

**OFFICE OF THE STATE INSPECTOR GENERAL**

**Audit Directive Compliance Report**

**September 2023**



**Michael C. Westfall, CPA, CIG, CFE**  
**State Inspector General**  
**Report No. 2024-ADM-002**



*COMMONWEALTH OF VIRGINIA*  
*Office of the State Inspector General*

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State Inspector General

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September 22, 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](mailto:michael.westfall@osig.virginia.gov) with any questions. I am also available to meet to discuss the reports 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  
Tiffany Robinson, Deputy Chief of Staff to Governor Youngkin  
The Honorable Kelly Gee, Secretary of the Commonwealth  
The Honorable Margaret "Lyn" 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 "Bryan" Slater, Secretary of Labor  
The Honorable Travis A. Voyles, Secretary of Natural and Historic Resources  
The Honorable Terrance C. Cole, 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 to ensure that the Commonwealth's assets are subject to appropriate internal management control. There are 31 executive branch agencies with an internal audit program. This includes the Department of Housing and Community Development which hired an individual in June 2023 to staff their newly formed internal audit program. It should be noted that in fiscal year 2023 the Department of Environmental Quality and the Virginia Economic Development Partnership eliminated their internal audit functions.

All of the agencies follow the Institute of Internal Auditors *Standards for the Professional Practice of Internal Auditing*. 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 FY 2023




Agency	Audit Charter	Risk Assessment	Audit Plan	IIA Quality Assessment Review
CNU	✓	✓	✓	✓
DARS	✓	✓	✓	✓
DBHDS	✓	✓	✓	✓
DCR	✓	✓	✓	✓
DHCD	!	!	!	!
DJJ	✓	✓	✓	✓
DMAS	✓	✓	✓	✓
DMV	✓	✓	✓	✓
DOC	✓	✓	✓	✓
DOE	✓	✓	✓	✓
DWR	✓	✓	✓	✓
GMU	✓	✓	✓	✓
JMU	✓	✓	✓	✓
LU	✓	✓	✓	✓
NSU	✓	✓	✓	✓
OCS	✓	✓	✓	✓
ODU	✓	✓	✓	✓
RU	✓	✓	✓	✓
TAX	✓	✓	✓	✓
UMW	✓	✓	✓	✓
UVA	✓	✓	✓	✓
VCCS	✓	✓	✓	✓
VCU	✓	✓	✓	✓
VDACS	✓	✓	✓	✓
VDH	✓	✓	✓	✓
VDOT	✓	✓	✓	✓
VEC	✓	✓	✓	✓
VSP	✓	✓	✓	✓
VSU	✓	✓	✓	✓
VT	✓	✓	✓	✓
W&M <sup>1</sup>	✓	✓	✓	✓

<sup>1</sup> W&M also provides audit services for Richard Bland College

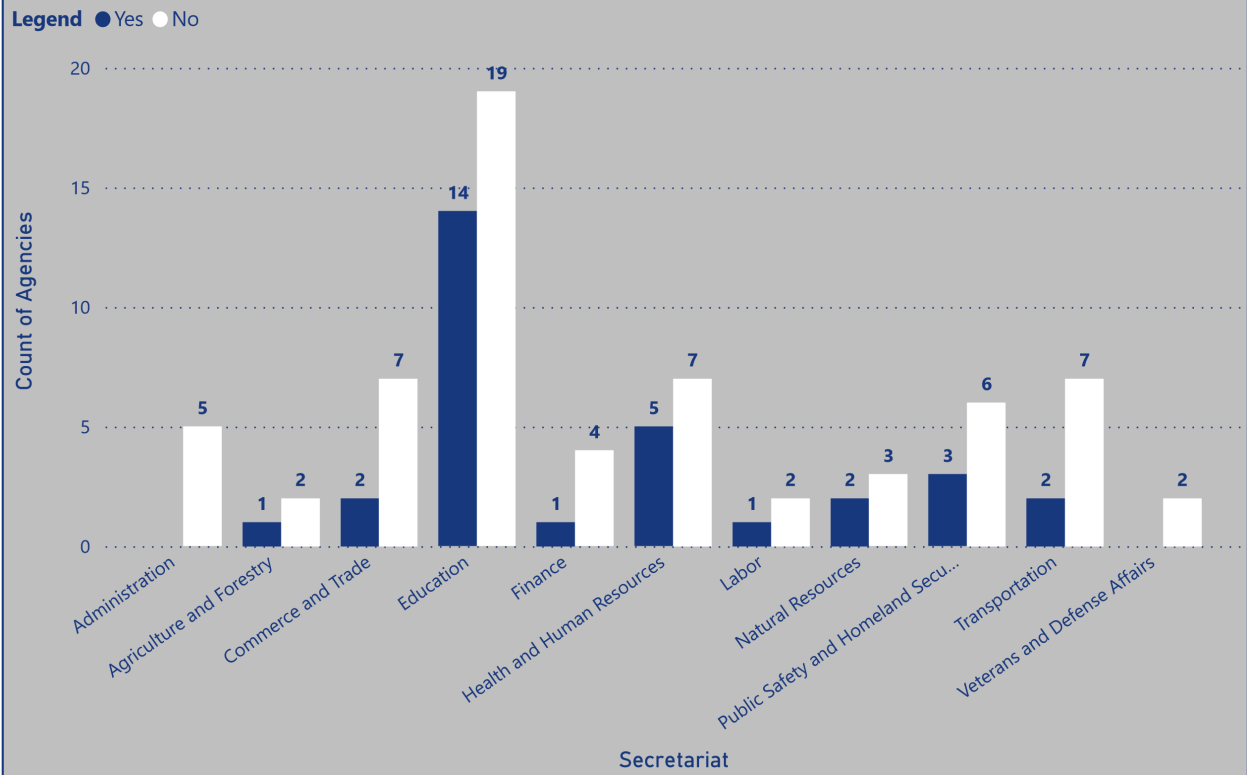
Legend	
✓	Yes
✗	No
!	Internal Audit was just formed at this agency.

