



McCONNELL & JONES LLP
CERTIFIED PUBLIC ACCOUNTANTS

INTERNAL AUDIT SERVICES



INTERNAL AUDIT REPORTS JUNE 10, 2021

Informational Items Only



Table of Contents

- Records Retention Program Audit Report Summary –Information Item
- Charitable Bingo Operations Division Ledger Reconciliation Project Update – Information Item
- Internal Audit Activities Completed this Period and Planned for Next Period - – Information Item



Agency Monitoring of Vendor Software Changes Audit

Audit	Audit Rating	Number of Recommendations
20-003 Agency-Wide Records retention Program	Effective	2

The agency prepares a records retention schedule in accordance with TSLAC's requirements and has process in place to ensure that records are maintained according to the schedule.

Audit Focus:

- ✓ Records retention schedule review and updates.
- ✓ Records retention schedule consistency between divisions.
- ✓ Records retention training.
- ✓ Records tracking, destruction, and removal.
- ✓ Written policies and procedures.

Recommendations:

1. Update written procedures for the Records Retention Program activities. *(Completed)*
2. Encourage departments/divisions to develop a records management tracking document and destroy records in a timely manner.



CBOD Ledger Account Reconciliation Update

	# Licenses to Reconcile	License Reconciliation Assigned - Pending Initial Review	Initial Review Completed - Pending Additional Info.	1st QC Review - Pending	2nd QC Review_ Pending	Final	Unassigned
Manufacturer	51	-	-	-	19	32	-
Distributor	68	-	-	-	66	2	-
Lessor	1,369	1	-	49	45	6	1,268
Conductor	3,491	11	5	185	176	7	3,107
Total	4,979	12	5	234	306	47	4,375
Percent		0%	0%	5%	6%	1%	88%

Purpose:

To ensure ledger accounts reflect complete and accurate balances.

Reconciliation Activities:

- ✓ Review Transactions and Support Documents.
- ✓ Identify Adjustments Required.
- ✓ Determine Bond Requirements and Status.

License Status Numbers are Based Upon Reports Provided by TLC from Data in the Bingo Operating Service System (BOSS).



FY 2021 Internal Audit Plan Status

FY 2021 Audit Plan Status			
Schedule			
Overall Status:	Green	Percentage Complete	80%
Approved Audits and Activities			
Audit #	Description	Percent Completed	Status
20-005	Background Investigations of Vendor Staff	90%	Reporting
20-002	Bingo Enforcement Orders	100%	Completed
20-003	CBOD Implementation of HB 914	100%	Completed
20-004	Records Retention	100%	Completed
20-008	TLC Warehouse	100%	Completed
20-009	Review and Monitoring of Vendor Software Changes	100%	Completed
21-001	Claims Center Operations	20%	On-Hold
21-002	Workforce Management	5%	On-Hold
21-003	Payroll Processes	100%	Completed
21-004	Agency Travel and Expense	0%	On-Hold
21-005	Claims and Prize Payment Management	0%	On-Hold
21-006	Ticket and Game Management	0%	On-Hold
Approved Audits and Activities			
21-007	Drawings Studio Operations	5%	On-Hold
General Procedures - No Report	Information System User Access Monitoring	50%	In-Progress
General Procedures - No Report	Follow-Up On Prior Audit Findings	25%	In-Progress
General Procedures - No Report	Monitor Fraud/Complaint Hotlines Lines	30%	In-Progress
General Procedures - No Report	External Audit / Review Assistance	0%	Not Started
FY 2022 Annual Internal Audit Plan	Update Risk Assessment & Develop Audit Plan	0%	Not Started
FY 2021 Annual Internal Audit Report	Annual Audit Report	0%	Not Started
General Procedures - No Report	Audit Communications	40%	In-Progress
21-008	Charitable Bingo Operations Division Ledger Account Reconciliations - Newly Approved Addition to FY 2021 Annual Internal Audit Plan	50%	In-Progress

May 31, 2021

Budget Balance:

- 2,880 Hours (130% of approved budget)
- \$236,934 (79% of approved budget)



Internal Audit Activities

Internal Audit Activities Completed This period:

- Continued Charitable Bingo Operations Division Ledger Account Reconciliations
- Monitored CBOD implementation of prior audit recommendations.

Internal Audit Activities Anticipated Next Period:

- Continue working on the Charitable Bingo Operations Division Ledger Account Reconciliations.
- Complete annual risk assessment and prepare FY 2022 Annual Internal Audit Plan.