

EXECUTIVE SUMMARY

Mount Surprise State School

Objectives

The objectives of the audit are:

- to conduct a review of, and make an assessment of the effectiveness of the management of risk in the areas covered by the audit (refer Scope below)
- to conduct a review, and make an assessment of internal controls in the areas covered by the audit (refer Scope below); and
- to make an assessment of the effectiveness and efficiency of operations, compliance with applicable laws and regulations, proper supervision and compliance with policies and procedures, in the areas covered by the audit (refer Scope below).

In addition, the audit aims to assist with the implementation of school-based management by ensuring management practices reflect the principles of responsibility, accountability, productive partnerships with the school and wider community and socially just practices.

The purpose of this report is to provide you with written feedback on the audit performed, seek your acknowledgment of findings, and commitment to address recommendations.

The report consists of the following sections:

- **Executive Summary** - Provides a summary of the audit, an overall opinion and comments in relation to the audit objectives.
- **Findings and Recommendations** - Details the (risk-rated) findings arising from the audit, and makes recommendations to address them.
- **Client Action Plan** - This section requires the Principal to respond to each finding, and to establish a timetable (refer Findings Legend below), in which to commence implementation of recommendations. It is a requirement of the Audit Charter that audit reports be responded to. Internal Audit Branch requests your response **within 10 working days** from receipt of the report using the "Client Action Plan" provided.

Scope

The audit program has been aligned within the department's broad policy areas i.e. *Education Queensland, Human Resource Management, Finance, Procurement, Infrastructure and, Information Communication and Technology.*

The audit is focused primarily on the period since the last audit, and includes a review of the implementation of previous audit findings. It should be noted that the school audit is conducted on a sample basis and therefore not all weaknesses in processes and controls may be identified.

Definitions

Effective - Overall audit findings indicate that risk is being managed effectively, and the overall level of internal control is assessed as high. The effectiveness and efficiency of operations, compliance with applicable laws and regulations, proper supervision and compliance with policies and procedures is considered to be high.

Sound - Overall audit findings indicate that risk is being managed satisfactorily, and the overall level of internal control is assessed as satisfactory. The effectiveness and efficiency of operations, compliance with applicable laws and regulations, proper supervision and compliance with policies and procedures is considered to be satisfactory.

Minimal - Audit findings indicate that in several areas risk is being managed ineffectively and the overall level of internal control is assessed as low. High risk areas have been identified which need to be addressed as a priority. The overall level of internal control, effectiveness and efficiency of operations, compliance with applicable laws and regulations, proper supervision and compliance with policies and procedures is considered unsatisfactory in some areas.

Unsatisfactory - Audit findings indicate that overall risk is being managed ineffectively, and the overall level of internal control is assessed as unsatisfactory. A significant number of high risks have been identified which need to be addressed as an urgent priority. The overall level of internal control, effectiveness and efficiency of operations, compliance with applicable laws and regulations, proper supervision and compliance with policies and procedures is considered unsatisfactory. A high priority needs to be given to addressing the findings of this Report, which will require significant management involvement.

FINDINGS LEGEND:

Each finding raised in the Audit Report has been assigned a risk rating. Finding raised will generally be of a systemic nature i.e. consistent, recurring, continuing, incorrect business practice. However, a finding may be raised for a one-off issue that poses a significant risk to the school.

Risk/Priority	Implementation timeframe*	Impact
High Risk	Within 5 days	Matters that pose a major business risk to the entity if not addressed as a matter of urgency.
Medium Risk	Within 10 days	Matters that pose a moderate business risk to the entity, and/or matters that may escalate to high risk if not addressed promptly.
Low Risk	Within 15 days	Matters that pose a low business risk to the entity, and/or matters that may escalate to medium risk if not addressed promptly.

* **Implementation timeframe** - This provides guidance only to the number of days that the school should aim to implement a plan to action the audit recommendation.

Conclusion

In the opinion of Internal Audit the audit has indicated an Overall rating of **Effective**. (Refer Definitions in Background above). The findings which have been identified as Previously Reported and High Risk should be actioned as a matter of priority.