF BUDGET AND MANAGEMENT  
FISCAL YEAR 2018 AUDIT PRIORITIES**

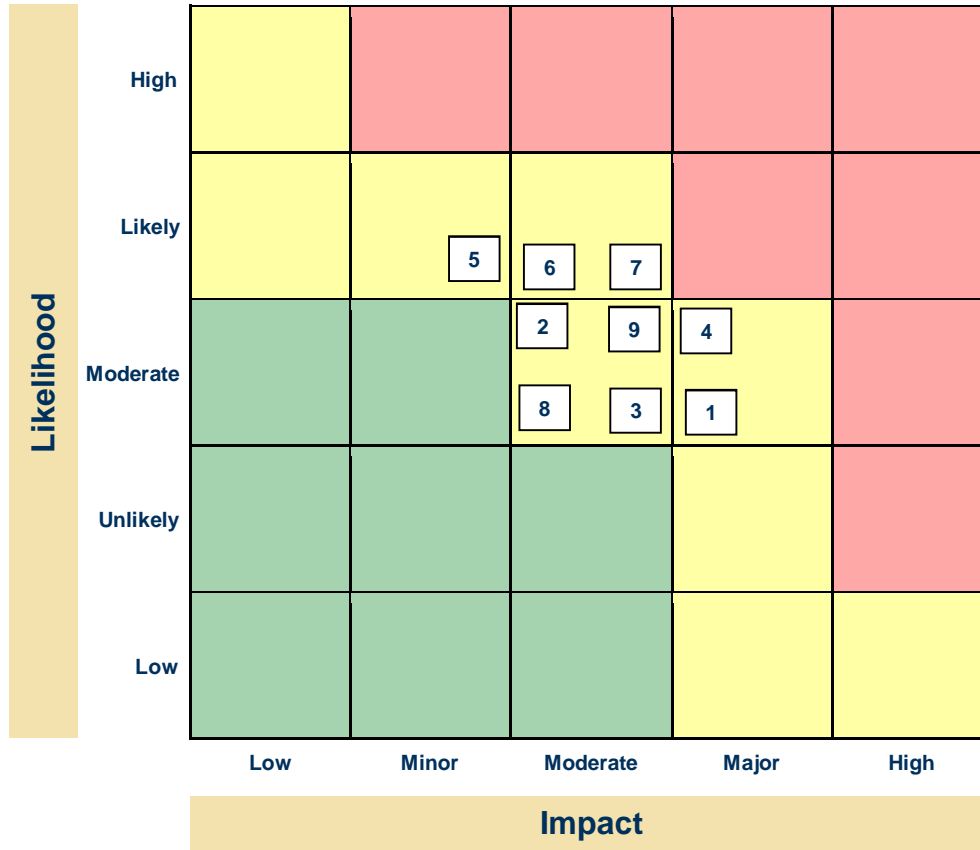


No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Administration		Ü	OIA	AOS
2	Shared Services		Ü		OIA
3	Accounting Operations	Ü	Ü	OIA	
4	Budget Development	Ü			
5	Financial Reporting	Ü	Ü	AOS	AOS
6	Debt Management	Ü		OIA	
7	Controlling Board		Ü		AOS
8	IT Operations	Ü	Ü		OIA

Note: The Auditor of State performs a financial statement audit each year.



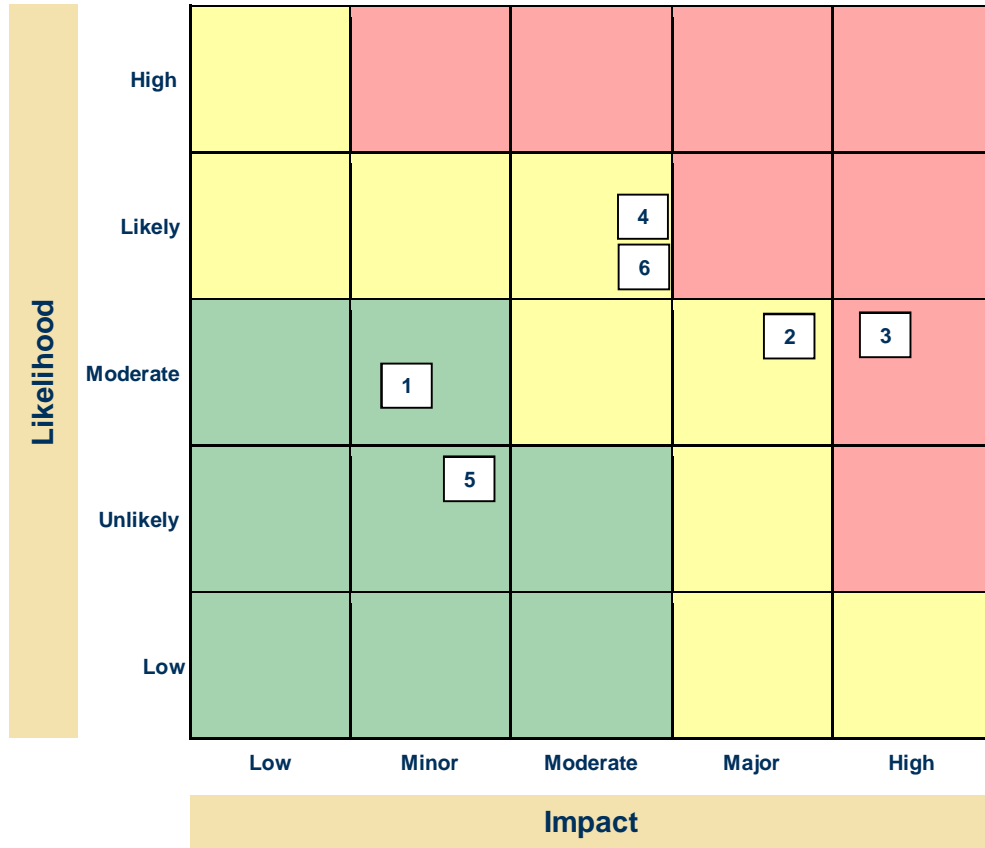
**DEPARTMENT OF COMMERCE  
FISCAL YEAR 2018 AUDIT PRIORITIES**



No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Unclaimed Funds	ü	ü		
2	Division of Financial Institutions			OIA	
3	State Fire Marshal	ü	ü		
4	Real Estate			OIA	
5	Securities				OIA
6	Industrial Compliance			OIA	
7	Liquor Control	ü	ü		
8	Administration	ü	ü	AOS	AOS
9	IT Operations		ü	OIA	



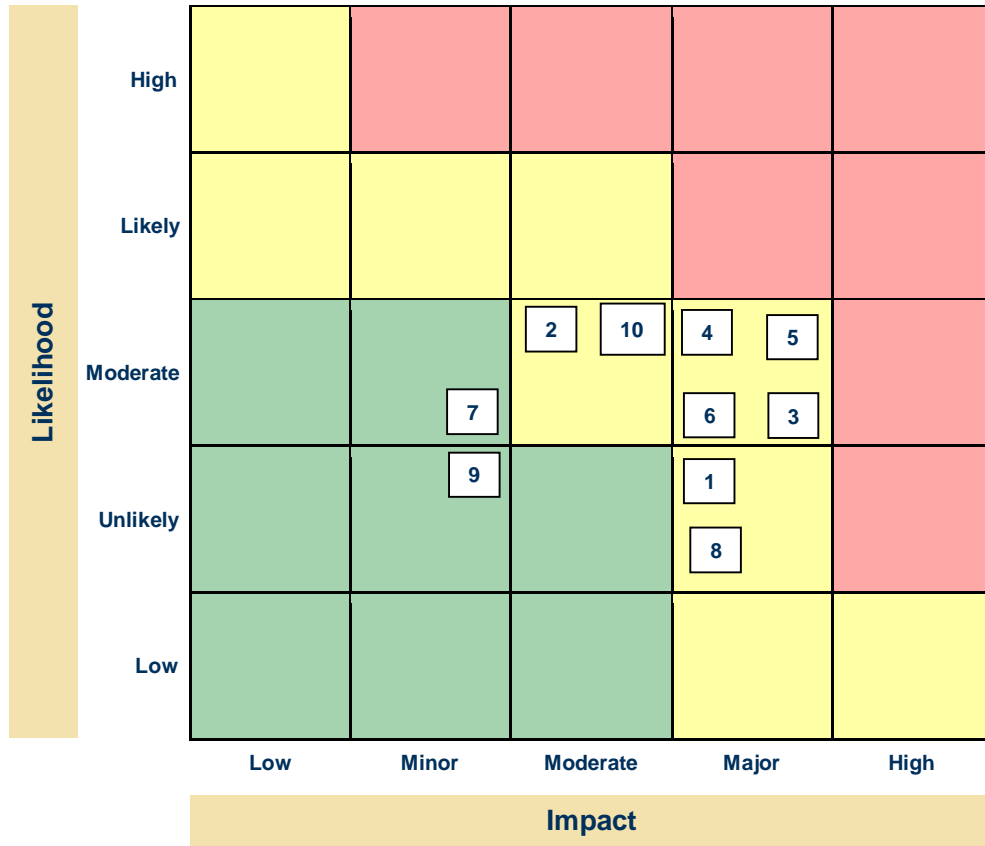
**DEPARTMENT OF DEVELOPMENTAL DISABILITIES  
FISCAL YEAR 2018 AUDIT PRIORITIES**



