

OFFICE OF THE STATE INSPECTOR GENERAL

Audit Directive Compliance Report

March 2023



Michael C. Westfall, CPA, CIG, CFE
State Inspector General
Report No. 2023-ADM-003



COMMONWEALTH OF VIRGINIA
Office of the State Inspector General

Michael C. Westfall, CPA
State Inspector General

P.O. Box 1151
Richmond, VA 23218

Telephone 804-625-3255
Fax 804-786-2341
www.osig.virginia.gov

March 3, 2023

The Honorable Jeff Goettman
Chief of Staff to Governor Youngkin
P.O. Box 1475
Richmond, VA 23218

Dear Chief Goettman,

The Office of the State Inspector General Directive 001 was created in accordance with *Code of Virginia* § 2.2-309 to provide Oversight of State and Specific Nonstate Agencies' Internal Audit Programs. The directive requires all executive branch state agencies and institutions with internal audit functions to submit to OSIG the documents that follow in this report.

Please contact me at 804-625-3255 or michael.westfall@osig.virginia.gov with any questions. I am also available to meet to discuss the report at your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael C. Westfall".

Michael C. Westfall, CPA
State Inspector General

cc: Bella Warwick, Deputy Chief of Staff to Governor Youngkin
The Honorable Kay James, Secretary of the Commonwealth
The Honorable Margaret McDermid, Secretary of Administration
The Honorable Matthew Lohr, Secretary of Agriculture and Forestry
The Honorable Caren Merrick, Secretary of Commerce and Trade
The Honorable Aimee Rogstad Guidera, Secretary of Education
The Honorable Stephen E. Cummings, Secretary of Finance
The Honorable John Littel, Secretary of Health and Human Resources
The Honorable George Slater, Secretary of Labor
The Honorable Travis A. Voyles, Acting Secretary of Natural and Historic Resources
The Honorable Robert Mosier, Secretary of Public Safety and Homeland Security
The Honorable Sheppard Miller, Secretary of Transportation
The Honorable Craig Crenshaw, Secretary of Veterans and Defense Affairs

The Office of the State Inspector General (OSIG) Directive 001, in accordance with *Code of Virginia* § 2.2-309, requires all executive branch state agencies and institutions with internal audit functions to submit to OSIG the following documents:

- Audit Charter
- Risk Assessment
- Annual Audit Plan
- Most recent external quality assessment review
- Audit Reports
- Special projects and investigations
- Status of Corrective Actions

Code of Virginia § 2.2-309 requires OSIG to coordinate and require standards for all executive branch state agencies and institutions with internal audit functions in order to ensure that the Commonwealth's assets are subject to appropriate internal management control. There are 32 executive branch agencies with an internal audit program. With the exception of the Virginia Economic Development Partnership, which has a contractor performing internal audit services, all of the agencies follow the Institute of Internal auditors' standards. The standards require the internal audit programs to go through an external assessment process every five years to ensure they are in conformance with all IIA standards. The core documents that the IIA requires to be completed are the charter, risk assessment, audit plan and the quality assessment review. The below charts and graphs show internal audit programs by secretariat, as well as whether a charter, audit plan and risk assessment were submitted to OSIG, and whether a quality assessment review was performed during the last five years as required by IIA standards.

Internal Audit Compliance Report for Period Ending 12/31/2022				
Agency	Audit Charter	Risk Assessment	Audit Plan	IIA Quality Assessment Review
CNU	✓	✓	✓	✓
DARS	✓	✓	✓	✓
DBHDS	✓	✓	✓	✓
DCR	✓	✓	✓	✓
DEQ	✓	✓	✓	✗
DJJ	✓	✓	✓	✓
DMAS	✓	✓	✓	✓
DMV	✓	✓	✓	✓
DOC	✓	✓	✓	✓
DOE	✓	✓	✓	✓
DWR	✓	✓	✓	✓
GMU	✓	✓	✓	✓
JMU	✓	✓	✓	✓
LU	✓	✓	✓	✗
NSU	✓	✓	✓	✓
OCS	✓	✓	✓	✓
ODU	✓	✓	✓	✓
RU	✓	✓	✓	✓
TAX	✓	✓	✓	✓
UMW	✓	✓	✓	✗
UVA	✓	✓	✓	✓
VCCS	✓	✓	✓	✓
VCU	✓	✓	✓	✓
VDACS	✓	✓	✓	✓
VDH	✓	✗	✗	✗
VDOT	✗	✗	✗	✗
VEC	✓	✓	✓	✗
VEDP	✓	✓	✓	▲
VSP	✓	✓	✓	✓
VSU	✓	✓	✓	✓
VT	✓	✓	✓	✓
W&M ¹	✓	✓	✓	✓

