

MJ

McCONNELL & JONES LLP
CERTIFIED PUBLIC ACCOUNTANTS

INTERNAL AUDIT SERVICES



STATUS REPORT TO THE COMMISSIONERS

JULY 11, 2016

INFORMATION ITEM – NO ACTION REQUIRED



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Internal Audit Activities This Period

Internal Audit Services' activities during this period (April – June 2016) include:

- Charitable Bingo ledger account reconciliation project completed
- Drafted Entity-Wide Performance Measure Audit Report
- Completed Jackpot Estimations Audit and Drafted Audit Report
- Completed Lottery Drawings Audit and Drafted Audit Report
- Continued entity-wide risk assessment
- Began Planning for CBOD Restructuring and BOSS Implementation Project Follow-Up



FY2016 Internal Audit Plan Status

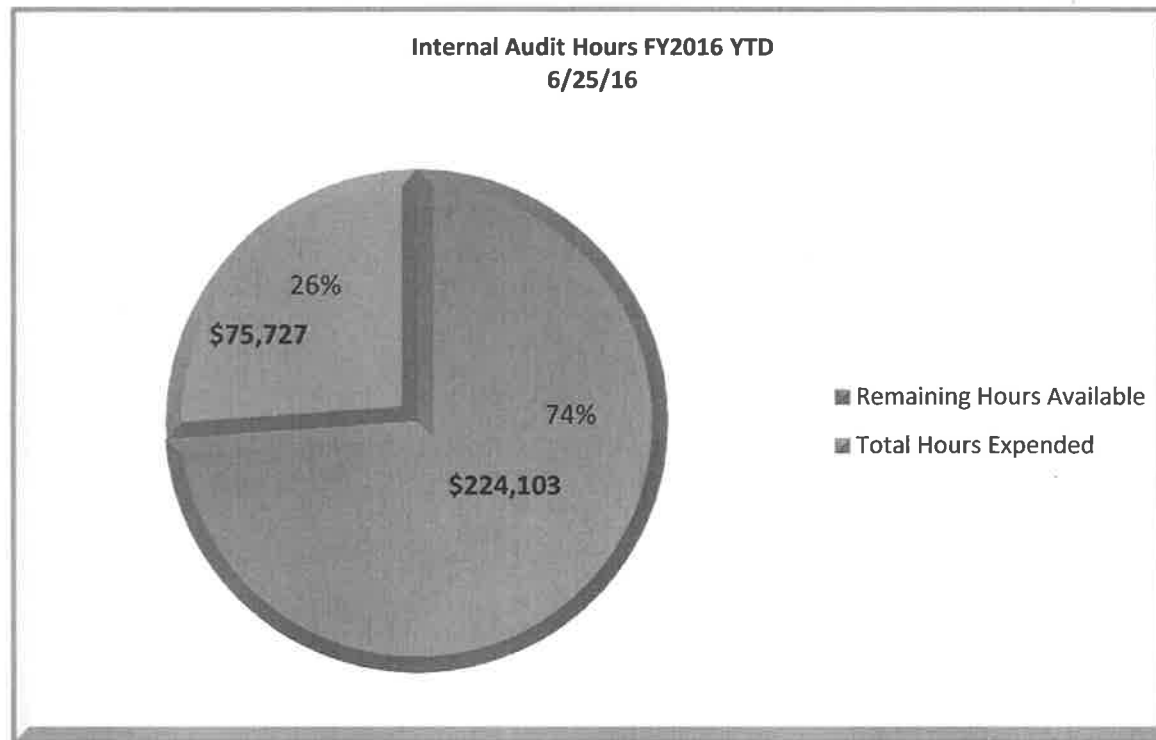
Activity #	Audit	Planning	Fieldwork	Draft Report	Mgmt. Comments	Final Report	Issued
1	Procure – To – Pay Cycle	✓	✓	✓	✓	✓	✓
2	Jackpot Estimations	✓	✓	✓	✓		
3	Drawing Process	✓	✓	✓			
4	Entity-Wide Performance Measure	✓	✓	✓	✓		
5	Retailer Management	○					
6	Bingo Restructure and BOSS Implementation Follow-Up	✓	✓				
7	Human Resources Life Cycle	○					
8	Follow-Up On Prior Audit Findings	○					
9	Management of Fraud/Complaint Hotlines Lines						On-going throughout the year
10	External Audit / Review Assistance						On-going throughout the year
11	Update Risk Assessment & Develop 2016 Audit Plan	✓					
12	Annual Audit Report	○					

Legend: ○ Not Started ✓ In-Progress ✓ Completed



2016 Internal Audit Budget as of December 31, 2015

MJ is cognizant of the importance of managing the approved hours and budget. As such we are diligent about staying within the estimated hours per audit and activity. There may be instances where audits/activities are over or under estimated hours and we will adjust the audit plan budget accordingly to stay within the total approved budget.



