



SAN MATEO COUNTY
COMMUNITY
COLLEGE DISTRICT

Cañada College • College of San Mateo • Skyline College

FY 2024-25 Performance Audit Plan

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Performance Audit Unit

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INTRODUCTION

Objective

This report provides the proposed San Mateo County Community College District (SMCCCD) Fiscal Year (FY) 2024–25 Performance Audit Plan.¹

Background

California Government Code Section 1236² requires that the SMCCCD performance auditor conduct audits in accordance with auditing standards prescribed by the Institute of Internal Auditors (IIA) or the Comptroller General of the United States, as appropriate. Standard 9.4 of the IIA's Global Internal Audit Standards³ requires that the auditor create a flexible internal audit plan that supports the achievement of the organization's objectives; is based on a documented assessment of the organization's strategies, objectives, and risks; and is informed by input from the board and senior management. Section 5.52 of the Comptroller General's Government Auditing Standards⁴ states that the auditor may initiate engagements as a result of legal mandates, requests from legislative bodies or oversight bodies, and audit organization discretion.

Audit Plan Development

Risk assessments are used to identify and prioritize value-added audits for organizations. Risk assessment and audit planning methodologies vary and may include quantitative and qualitative approaches. The process to develop SMCCCD's first performance audit plan included the following steps:

1. Review of SMCCCD departmental web pages, including the District Strategic Plan, and financial records to create a list of potential audits (i.e., an "audit universe").
2. Meetings with members of the SMCCCD Board of Trustees (Board), the SMCCCD interim chancellor,⁵ and SMCCCD executive staff to discuss the performance audit process, collaboratively review and complete the audit universe, and solicit insight about high-risk and high-priority areas for this year's audit plan.
3. Review of best practices and guides from the Association of College & University Auditors and the IIA on conducting risk assessments and planning audits.
4. Review of audits and audit plans of other college and university auditors.

¹ This fiscal year's work plan covers an extended period, from March 20, 2024, through June 30, 2025. There are about 2,200 working hours available during this period.

² [California Government Code Section 1236 \(a\)](#) states, "All city, county, city and county, and district employees that conduct audits or that conduct audit activities of those respective agencies shall conduct their work under the general and specified standards prescribed by the Institute of Internal Auditors or the Government Auditing Standards issued by the Comptroller General of the United States, as appropriate."

³ The IIA's Global Internal Audit Standards publication is available on the [IIA's website](#).

⁴ The Comptroller General's Government Auditing Standards (2024 Revision) publication is available on the [U.S. Government Accountability Office's website](#).

⁵ The Board selected the interim chancellor as the District's permanent chancellor on April 24, 2024. Some projects in this audit plan were completed in coordination with the interim chancellor prior to the issuance of this document.

FY 2024-25 Plan

Performance Audits⁶

Exhibits 1 and 2 summarize three performance audits and three policy reviews for FY 2024-25. The audit process includes a planning phase where existing policies and procedures, systems, data, and audit criteria are reviewed to refine and finalize the audit scope and objectives before detailed audit work is conducted. Policy reviews generally follow the audit process but focus on assessing policies and procedures and have limited analysis. Both performance audits and policy reviews include reports and recommendations where appropriate. The budgets in Exhibits 1 and 2 are rough estimates. The amount of time needed to actually complete the projects will vary and depend on the availability and reliability of information, complexity of the actual work, the finalized scope and objectives, the extent of findings, if any, and the amount of time needed to onboard stakeholders. In addition, the Audit Plan is flexible and subject to change to accommodate Board priorities and urgent matters.