¹ W&M also provides audit services for Richard Bland College

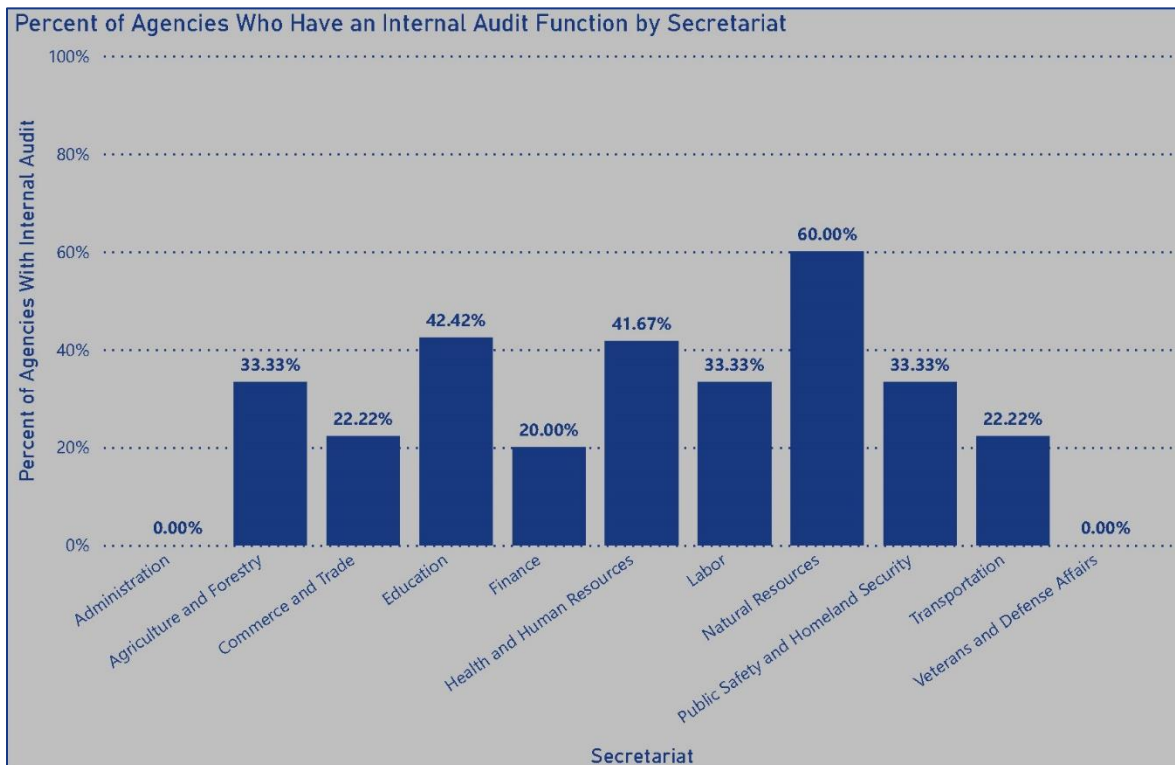
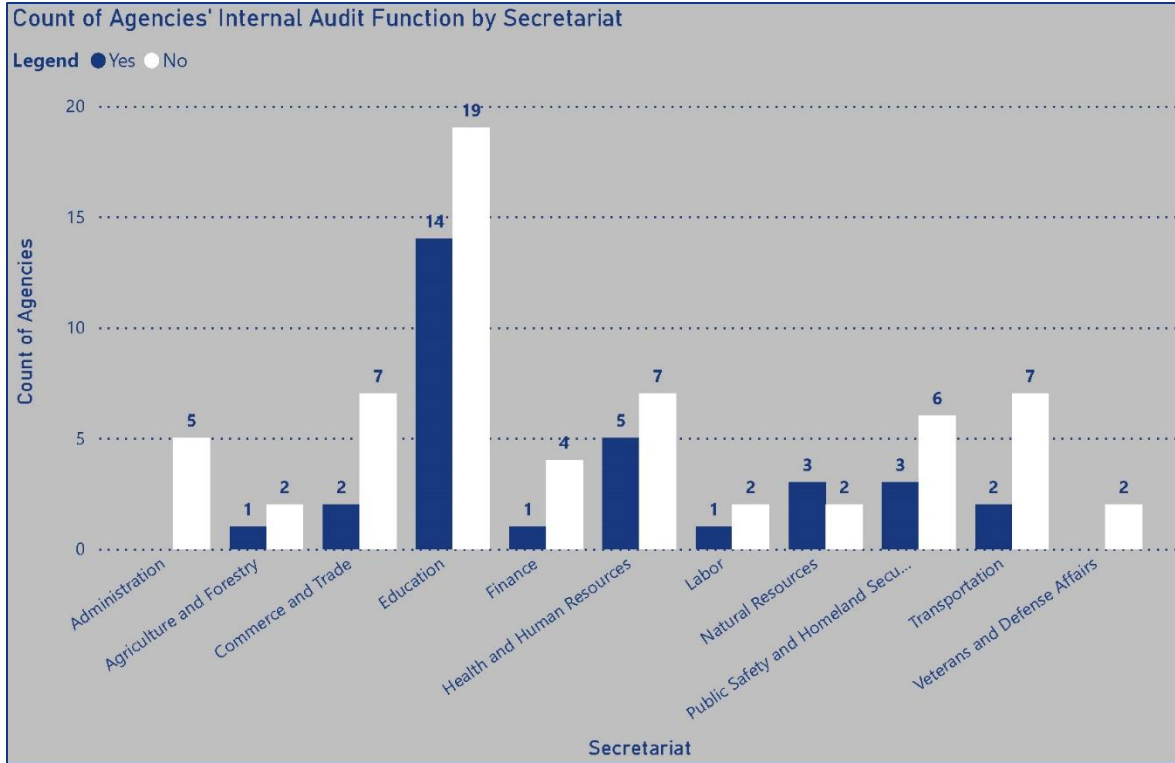
Legend	
✓	Yes
✗	No
▲	All internal audit services were contracted out, and the contractor had an AICPA peer review conducted.

