

INTERNAL CONTROL SYSTEM HIGHLIGHT

Component 2: Risk Assessment

“Assesses the risks facing the entity as it seeks to achieve its objectives. This assessment provides the basis for developing appropriate risk responses.”

<https://www.gao.gov/assets/gao-14-704g.pdf>

Keys to Risk Assessment :

- 🔑 Define the LEA's objectives in specific and measurable terms:
 - 🔒 Categories of objectives include Operations, Reporting, or Compliance.
 - 🔒 Objectives may come from external requirements that are set by policy or law-making bodies.
- 🔑 Define risk tolerances (i.e., level of variation from achieving objectives that is acceptable):
 - 🔒 Risk tolerance does not apply to Compliance; “an entity is either compliant or not compliant”.
- 🔑 Identify, analyze, and respond to risks:
 - 🔒 Consider both internal and external risk factors, fraud risk, and risk due to change.
 - 🔒 Consider magnitude of impact, likelihood of occurrence, and nature of the risk.
- 🔑 Risk Responses are specific actions within the following types: Accept, Avoid, Reduce, or Share.

How has your LEA documented its Risk Assessment?

WEBSITE RESOURCES

USB E Internal Audit (IA) reports are generally classified as public and as such, we provide access to them on our website, see <https://schools.utah.gov/internalaudit?mid=892&tid=1>.

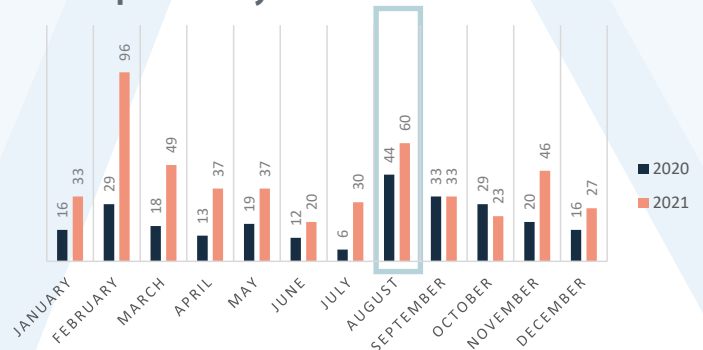
This webpage also includes links to audits completed by the Office of the Legislative Auditor General and the Office of the State Auditor. Reviewing relevant audit reports is a good way to identify risks that may impact achievement of your LEA's objectives.

SPOT-LIGHT STATISTIC

August is traditionally when many people start to think about back-to-school. During this time of year, hotline trend data shows an increase in the number of concerns received on the Public Education Hotline.

For fiscal year 2020, August had the highest number of concerns received; for fiscal year 2021, August had the second highest number of concerns received.

Complaints by Month and Fiscal Year



As you start the new school year, we encourage you to review your policies and procedures as well as your communication strategies.

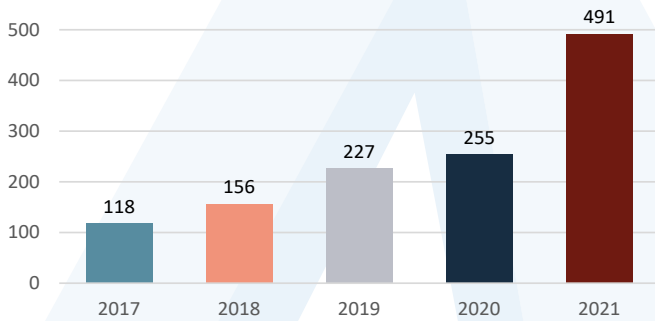
For more information on hotlines, see page 2.