Exhibit 1: FY 2024-25 Performance Audits

Audit	Preliminary Objective(s)	Budget (Hrs)
Vendors	<ul style="list-style-type: none"> Are vendors vetted to prevent conflict of interest situations, prevent the use of debarred vendors, and detect any bid rigging or collusion schemes? Are there sufficient, effective policies and procedures and system controls in place over the vendor validation, set up, modification, and maintenance processes to ensure vendor data is reliable and to prevent erroneous and fraudulent payments? 	500
Procurement & Contract Oversight	<ul style="list-style-type: none"> Are contracts awarded using competitive procurement principles, in accordance with District policies and procedures? Are sole-source purchases approved and restricted based on applicable policies and procedures? Are District contracts monitored to ensure that contracted goods and services are obtained in accordance with agreed-upon terms and rates? Are contract terminations and renewals processed on time? 	500
Procurement Cards	<ul style="list-style-type: none"> Do sufficient, effective policies and procedures exist to ensure that procurement cards are issued to authorized and trained staff and that purchases are monitored to ensure: <ul style="list-style-type: none"> Only authorized goods and services are purchased, within purchasing limits and without override of procurement processes? Purchases for goods (e.g., office supplies) and services are made under existing contracts, if any exist? Purchases are reviewed for compliance with District policies and procedures (e.g., travel policies and procedures)? 	400
Total:		1,400 Hrs

⁶ Government Auditing Standards define performance audits as engagements that provide objective analysis, findings, and conclusions to assist management and those charged with governance and oversight to, among other things, improve program performance and operations, reduce costs, facilitate decision making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability.

Exhibit 2: FY 2024-25 Policy Reviews

Review	Preliminary Objective(s)	Budget (Hrs)
Employment Changes and Authority	<ul style="list-style-type: none"> Are there sufficient and effective policies and procedures and systems to identify and classify proposed employment changes with a financial impact (e.g., step increases, reclassifications, terminations) and ensure, when necessary, that they are subject to Board review and approval? 	70
Whistleblower & Fraud Program	<ul style="list-style-type: none"> Is there an effective and visible fraud, waste, and abuse program that is managed in accordance with the standard of care? 	160
Faculty Credentials	<ul style="list-style-type: none"> Are there sufficient and effective policies and procedures and systems to ensure that full-time and part-time SMCCCD faculty at all colleges meet and maintain all credentialing and certification mandates to lawfully issue degrees and certifications in career educational programs (e.g., EMT, nursing, cosmetology)? 	200
Total:		430 Hrs

Administrative Projects

Exhibit 3 summarizes the eight administrative projects and activities for SMCCCD's Performance Audit Unit. Most of these reflect mandates under professional auditing standards and best practices for establishing and governing an audit function.

Exhibit 3: FY 2024-25 Administrative Projects and Activities

Project/Activity	Objective(s)	Budget (Hrs)
District Mandates	<ul style="list-style-type: none"> Onboarding, Orientation, and mandatory District meetings and training. 	25
Audit Universe	<ul style="list-style-type: none"> In coordination with the District's interim chancellor and executive staff, create a list of priority performance audits with preliminary objectives and estimated budgets. Provide the Audit Universe to the interim chancellor and Board for review and discussion. 	80
FY 2024-2025 Audit Plan	<ul style="list-style-type: none"> In coordination with the Board and interim chancellor, select high-priority audits from the Audit Universe for completion in FY 2024-2025. Provide the Audit Plan to the Board for comment and approval. 	30
Performance Audit Policy and Charter	<ul style="list-style-type: none"> Assist the Board and chancellor to develop and adopt a Board Policy (BP) and Administrative Policy (AP) to govern SMCCCD's new Performance Audit Unit. 	40
Audit Policies and Procedures	<ul style="list-style-type: none"> For the new Performance Audit Unit, develop policies and procedures to implement Government Auditing Standards. 	65
Continuing Professional Education	<ul style="list-style-type: none"> Obtain sufficient continuing professional education units to meet requirements under Government Auditing Standards and gain industry-specific knowledge. 	60
Annual Internal Quality Control Review	<ul style="list-style-type: none"> As required under Government Auditing Standards, conduct a year-end, internal self-review of the Performance Audit Unit's compliance with Government Auditing Standards and document the results. 	20
FY 2025-26 Audit Plan	<ul style="list-style-type: none"> Update the FY 2024-25 Audit Universe based on a risk assessment, and in coordination with the Board and chancellor, select audits from the audit universe for completion in FY 2025-26. 	50
Total:		370 Hrs