Internal Audit Compliance Report for Period Ending 12/31/2022

Secretary	Agency	Audit Charter	Risk Assessment	Audit Plan	IIA Quality Assessment Review
Agriculture And Forestry	VDACS	✓	✓	✓	✓
Commerce And Trade	DOE	✓	✓	✓	✓
Commerce And Trade	VEDP	✓	✓	✓	▲
Education	CNU	✓	✓	✓	✓
Education	GMU	✓	✓	✓	✓
Education	JMU	✓	✓	✓	✓
Education	LU	✓	✓	✓	✗
Education	NSU	✓	✓	✓	✓
Education	ODU	✓	✓	✓	✓
Education	RU	✓	✓	✓	✓
Education	UMW	✓	✓	✓	✗
Education	UVA	✓	✓	✓	✓
Education	VCCS	✓	✓	✓	✓
Education	VCU	✓	✓	✓	✓
Education	VSU	✓	✓	✓	✓
Education	VT	✓	✓	✓	✓
Education	W&M ¹	✓	✓	✓	✓
Finance	TAX	✓	✓	✓	✓
Health And Human Resources	DARS	✓	✓	✓	✓
Health And Human Resources	DBHDS	✓	✓	✓	✓
Health And Human Resources	DMAS	✓	✓	✓	✓
Health And Human Resources	OCS	✓	✓	✓	✓
Health And Human Resources	VDH	✓	✗	✗	✗
Labor	VEC	✓	✓	✓	✗
Natural Resources	DCR	✓	✓	✓	✓
Natural Resources	DEQ	✓	✓	✓	✗
Natural Resources	DWR	✓	✓	✓	✓
Public Safety And Homeland Security	DJJ	✓	✓	✓	✓
Public Safety And Homeland Security	DOC	✓	✓	✓	✓
Public Safety And Homeland Security	VSP	✓	✓	✓	✓
Transportation	DMV	✓	✓	✓	✓
Transportation	VDOT	✗	✗	✗	✗

¹ W&M also provides audit services for Richard Bland College

Legend	
✓	Yes
✗	No
▲	All internal audit services were contracted out, and the contractor had an AICPA peer review conducted.



