



McCONNELL & JONES LLP
CERTIFIED PUBLIC ACCOUNTANTS

INTERNAL AUDIT SERVICES



STATUS REPORT TO THE COMMISSIONERS

OCTOBER 5, 2017

INFORMATION ITEM – NO ACTION REQUIRED



Internal Audit Activities This Period

Internal Audit Services' activities during this period (Aug. 1, 2017 through Aug. 31, 2017) include:

- Completed the following audits and issued draft reports:
 - Scratch Ticket Working Paper Workflow System
 - Jackpot Estimation System
 - Crisis Management Plan
 - Active Directory
- Completed annual risk assessment and developed FY2018 Annual Internal Audit Plan
- Prepared FY2017 Annual Internal Audit Report



Fiscal Year 2017 Internal Audit Plan Status

Activity #	Audit	Planning	Fieldwork	Draft Report	Mgmt. Comments	Final Report	Issued
1	Scratch Ticket Warehouse Receiving Controls	✔	✔	✔	✔	✔	✔
2	Scratch Ticket Pack Reconstruction	✔	✔	✔	✔	✔	✔
3	Bingo Audit Processes	✔	✔	✔	✔	✔	✔
4	Enforcement - Background Check and Investigation Processes	✔	✔	✔	🔍		
5	Retailer Management	✔	✔	✔	✔	✔	✔
6	Fraud Awareness Training	✔	✔	N/A	N/A	N/A	N/A
7	Time and Attendance	✔	✔	✔	✔	✔	🔍
8	Second Chance Drawing Process	✔	✔	✔	✔	✔	🔍
9	Crisis Management Plan	✔	✔	✔	✔	✔	🔍
10	Active Directory Audit	✔	✔	✔	✔	✔	🔍
11	Jackpot Estimation System	✔	✔	✔	✔	✔	🔍

Legend: 🔍 Not Started 🔄 In-Progress
 ✔ Completed 🔄 Continuous

MJ

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 CHARTERED ACCOUNTANTS

Fiscal Year 2017 Internal Audit Plan Status Cont'd

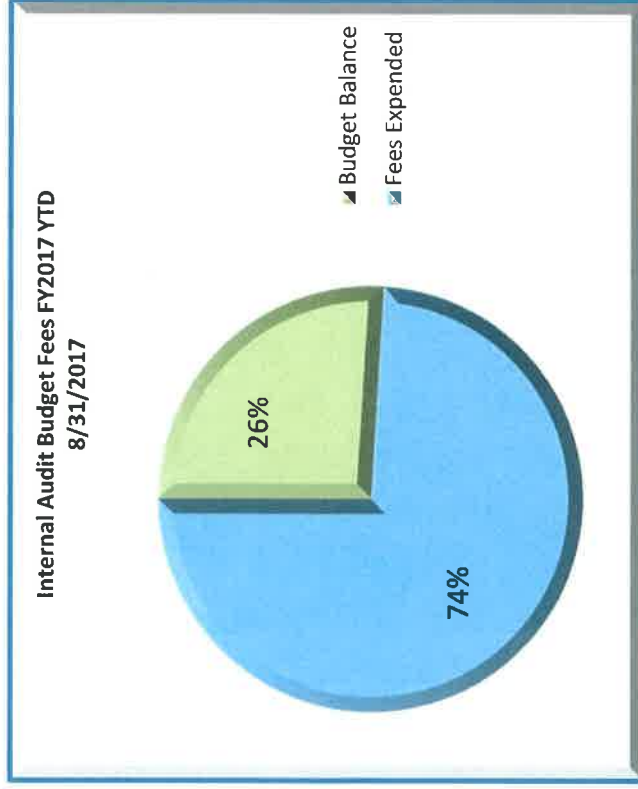
Activity #	Audit	Planning	Fieldwork	Draft Report	Mgmt. Comments	Final Report	Issued
12	Scratch Ticket Working Paper Workflow System						
13	Follow-Up On Prior Audit Findings						
14	Monitor of Fraud/Complaint Hotlines Lines						
15	External Audit / Review Assistance						
16	Update Risk Assessment & Develop 2018 Audit Plan						
17	Annual Audit Report						

Legend: Not Started In-Progress
 Completed Continuous



FY2017 Internal Audit Budget as of August 31, 2017

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.





Anticipated Activities Next Period

- Begin FY2018 Annual Internal Audit Plan
- Issue Audit Reports
 - Employee Time and Leave Processes
 - Second-Chance Drawings Processes
 - Active Directory
 - Crisis Management Planning and Response
 - Scratch Ticket Working Paper System
 - Jackpot Estimation System
- Issue FY2017 Internal Audit Annual Report
- Issue FY2018 Annual Internal Audit Plan

