





**McCONNELL & JONES LLP**  
CERTIFIED PUBLIC ACCOUNTANTS

# **INTERNAL AUDIT SERVICES**



## **STATUS REPORT TO THE COMMISSIONERS**

**JUNE 6, 2019**

**INFORMATION ITEM – NO ACTION REQUIRED**



## Internal Audit Activities

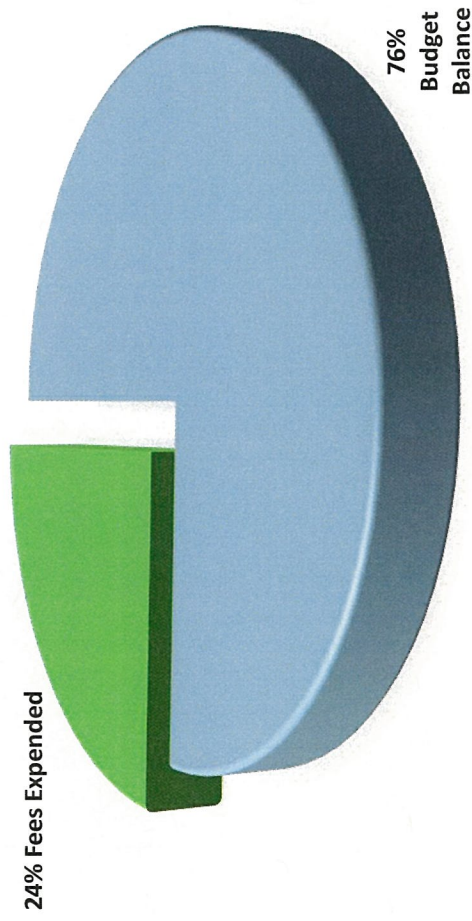
Internal Audit Services' activities during this period (April 1, 2019 through May 31, 2019) include:

- Continued the following audits:
  - Cyber Security
  - Retailer Incentive Program



# FY 2019 Internal Audit Budget as of April 30, 2019

INTERNAL AUDIT BUDGET FEES FY2019 YTD  
4/30/2019



*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.*

Legend:  Not Started  In-Progress  
 Completed  Continuous

# Fiscal Year 2019 Internal Audit Plan Status

Activity #	Audit	Planning	Fieldwork	Draft Report	Mgmt. Comments	Final Report	Issued
1	Copy Center Controls and Monitoring Process						
2	Centralize Audit Report Findings and Monitoring						
3	HB2578 Implementation						
4	Game Changes						
5	Drawings Studio						
6	Cyber Security Program						
7	Retailer Incentive Program						
8	Lottery Operations Customer Service						
9	Follow-Up On Prior Audit Findings						
10	Bingo Follow-Up Activities						
11	Information System User Access						
12	Monitor of Fraud/Complaint Hotlines Lines						
13	External Audit / Review Assistance						
14	Update Risk Assessment & Develop 2020 Audit Plan						
15	Annual Audit Report						



## Anticipated Activities Next Period

- Conduct risk assessment and prepare FY 2020 Annual Internal Audit Plan
- Complete the Centralized Audit Findings Data Base Testing
- Issue Drawings Studio Audit Draft Report
- Issue the HB2578 Implementation Audit Draft Report
- Issue Cyber Security Audit Draft Report
- Complete Retailer Incentive Audit
- Complete Game Changes Audit
- Complete Audit of TLC's Lottery Operator Contract Compensating Controls
- Complete Customer Service Audit