



## LOS ANGELES COMMUNITY COLLEGES

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### **INTERNAL AUDIT DEPARTMENT**

Meeting with the Los Angeles Valley College President  
Dr. Erika Endrijonas  
Wednesday August 27, 2014

#### **AGENDA**

1. Internal Audit Organization Chart
2. Purpose of the Internal Audit Department
3. Risk Assessment and Mitigating Control
4. President intake and opinions
5. Areas of Audit:
  - a. Audit plan: Fiscal Year 2014-15: Procurement and ASO Audits
  - b. Genral Request from the Board, College and District Office Example Insurance Audit.
  - c. Special Investigation:
  - d. Whistleblower Hotline
  - e. Bond Activities until the Bond Program Monitor comes on board
  - f. Corrective Action Plan Validation: Cash Control and Foundation Audit
6. Any Other Business:



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### INTERNAL AUDIT DEPARTMENT: RISK ASSESSMENT

1. Risk assessment is the responsibility of everyone in the organization.
2. Risk assessment is what are all the things that may go wrong in the organization.
3. Risk assessment has two possibilities: 1) the occurrence and 2) the impact.
4. We must rate the possibilities of the occurrence and the impact of the risk to be able to determine which risks are to be given the utmost attention.
5. Some risk occurrences are inevitable but we can control the impact.
6. To be able to mitigate the risk occurrences and impacts, the Internal Audit Department (IAD) is advocating for the development of Districtwide Risk Assessment Database.
7. Once the risks are identified, District will develop or identify mitigating controls. This will also be part of the risk assessment database. IAD will then perform on an annual basis the assessment to deduce which area to be audited. IAD will identify risks that are coded as high and medium areas.
8. Risk categories are:
  - a. Strategic
  - b. Operational
  - c. Reputation
  - d. Credit
  - e. Market
9. Risk Probabilities:
  - a. Improbable
  - b. Doubtful
  - c. Moderate
  - d. Possible
  - e. Probable
10. Risk Impact
  - a. High
  - b. Considerable
  - c. Moderate
  - d. Marginal
  - e. Low