

# Internal Audit: Working to Improve

## Internal Audit Department – Utah State Board of Education (USBE)

### Suggestions for Improvement

Audits help identify opportunities for improvement. This could mean identifying and sharing ways to be more efficient, effective, compliant, accountable, transparent, etc. Opportunities for improvement which are identified in audits are often labeled “Findings”.



### Elements of a Finding

Each finding has the following elements that should be considered in deciding what improvement is appropriate:

1. **Criteria:** What should happen (e.g., rule, regulation, best practice)?
2. **Condition:** What is happening?
3. **Cause:** Why did the Condition happen?
4. **Effect:** What is the impact? Why you should care?
5. **Recommendation:** What action could be considered to resolve the Cause?

### Action Needs to Address the Cause

In determining what action to take, a Root Cause Analysis should be done – ask “Why did the condition happen?” up to five times; with each successive answer growing closer to the actual (Root) Cause. We've found that most of the time, the Cause can be traced to a concern in one of the following areas:

- **Design:** Do guidelines set the tone and ethics for an organization? Are they comprehensive (detailed) and formal (written)?
- **Implementation:** Are these guidelines put into action through training, accessibility, and by leader example?
- **Operating Effectiveness:** Are the actions monitored to ensure that the guidelines are being followed and working well?

### Corrective Action Process



As noted, audits help identify opportunities for improvement, or findings. Corrective Action is the action taken in response to Recommendations or suggestions.

This is the high level process that Internal Audit follows to facilitate the Corrective Action Process:

- When an internal or external audit is completed, the final report is released and Internal Audit prepares a form to monitor corrective action.
- For audits of the USBE, a status update will be requested after 90 days and for entities governed by or receiving resources from the USBE, a status update is required after 120 days.
- The USBE Audit Committee considers the sufficiency of action taken, input from the Superintendent’s office, and ultimately approves the closure of Corrective Action.



The Corrective Action Process for external audits of the USBE may vary somewhat depending on who did the audit and what they require. Sometimes, Recommendations in an external audit are more of a requirement than a suggestion.

### End Result

Corrective Action helps to ensure we are always working to ensure positive outcomes for students and accountability to stakeholders.