Administration	
Internal Audit Program	
Compensation Board	✗
Department of Elections	✗
Department of General Services	✗
Department of Human Resource Management	✗
Virginia Information Technologies Agency	✗

Agriculture and Forestry	
Internal Audit Program	
Department of Agriculture and Consumer Services	✓
Department of Forestry	✗
Virginia Racing Commission	✗

Commerce and Trade	
Internal Audit Program	
Center for Innovative Technology	✗
Center for Rural Virginia	✗
Department of Energy	✓
Department of Housing and Community Development	✗
Department of Small Business and Supplier Diversity	✗
Tobacco Region Revitalization Commission	✗
Virginia Department for Housing and Community Development	✗
Virginia Economic Development Partnership	✓
Virginia Tourism Authority	✗

Legend	
✓	This agency has internal audit.
✗	This agency does not have internal audit.

Education	
Internal Audit Program	
Christopher Newport University	✓
Department of Education, Central Office Operations	✗
Eastern Virginia Medical School	✗
Frontier Culture Museum of Virginia	✗
George Mason University	✓
Gunston Hall	✗
Institute for Advanced Learning and Research	✗
James Madison University	✓
Jamestown-Yorktown Foundation	✗
Longwood University	✓
New College Institute	✗
Norfolk State University	✓
Old Dominion University	✓
Radford University	✓
Richard Bland College ¹	✓
Roanoke Higher Education Authority	✗
Southern Virginia Higher Education Center	✗
Southwest Virginia Higher Education Center	✗
State Council of Higher Education for Virginia	✗
The College of William and Mary in Virginia	✓
The Library Of Virginia	✗
The Science Museum of Virginia	✗
University of Mary Washington	✓
University of Virginia	✓
Virginia Commission for the Arts	✗
Virginia Commonwealth University	✓
Virginia Community College System	✓
Virginia Military Institute	✗
Virginia Museum of Fine Arts	✗
Virginia Museum of Natural History	✗
Virginia Polytechnic Institute and State University	✓
Virginia School for the Deaf and the Blind	✗
Virginia State University	✓

¹ W&M also provides audit services for Richard Bland College

Finance	
Internal Audit Program	
Department of Accounts	✗
Department of Planning and Budget	✗
Department of Taxation	✓
Department of the Treasury	✗
Virginia Resources Authority	✗

Legend	
✓	This agency has internal audit.
✗	This agency does not have internal audit.

Health and Human Resources	
Internal Audit Program	
Assistive Technology Loan Fund Authority	✗
Department for Aging and Rehabilitative Services	✓
Department for the Blind and Vision Impaired	✗
Department for the Deaf and Hard-Of-Hearing	✗
Department of Behavioral Health and Developmental Services	✓
Department of Health	✓
Department of Health Professions	✗
Department of Medical Assistance Services	✓
Department of Social Services	✗
Office of Children's Services	✓
Virginia Board for People with Disabilities	✗
Virginia Foundation for Healthy Youth	✗

Labor	
Internal Audit Program	
Department of Labor and Industry	✗
Department of Professional and Occupational Regulation	✗
Virginia Employment Commission	✓

Natural Resources	
Internal Audit Program	
Department of Conservation and Recreation	✓
Department of Environmental Quality	✓
Department of Historic Resources	✗
Department of Wildlife Resources	✓
Marine Resources Commission	✗

Public Safety and Homeland Security	
Internal Audit Program	
Commonwealth's Attorneys' Services Council	✗
Department of Corrections	✓
Department of Criminal Justice Services	✗
Department of Emergency Management	✗
Department of Fire Programs	✗
Department of Forensic Science	✗
Department of Juvenile Justice	✓
Department of State Police	✓
Virginia Parole Board	✗

Legend	
✓	This agency has internal audit.
✗	This agency does not have internal audit.

Transportation	
Internal Audit Program	
Department of Aviation	✗
Department of Motor Vehicles	✓
Department of Rail and Public Transportation	✗
Department of Transportation	✓
Motor Vehicle Dealer Board	✗
Office of Intermodal Planning	✗
Office of Public - Private Partnerships	✗
Virginia Commercial Space Flight Authority	✗
Virginia Port Authority	✗

Veterans and Defense Affairs	
Internal Audit Program	
Department of Military Affairs	✗
Department of Veterans Services	✗

Legend	
✓	This agency has internal audit.
✗	This agency does not have internal audit.