No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	DD Council (DODD is fiscal agent)				
2	Community Social Service Programs	ü	ü		OIA
3	Community Medicaid	ü	ü	OIA	
4	Developmental Centers	ü		OIA	
5	Central Administration	ü	ü	AOS	AOS
6	IT Operations	ü	ü	OIA	



**DEVELOPMENT SERVICES AGENCY  
FISCAL YEAR 2018 AUDIT PRIORITIES**

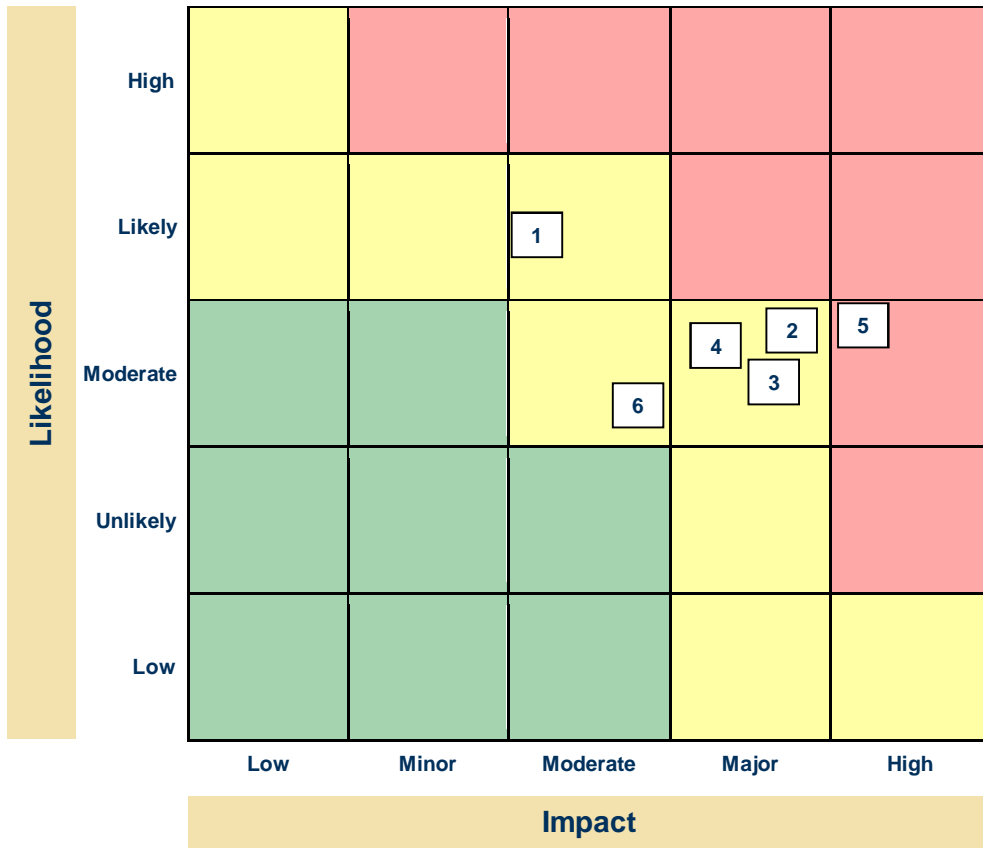


No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	State Grants/Community Svc Division	ü	ü		
2	State Grants/Business Svcs Division			OIA	
3	Financial Incentives-Grants	ü	ü	OIA	
4	Financial Incentives-Loans	ü	ü		OIA
5	Financial Incentives-Tax Credits	ü	ü	OIA	
6	Federal Programs-Community Srvcs Div	ü	ü		
7	Tourism Ohio		ü	OIA	
8	Office of Loan Administration	ü	ü	AOS	AOS
9	Administration	ü	ü	AOS	AOS
10	IT Operations		ü		OIA





**DEPARTMENT OF EDUCATION  
FISCAL YEAR 2018 AUDIT PRIORITIES**

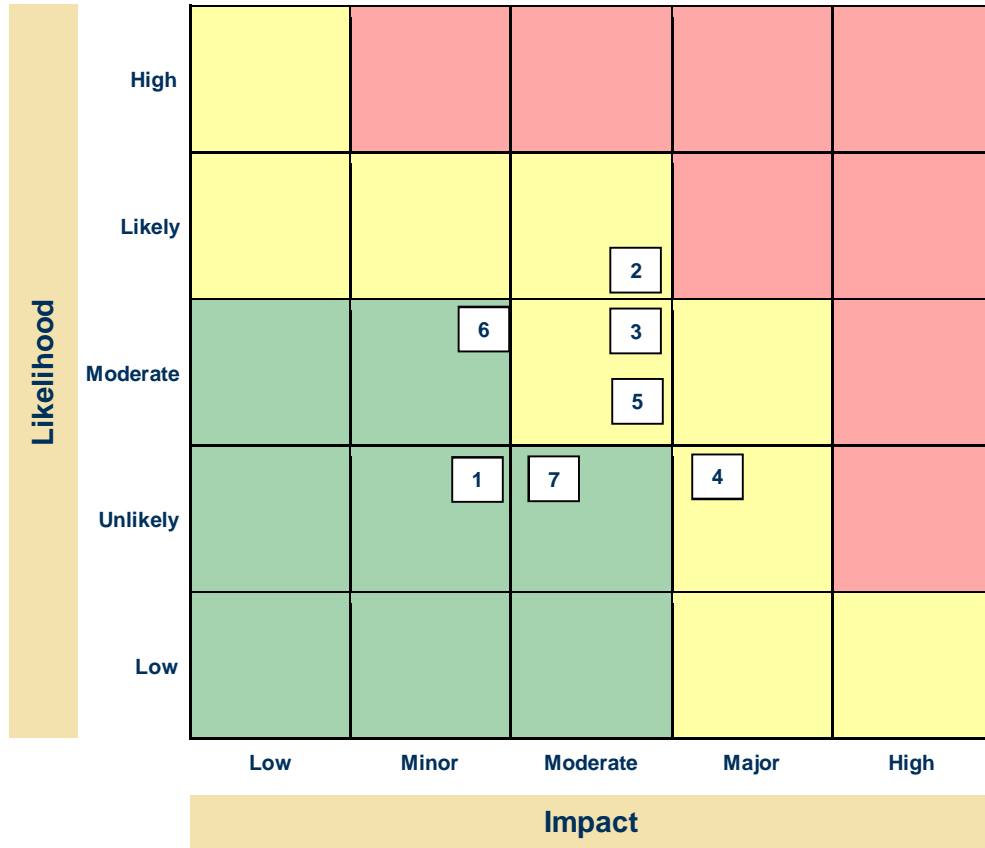


No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016*	2017	2018	2019
1	Curriculum & Assessment			OIA	
2	Student Support & Education Options	ü	ü	OIA	OIA
3	Accountability & Contin. Improvement	ü	ü		
4	Teaching Profession			OIA	
5	School Funding	ü	ü	AOS	AOS
6	Operations	ü	ü	AOS	AOS

\*Volunteered for OIA to perform internal audit services per ORC 126.45(D), starting in FY 2016.