The audit hours expended are in-line with the budgeted fees. The expended hours and fees are on target with the approved internal audit plan.



Anticipated Activities Next Period

➤ **Complete:**

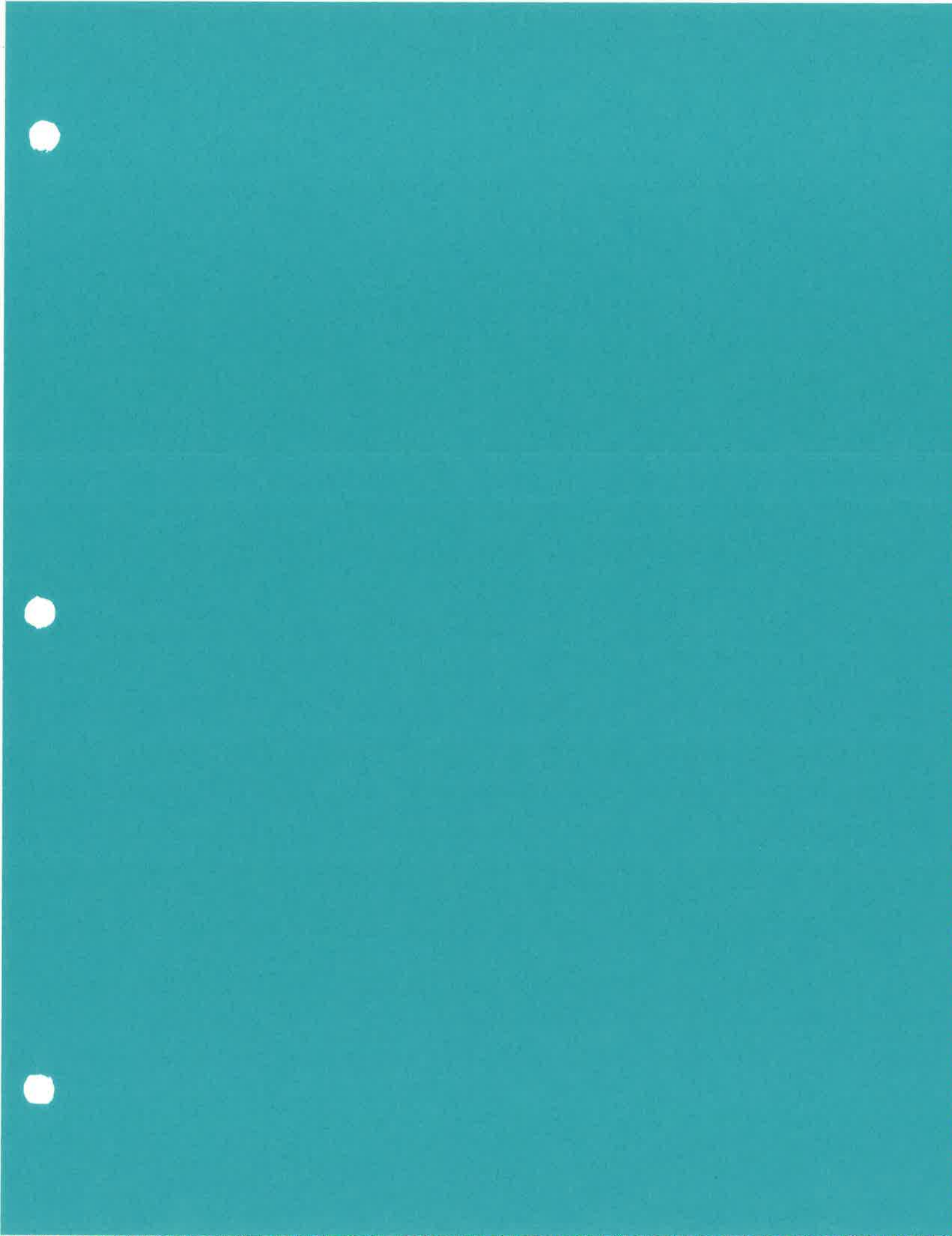
- CBOD Restructuring and BOSS Implementation Project Follow-Up
- Human Resource Audit
- Risk Assessment and Draft Annual Audit Plan

➤ **Finalize:**

- Issue Jackpot Estimations Audit Report
- Issue Lottery Drawings Audit Report
- Issue Entity-Wide Performance Measures Audit Report









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AUDIT REPORTS

JULY 11, 2016

ACTION ITEM



Audit Reports

The following audit reports will be presented for your consideration. Internal Audit requests approval of the reports.

1. Performance Measures
2. Jackpot Estimations
3. Lottery Drawings