

# AUDIT INSIGHTS

Volume 4, Issue 1

**From  
Audits to  
NEW  
ADVENTURES:**  
*Celebrating Vince!*



After more than three decades of dedicated service, Vince Roberts is beginning an exciting new chapter with his retirement from Orange County Public Schools. Throughout his time with the Internal Audit Department, Vince has been a trusted presence, known for his professionalism, integrity, and steady guidance. As he steps into this well earned next chapter, we celebrate the lasting impact he's made and wish him all the best in the adventures ahead.

## ***There's a Policy for That...***

School Board Policy KCE – Ethics & Conflicts

### **Spring Into Ethical Standards**

As we begin a fresh year and welcome the spring season, it's a great time to *spring into ethical standards* and revisit School Board Policy KCE – Ethics & Conflicts.

As projects pick up, events get planned, and calendars start filling up, it's easy to move fast and assume things will sort themselves out. When something feels a little unclear, here's a friendly reminder: there is a policy for that—and Policy **KCE (Ethics & Conflicts)** is a good one to keep in mind. KCE helps guide us through everyday situations involving relationships, decision making, supervision, vendor interactions, and the use of District resources. It's not about catching mistakes, it's about helping all of us pause, ask questions, and make sure we're on solid ground.

So as we **spring into a fresh season**, take a moment to check the policy, reach out if you're unsure, and remember that doing the right thing is always in season.



# Contract Management Series



*In our last newsletter*, we explored Vendor Identification Checklist. In this edition, we focus on the critical *Why It Matters Before Data Leaves the Organization* and *Key Evaluation Areas*.

## Why It Matters Before Data Leaves the Organization

As organizations increasingly work with third party vendors, **data owners** play a critical role beyond merely approving or signing contracts. They are responsible for assessing data sharing risks upfront and ensuring that vendor data protection practices align with the district's risk tolerance, legal requirements, and data stewardship obligations before access is granted.

A Preliminary Vendor Evaluation must be conducted before district data is shared with any vendor to make sure that data sharing is safe, legal, and responsible. This evaluation should take place **prior** to finalizing contracts and **before** exchanging any data.

### Key Evaluation Areas

#### 1. Why Are We Sharing Data?

- A clear and legitimate business purpose is defined
- The purpose aligns with district policies and operational goals
- Only the minimum necessary data will be shared

#### 2. What Data Is Involved?

- Data types are clearly identified (student, employee, financial, etc.)
- Data classification is confirmed (public, internal, confidential, sensitive)
- Regulated or sensitive data is identified (FERPA, PII, HIPAA)

#### 3. Is the Vendor Appropriate?

- The vendor is a legitimate and established business entity
- No known legal, regulatory, or reputational concerns are identified

#### 4. How Will the Data Be Protected?

- Access is limited to authorized users and systems
- Data is protected during transmission
- The vendor has an established incident response process

#### 5. Privacy, Retention, and Data Sharing

- The vendor agrees to comply with applicable privacy
- Data retention periods are defined and appropriate
- Any subcontractors are required to meet equivalent data protection standards

#### 6. If Something Goes Wrong

- Breach notification procedures are documented
- Notification timelines and responsibilities are clearly defined

*In our next issue*, we will focus on data ownership.

# Client of the Quarter!!!



## Chris Santana Rodriguez

This quarter, we are proud to recognize Chris Santana Rodriguez, Manager of the FMLA Department, for his outstanding partnership and collaboration throughout our recent FMLA audit. Chris consistently demonstrated exceptional professionalism, deep subject matter expertise, and a strong commitment to ensuring a smooth and efficient audit process. He provided prompt, thorough responses, complete documentation, and the access needed for a comprehensive review, all while offering clear explanations of complex topics through detailed emails and one on one discussions. His proactive communication, positive attitude, and dedication to teamwork exemplify what it means to be an exceptional client partner.

***Congratulations, Chris, and thank you for your remarkable contribution!***

## FRAUD PREVENTION TIP

One of the most effective tools for preventing fraud is generally considered to be increasing the perception of detection. The perception of detection is the belief that wrongdoing, especially fraud, will be quickly discovered and penalized. Some methods to increase the perception of detection are:

- 1. Communicating** strong fraud policies and procedures.
- 2. Performing** surprise audits and risk assessments.
- 3. Posting** signs about cameras or surveillance.
- 4. Advertising** hotlines or whistleblower programs.
- 5. Ensuring** swift and fair consequences for wrongdoing.



# CLASSICAL MYTHS OF INTERNAL AUDITING



Internal Audit plays a vital role in supporting accountability and transparency, yet several common myths still shape how people perceive audits and auditors. Clarifying these misconceptions helps strengthen understanding of how Internal Audit supports better outcomes across the organization.

One frequent myth is that Internal Audit exists to “catch people doing something wrong.” Audits focus on evaluating processes and controls—not individuals—to identify improvement opportunities. This approach helps teams operate more effectively and reduces the likelihood of future issues.

Another misconception is that auditors only look at financial matters. While financial controls are important, Internal Audit also reviews operations, compliance, technology, and governance. This broader perspective helps uncover risks or inefficiencies that may not be visible within day to day operations.

A final myth is that audits slow things down. In practice, audits often streamline processes by highlighting bottlenecks, unclear responsibilities, or outdated procedures. The goal is to help departments work smarter and achieve consistent results.

Ultimately, Internal Audit isn't about fault, it's about strengthening processes and supporting an organization built on accountability, efficiency, and continuous improvement.

## Did you Know...

Most fraudsters were employees or managers, but frauds perpetrated by owners and executives were the costliest.

## Internal Control Tip

Internal controls breakdown when people look for shortcuts, staff are overwhelmed, or there is a lack of training, understanding or experience among staff.