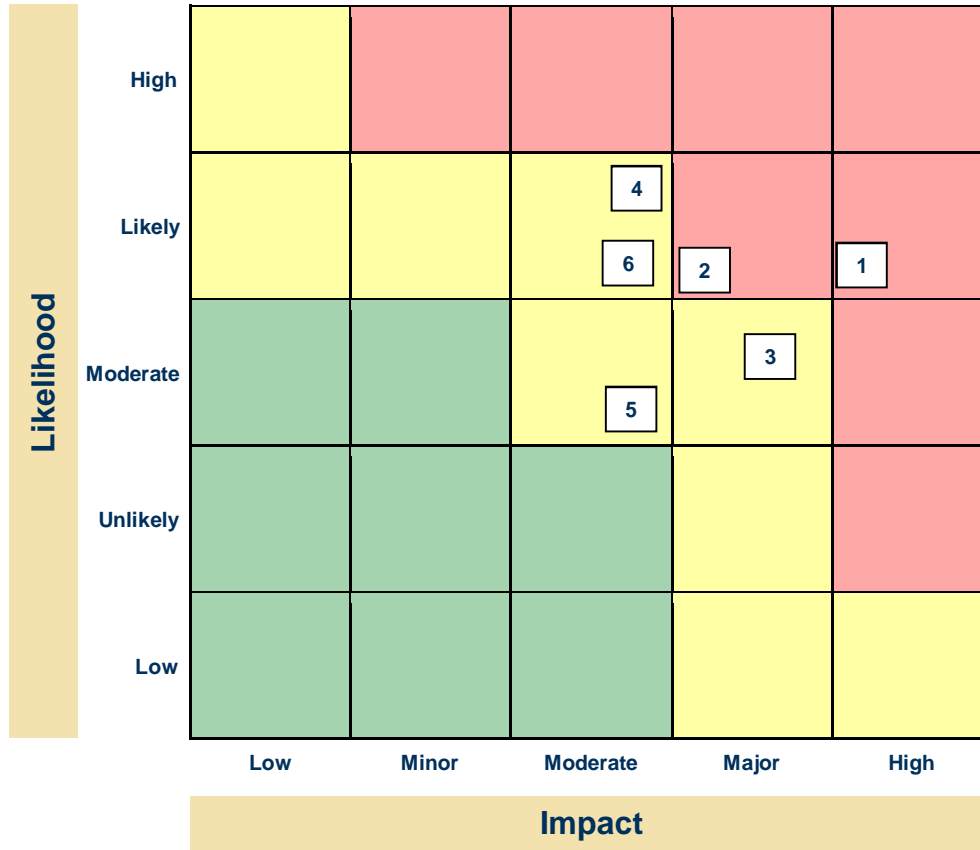
**ENVIRONMENTAL PROTECTION AGENCY  
FISCAL YEAR 2018 AUDIT PRIORITIES**



No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Administration	ü	ü	AOS	AOS
2	Materials and Waste Management			OIA	
3	Surface Water				OIA
4	Clean Water and Drinking Water Programs	ü			AOS
5	Air Pollution	ü			
6	Environmental Education				
7	IT Operations		ü		OIA



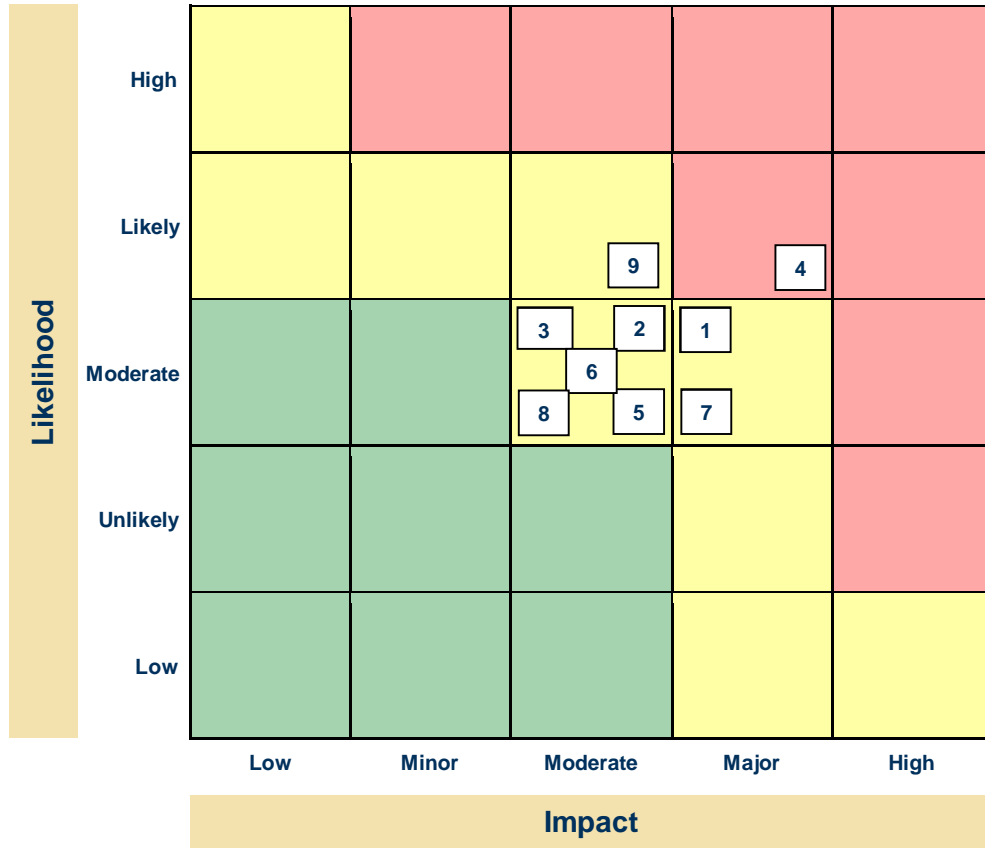
**DEPARTMENT OF HEALTH  
FISCAL YEAR 2018 AUDIT PRIORITIES**



No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Health Improvement and Wellness	ü	ü		OIA
2	Health Assurance and Licensing			OIA	
3	Women, Infants, and Children				OIA
4	Other Program Areas		ü	OIA	
5	Administration	ü	ü	AOS	AOS
6	IT Operations	ü	ü	OIA	OIA



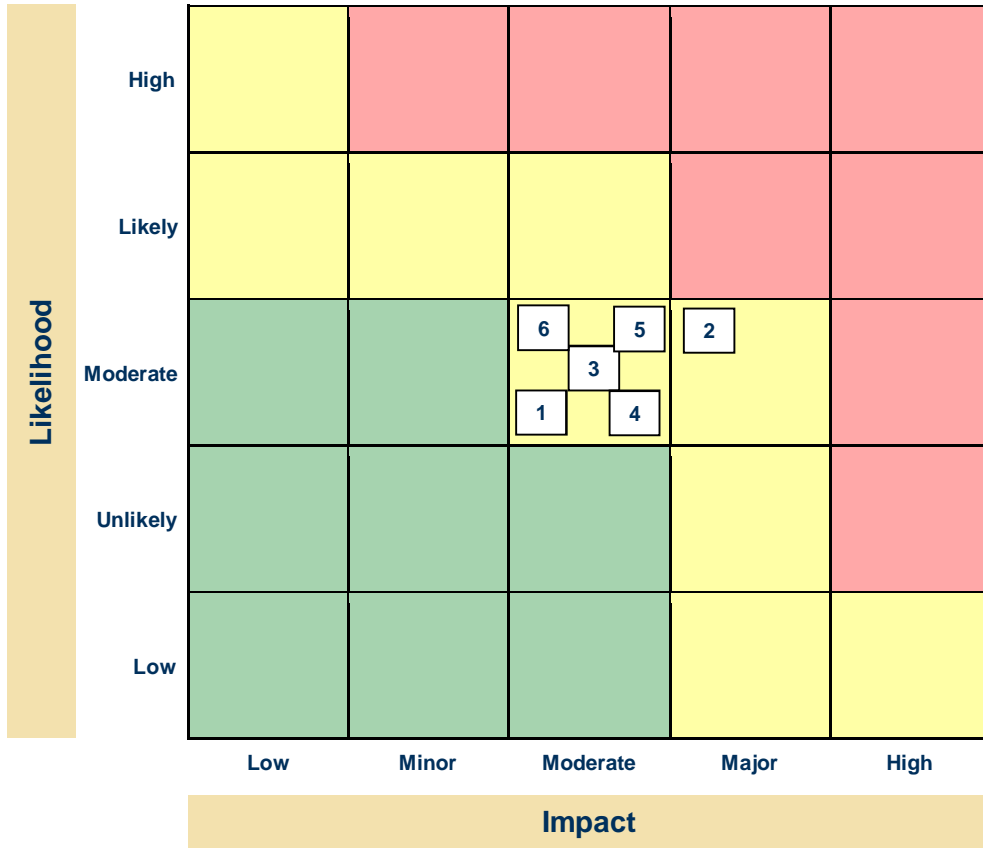
**DEPARTMENT OF HIGHER EDUCATION  
FISCAL YEAR 2018 AUDIT PRIORITIES**



No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	State Scholarship, Grant & Loan Programs	ü		OIA	
2	Federal Scholarships & Grant Program	ü		OIA	
3	Post-Secondary Adult Career - Tech Ed		ü		OIA
4	State Share of Instruction	ü	ü	OIA	
5	Academic Affairs		ü		
6	Consortiums				OIA
7	Ohio Tuition Trust Authority	ü	ü	AOS	AOS
8	Administration	ü	ü	AOS	AOS
9	IT Operations	ü	ü		OIA