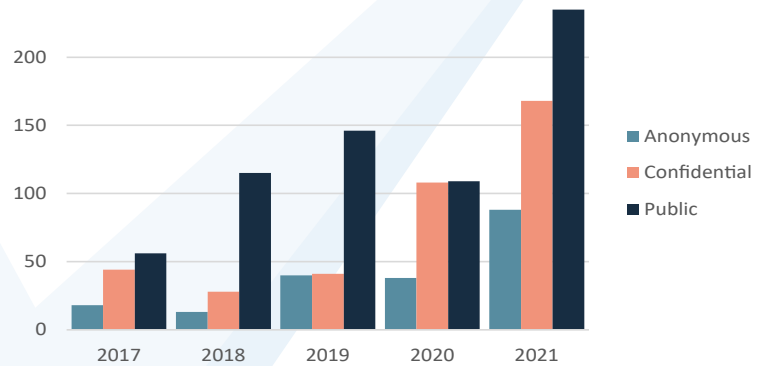
HOT TOPICS FOR LEAs

IA maintains a database of information related to concerns received on the Public Education Hotline (Hotline). The charts below represent data through June 30, 2021. The data reflects a 93% increase in the number of concerns received from state fiscal year 2020 to state fiscal year 2021. IA has referred 88% of all concerns received since 2017 to other entities or to other individuals at the USBE.

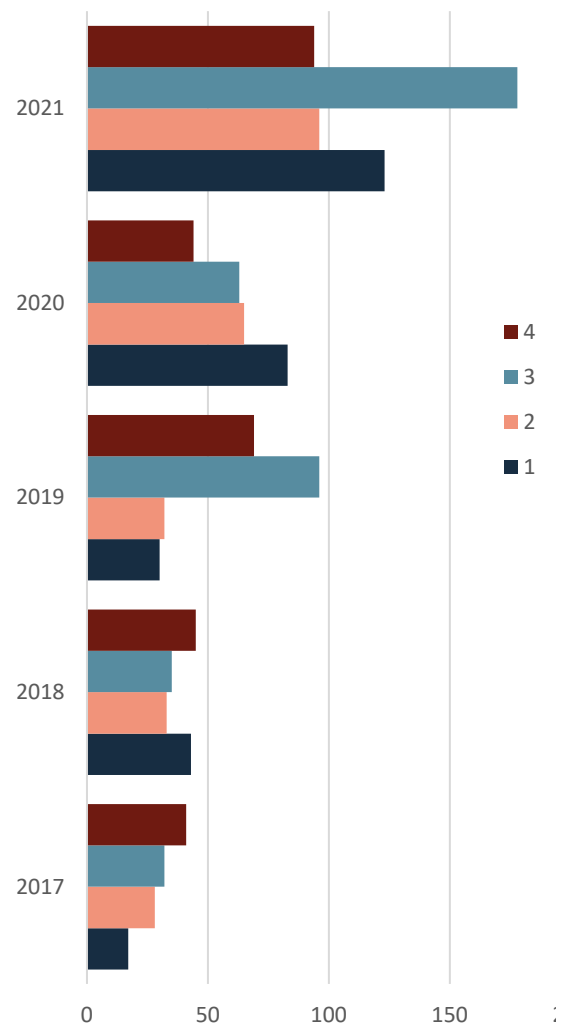
Total # of Concerns Received on the Hotline by State Fiscal Year



Permissions by State Fiscal Year



Complaints by State Fiscal Year and Quarter

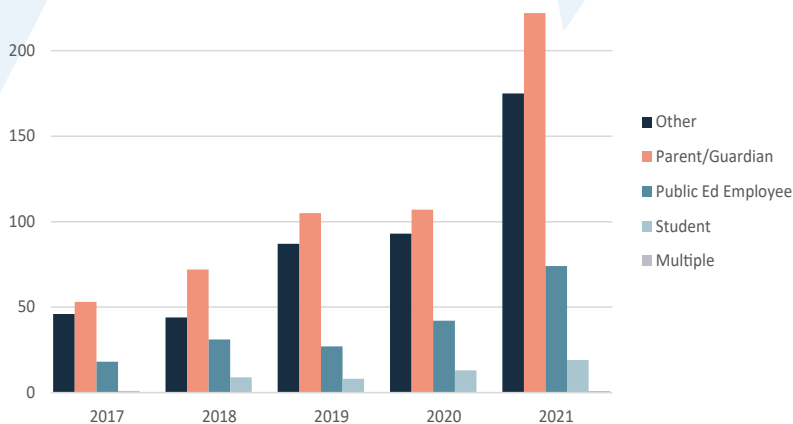


RULE REMINDER

R277-113-6(2)

Each LEA is required to provide a hotline independent from administration for stakeholders to report concerns. This may be accomplished by utilizing the USBE Public Education Hotline.

Complainant Type by State Fiscal Year



Given hotline trends, IA recently hired a dedicated hotline specialist. Welcome to the team, Cassidy Carter!