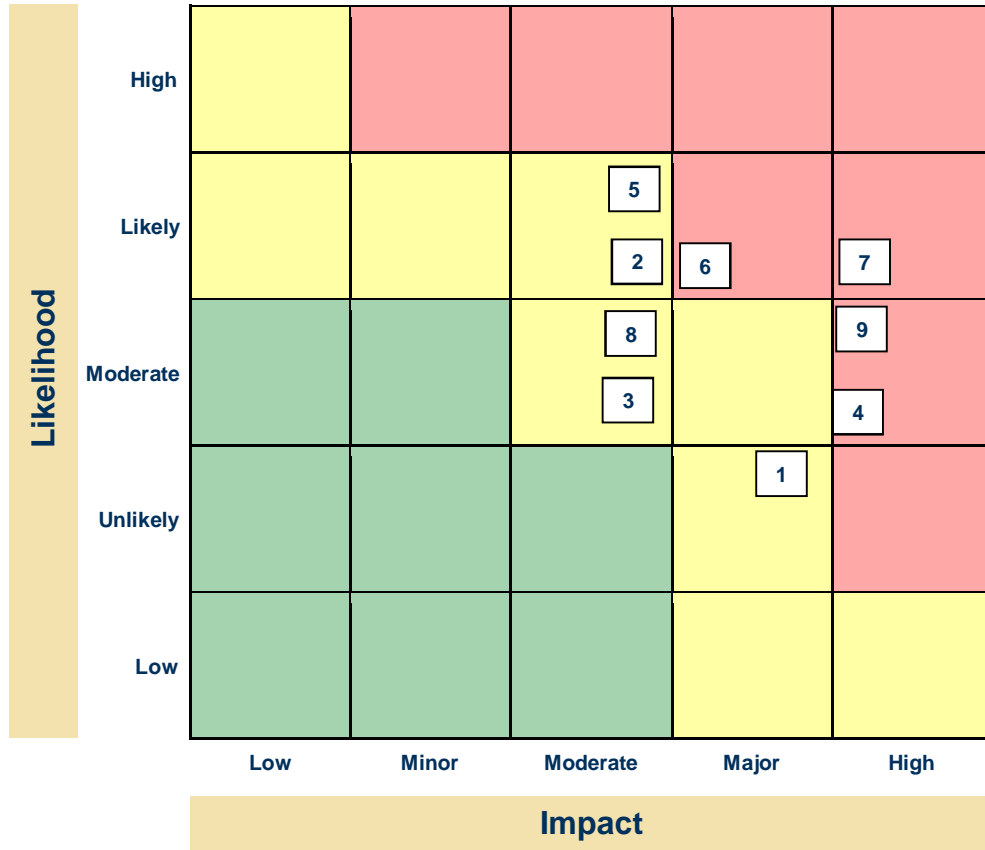
**DEPARTMENT OF INSURANCE  
FISCAL YEAR 2018 AUDIT PRIORITIES**



No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Administration	ü	ü	AOS	AOS/OIA
2	Operating - Licenses	ü	ü		
3	Examinations	ü			
4	Domestic Insurance Collections	ü	ü	AOS	AOS
5	Foreign Insurance Collections	ü	ü	AOS	AOS
6	IT Operations		OIA	OIA	



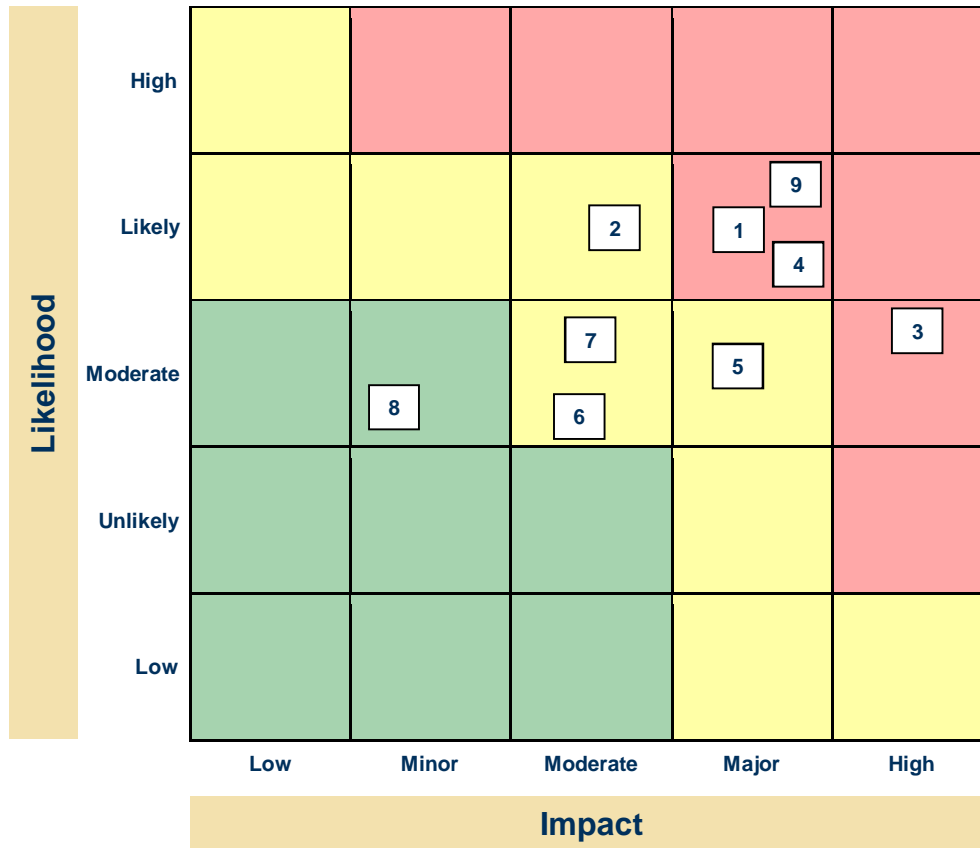
**DEPARTMENT OF JOB AND FAMILY SERVICES  
FISCAL YEAR 2018 AUDIT PRIORITIES**



No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Temporary Assistance for Needy Families	ü	ü	AOS/OIA	AOS/OIA
2	Child Care	ü	ü	AOS/OIA	AOS
3	Child Support	ü	ü	AOS/OIA	AOS
4	Food Assistance	ü	ü	AOS/OIA	AOS
5	Adoption/Foster Care	ü	ü	AOS/OIA	AOS
6	Workforce Investment Act	ü	ü	AOS/OIA	AOS
7	Unemployment Insurance	ü	ü	AOS/OIA	AOS
8	Administration	ü	ü	AOS	AOS
9	IT Operations	ü	ü	AOS/OIA	AOS/OIA



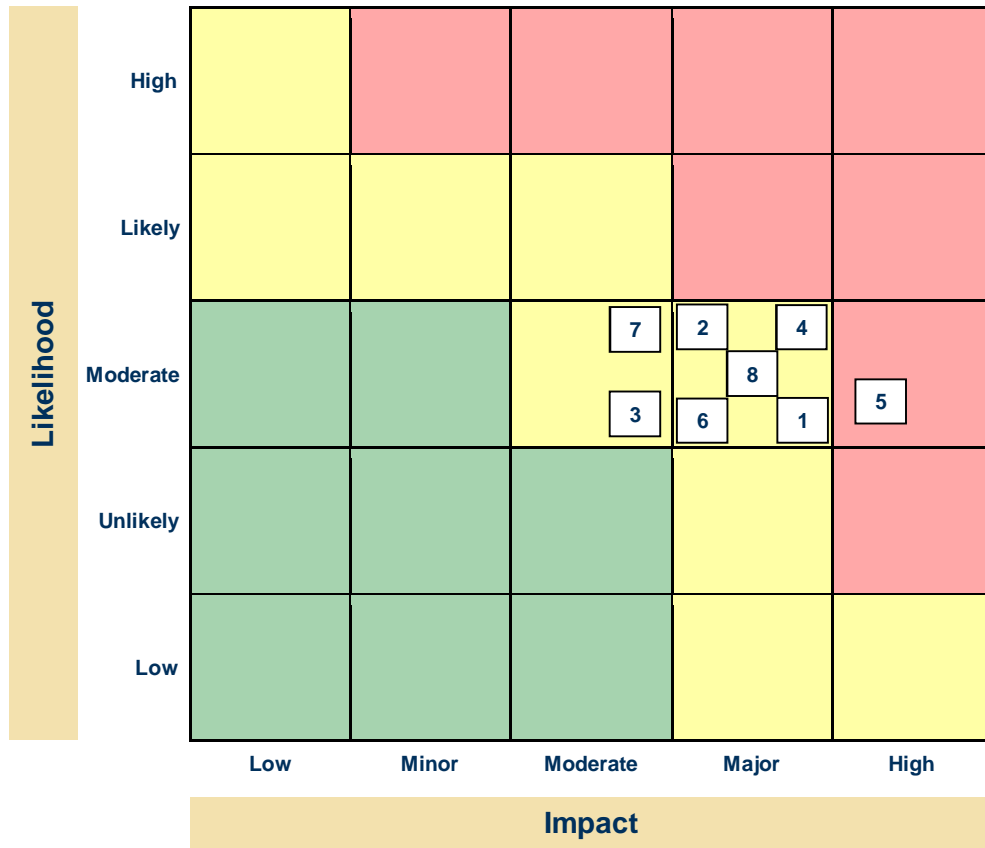
**OHIO LOTTERY COMMISSION  
FISCAL YEAR 2018 AUDIT PRIORITIES**



No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Administration	ü	ü	AOS/OIA/OLC	AOS
2	Asset Inventory	ü			OIA
3	Prize Payments	ü	ü	AOS/OIA	AOS
4	Contracts	ü		OLC	
5	Games and Drawings	ü	ü	AOS/OLC	AOS
6	Compliance and Inspections	ü	ü	OLC	
7	Video Lottery Terminals	ü			OIA
8	Customer Focused Areas	ü	ü		
9	IT Operations	ü	ü	AOS/OIA/OLC	AOS



**DEPARTMENT OF MEDICAID  
FISCAL YEAR 2018 AUDIT PRIORITIES**

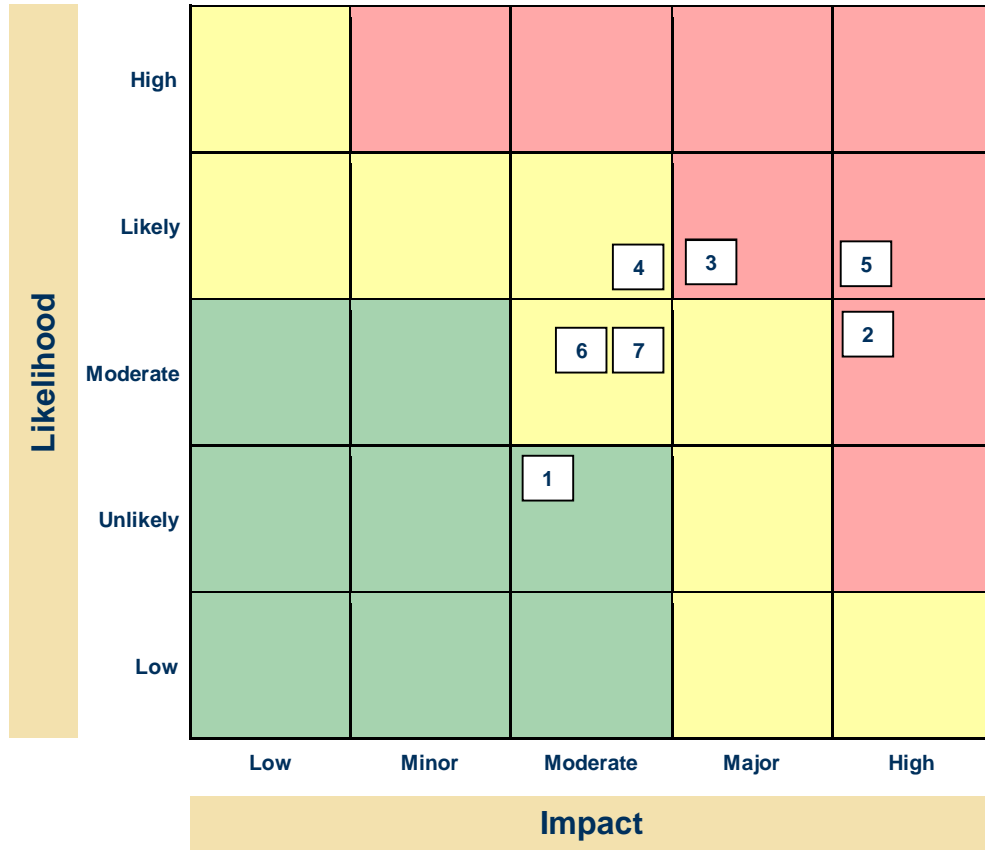


No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Unified Medicaid – Sister Agencies	ü	ü	AOS/OIA	AOS
2	Program Integrity			OIA	
3	Home & Community Based Services	ü	ü	AOS	AOS
4	Fee for Services Claims	ü	ü	AOS/OIA	
5	Managed Care	ü	ü	AOS/OIA	AOS
6	Providers (Hospitals/HCAP/Nursing Fac.)	ü	ü	AOS	AOS/OIA
7	Administration	ü	ü	AOS/OIA	AOS
8	IT Operations	ü	ü	AOS/OIA	AOS/OIA





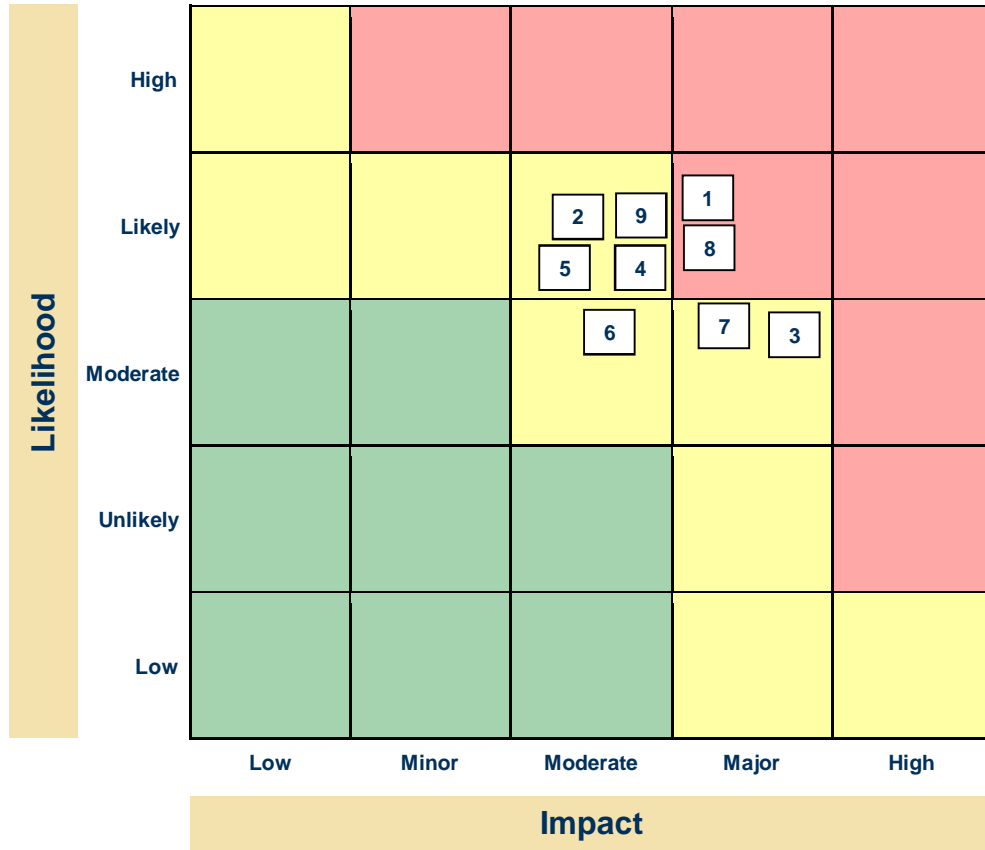
**MENTAL HEALTH AND ADDICTION SERVICES  
FISCAL YEAR 2018 AUDIT PRIORITIES**



No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Central Administration/Program Mgt	ü	ü	AOS/OIA	AOS
2	Hospital Services		ü		OIA
3	Ohio Pharmacy Service Center		ü		OIA
4	ADAMH Board Monitoring			OIA	
5	Community & Recovery Services	ü	ü	OIA	AOS
6	Prevention Services	ü	ü		AOS
7	IT Operations	ü	ü		OIA



**DEPARTMENT OF NATURAL RESOURCES  
FISCAL YEAR 2018 AUDIT PRIORITIES**

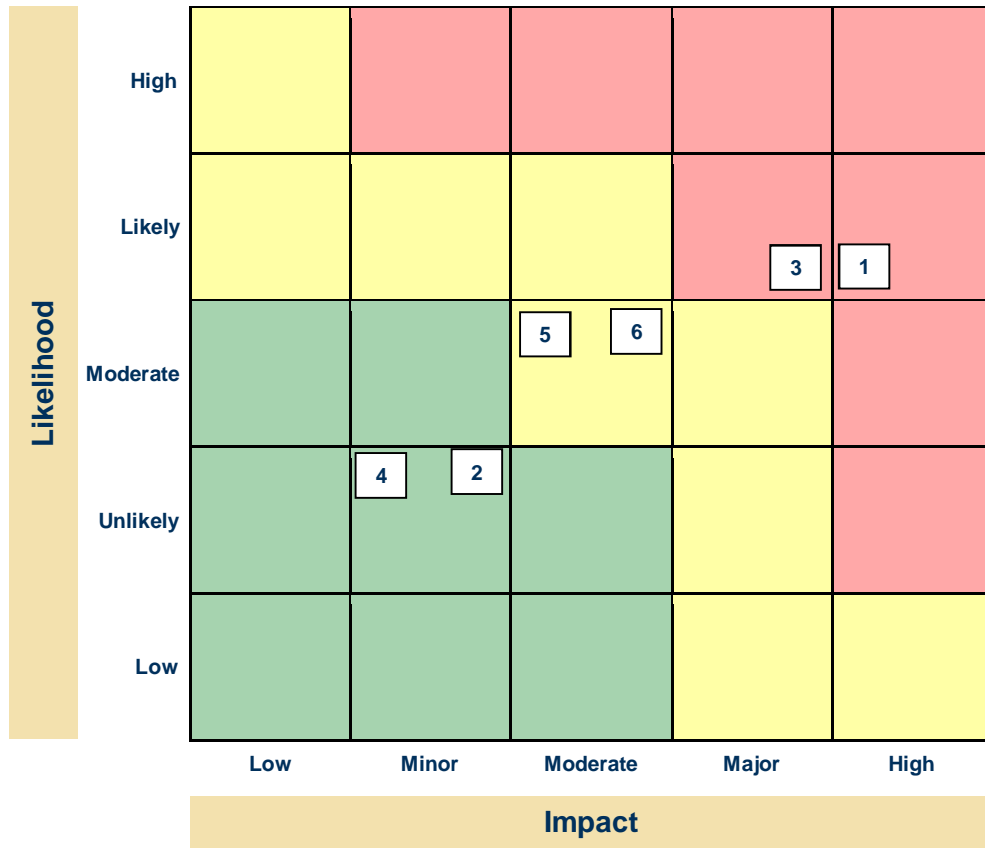


No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Mineral Resources Management	ü	ü	AOS/OIA	AOS
2	State Forest				OIA
3	Parks and Watercraft	ü	ü		
4	Oil and Gas/Geo Survey	ü	ü		
5	Coastal			OIA	
6	Water				OIA
7	Wildlife	ü			
8	Administration	ü	ü	AOS/OIA	AOS
9	IT Operations		ü		OIA

Note: The Auditor of State plans to perform a general revenue audit each fiscal year.



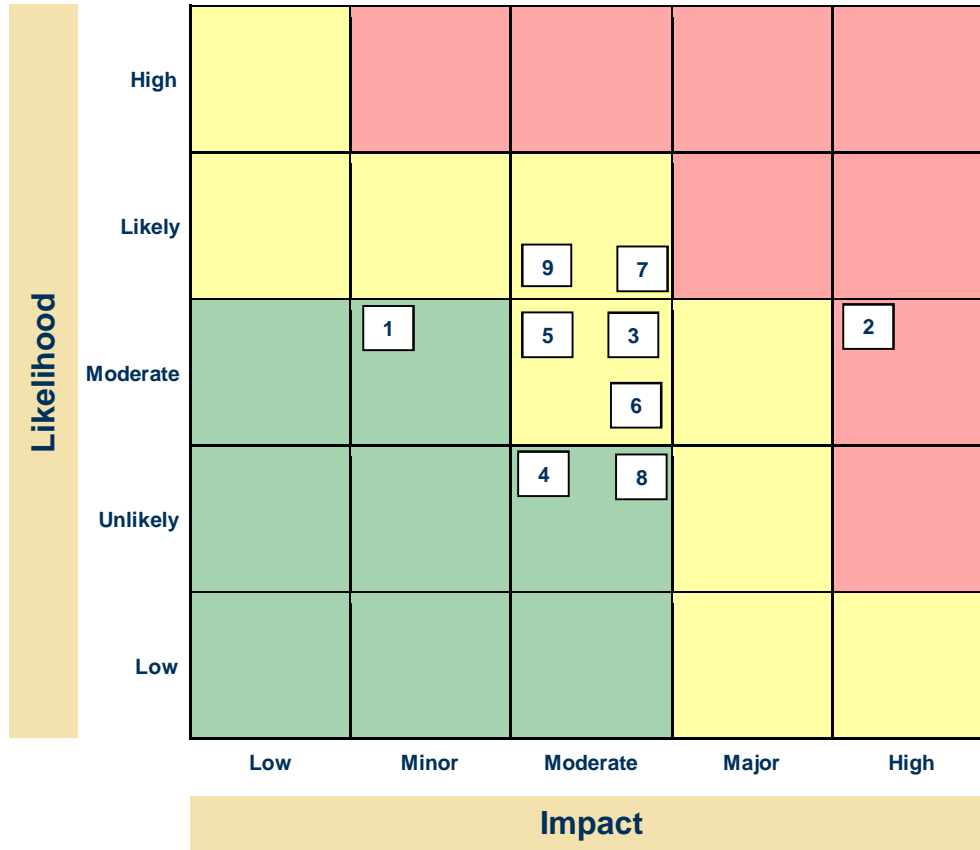
**OPPORTUNITIES FOR OHIOANS WITH DISABILITIES  
FISCAL YEAR 2018 AUDIT PRIORITIES**



No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Vocational Rehabilitation		ü		OIA
2	Independent Living		ü		
3	Disability Determination		ü	OIA	
4	Administration	ü	ü	AOS	AOS
5	Business Enterprise			OIA	
6	IT Operations	ü			OIA



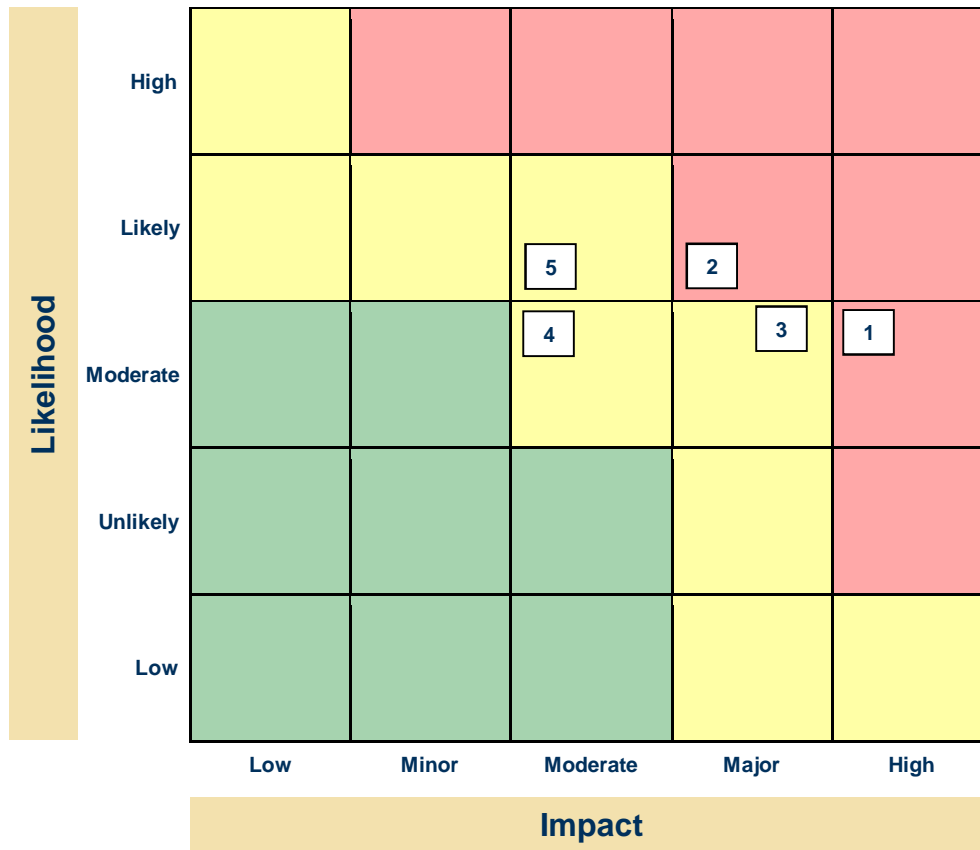
**DEPARTMENT OF PUBLIC SAFETY  
FISCAL YEAR 2018 AUDIT PRIORITIES**



No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Traffic Safety/Education				
2	Bureau of Motor Vehicles	ü	ü		OIA
3	State Highway Patrol		ü	OIA	
4	Homeland Security				
5	Emergency Medical Services			OIA	
6	Emergency Management Agency	ü			OIA
7	Criminal Justice Services			OIA	
8	Administration	ü	ü	AOS	AOS
9	IT Operations	ü	ü	OIA	OIA



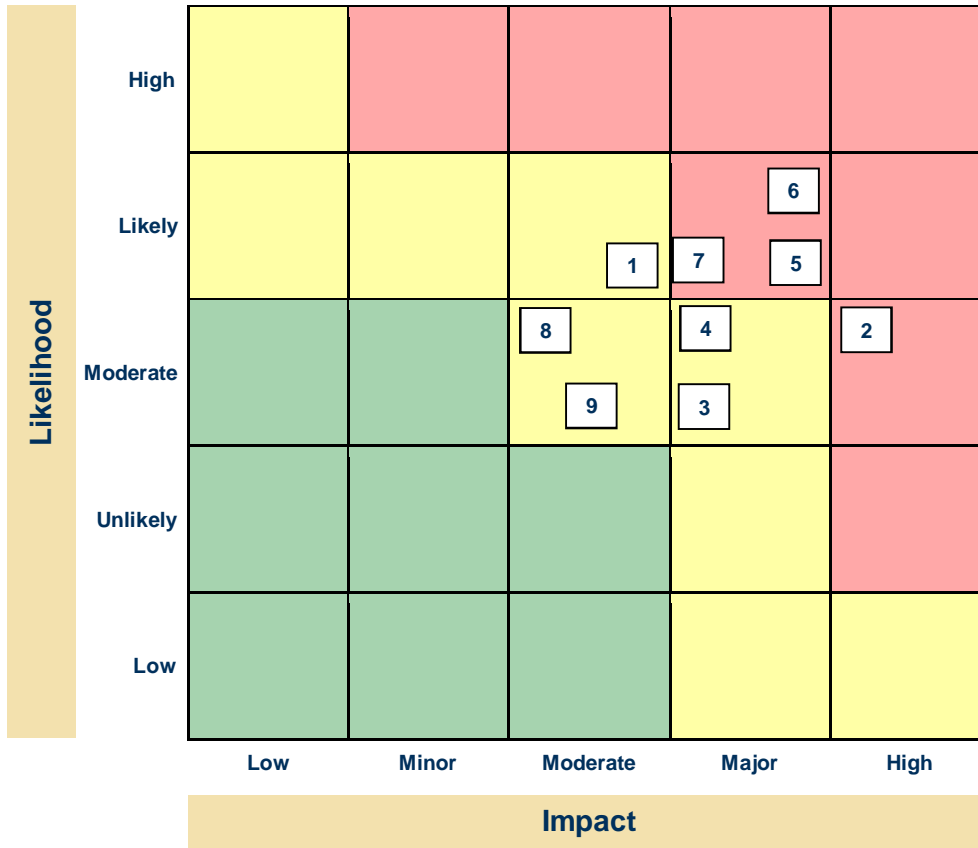
**PUBLIC UTILITIES COMMISSION  
FISCAL YEAR 2018 AUDIT PRIORITIES**



No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Assessments		ü		OIA
2	Utility Regulation			OIA	
3	Transportation Regulation				OIA
4	General Administration		ü		AOS
5	IT Operations	ü	ü		



**DEPARTMENT OF REHABILITATION AND CORRECTION  
FISCAL YEAR 2018 AUDIT PRIORITIES**

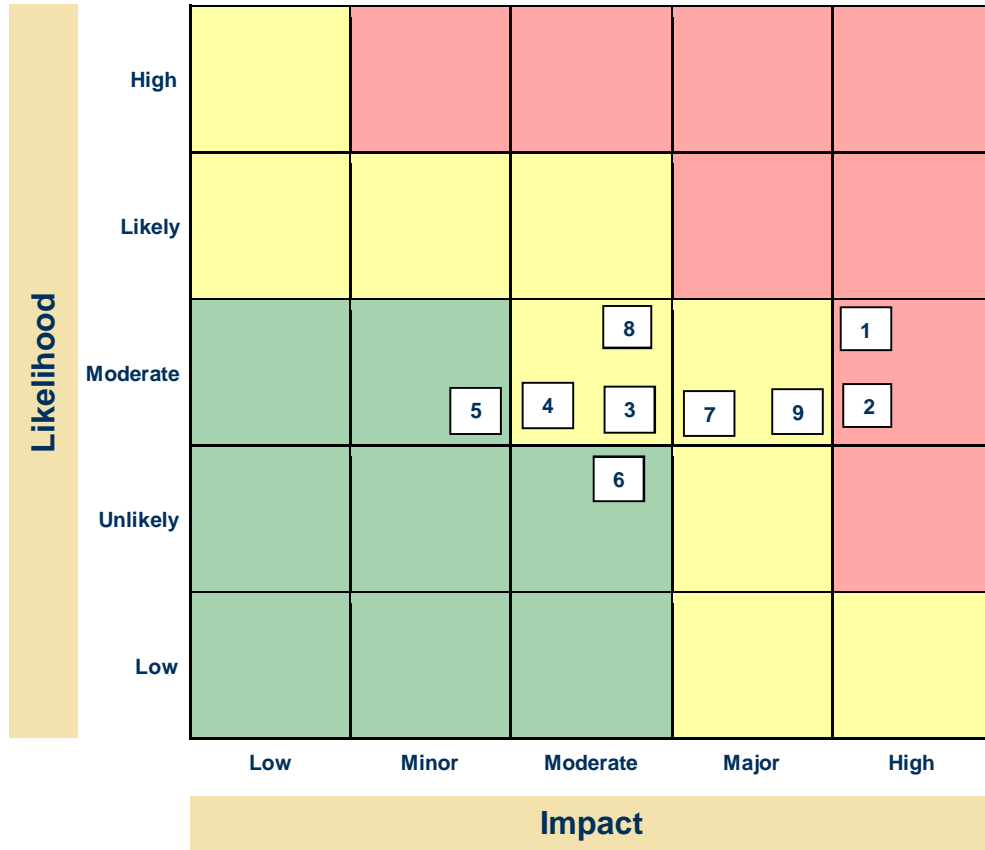


No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Institutional Operations – Payroll	ü	ü		
2	Institutional Operations/Admin/Non-payroll	ü	ü		OIA
3	Community Nonresidential Programs				OIA
4	Community Residential Programs	ü			
5	Parole and Community Operations			OIA	
6	Institution Medical Services			OIA	
7	Ohio Penal Industries	ü	ü		OIA
8	Administration	ü	ü	AOS	AOS
9	IT Operations	ü	ü		





**DEPARTMENT OF TRANSPORTATION  
FISCAL YEAR 2018 AUDIT PRIORITIES**

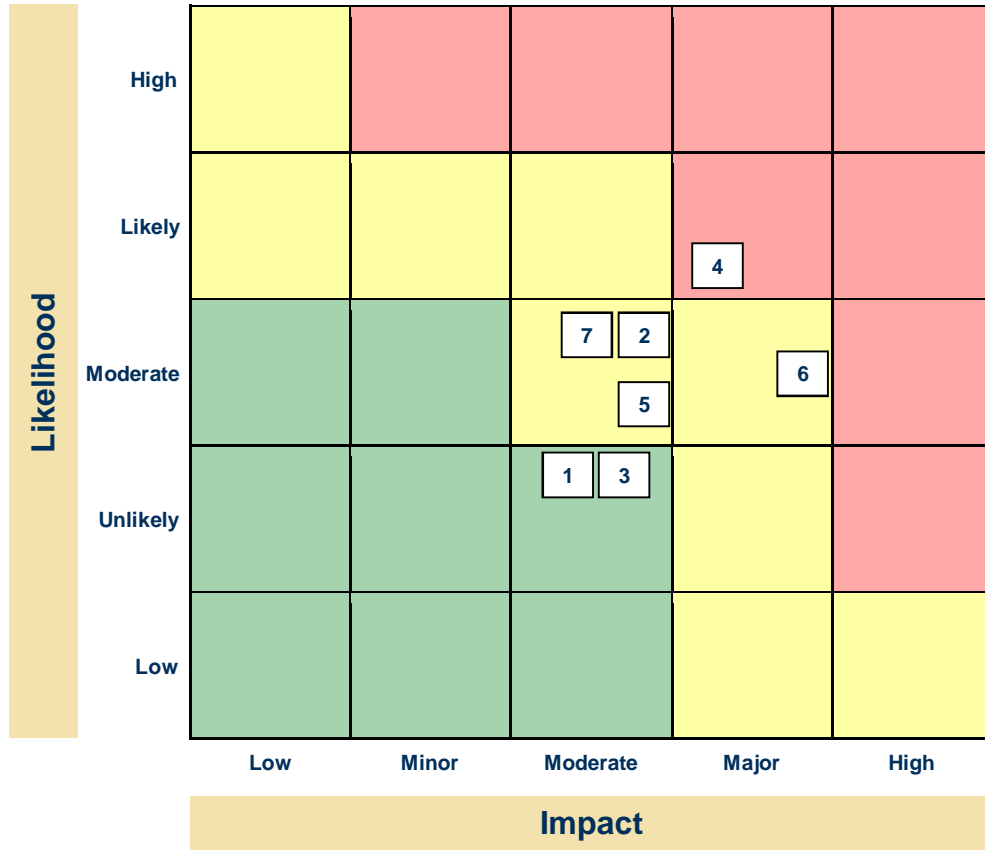


No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Highway Construction – State Managed	ü	ü	AOS	AOS/OIA
2	Highway Construction – Local Managed	ü	ü	AOS	AOS
3	Highway Construction – Infrastructure Bank			OIA	
4	Transportation Planning and Research			OIA	
5	Other Transportation (Public, Rail, Aviation)				
6	Administration	ü	ü	AOS/OIA	AOS/OIA
7	State Infrastructure Assets	ü	ü	AOS	AOS
8	District Operations			OIA	
9	IT Operations	ü	ü	OIA	OIA





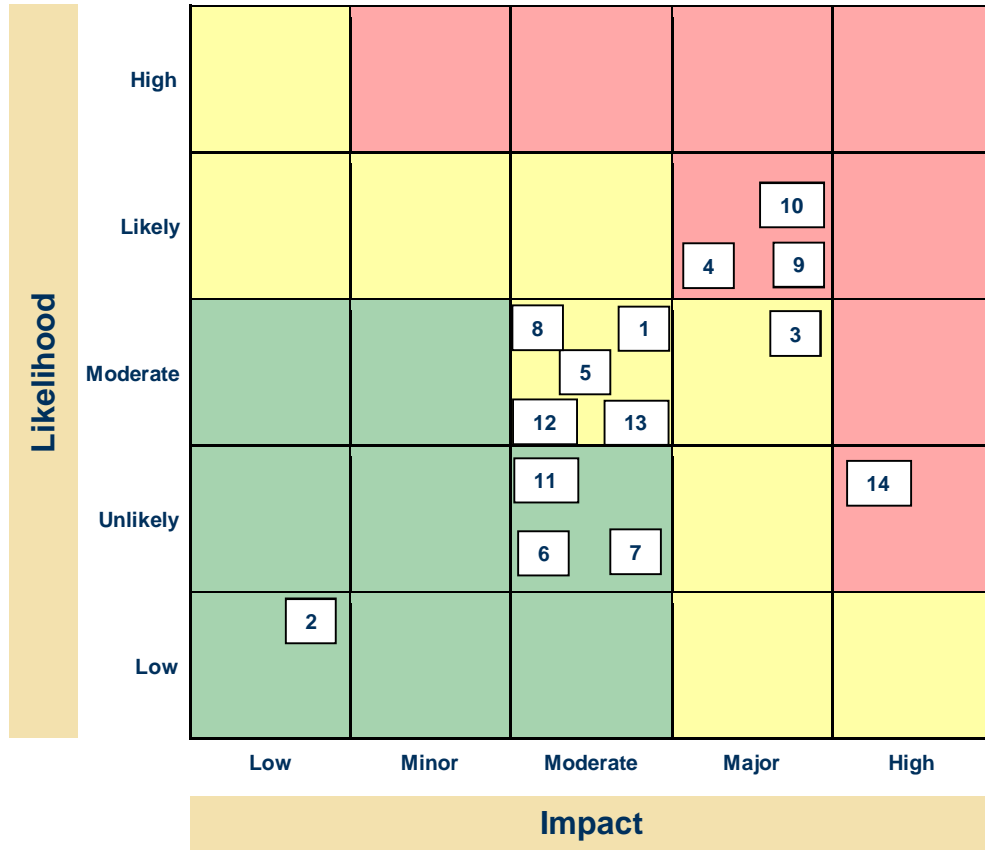
**DEPARTMENT OF VETERANS SERVICES  
FISCAL YEAR 2018 AUDIT PRIORITIES**



No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Sandusky Veterans Facility – Payroll		ü		
2	Sandusky Veterans Facility – Non-payroll				OIA
3	Georgetown Veterans Facility – Payroll		ü		
4	Georgetown Veterans Facility – Non-payroll			OIA	
5	Administration/State Operations	ü	ü	AOS	
6	Veterans Benefits	ü			
7	IT Operations	ü	ü		OIA



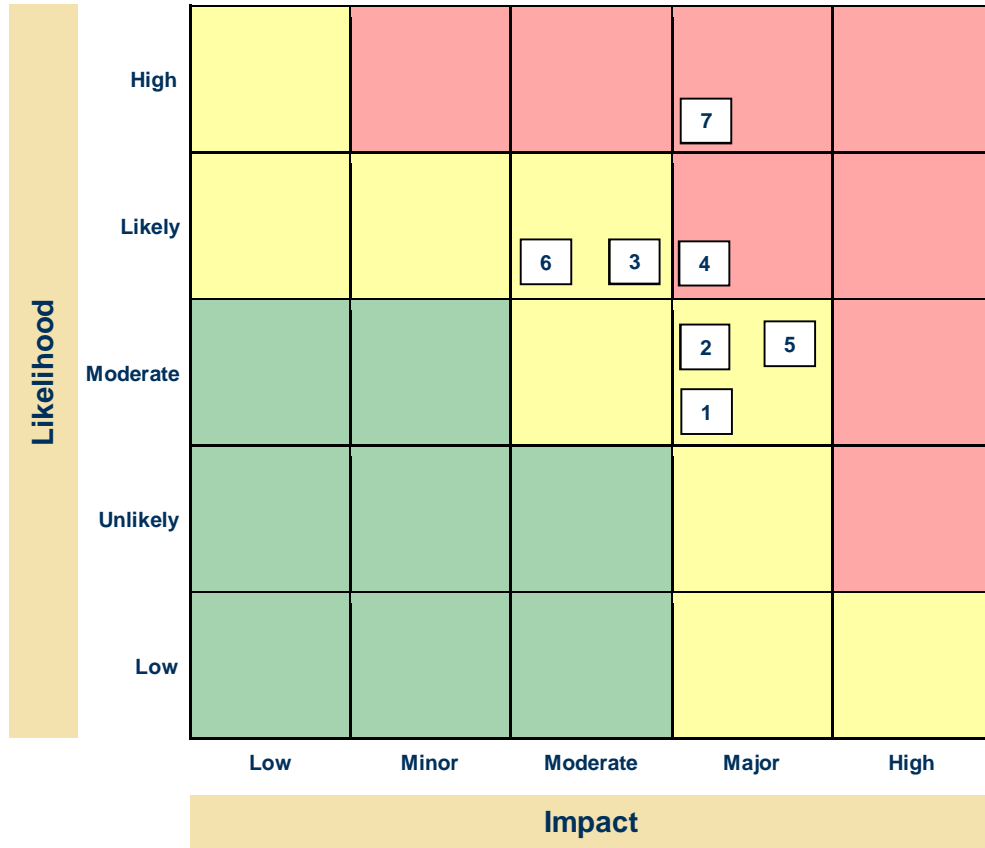
**BUREAU OF WORKERS' COMPENSATION  
FISCAL YEAR 2018 AUDIT PRIORITIES**



No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	Revenues: Fees and Assessments	ü	ü	AOS/OIA	AOS
2	Capital Assets				
3	Cash and Investments	ü	ü	AOS	AOS
4	Payroll		ü		
5	Expenditures	ü	ü	AOS	AOS
6	Claims	ü	ü		
7	General Accounting & Financial Reporting	ü	ü	AOS	AOS
8	Self-Insurance	ü	ü		
9	Reserves/Actuarial Reviews	ü	ü		
10	Rate-Making	ü	ü		
11	Fraud & Investigative Services				
12	Managed Care Organizations	ü	ü		
13	IT Operations	ü	ü	OIA	OIA
14	IT Security Controls	ü	ü	OIA	OIA



**DEPARTMENT OF YOUTH SERVICES  
FISCAL YEAR 2018 AUDIT PRIORITIES**



No.	Audit Universe Description	Past Coverage		Planned Coverage	
		2016	2017	2018	2019
1	State Correctional Facilities – Payroll	ü	ü		
2	State Correctional Facilities – Non-payroll	ü	ü		
3	Parole Operations				OIA
4	County Community Correctional Facilities			OIA	
5	Court, County and Community Subsidies			OIA	
6	Administrative Operations	ü	ü	AOS	AOS
7	IT Operations	ü	ü	OIA	