### Internal Audit Compliance Report for FY 2023

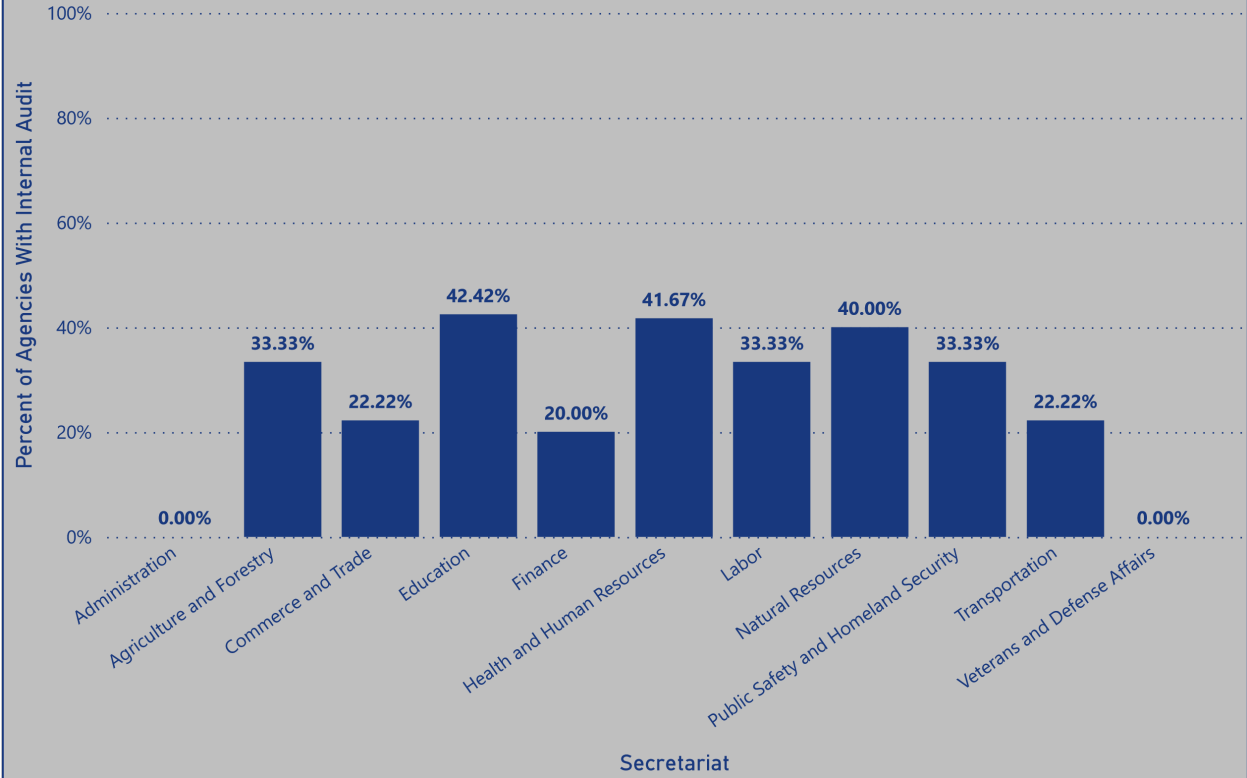
Secretary	Agency	Audit Charter	Risk Assessment	Audit Plan	IIA Quality Assessment Review
Agriculture And Forestry	VDACS	✓	✓	✓	✓
Commerce And Trade	DHCD	!	!	!	!
Commerce And Trade	DOE	✓	✓	✓	✓
Education	CNU	✓	✓	✓	✓
Education	GMU	✓	✓	✓	✓
Education	JMU	✓	✓	✓	✓
Education	LU	✓	✓	✓	✓
Education	NSU	✓	✓	✓	✓
Education	ODU	✓	✓	✓	✓
Education	RU	✓	✓	✓	✓
Education	UMW	✓	✓	✓	✓
Education	UVA	✓	✓	✓	✓
Education	VCCS	✓	✓	✓	✓
Education	VCU	✓	✓	✓	✓
Education	VSU	✓	✓	✓	✓
Education	VT	✓	✓	✓	✓
Education	W&M <sup>1</sup>	✓	✓	✓	✓
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	DWR	✓	✓	✓	✓
Public Safety And Homeland Security	DJJ	✓	✓	✓	✓
Public Safety And Homeland Security	DOC	✓	✓	✓	✓
Public Safety And Homeland Security	VSP	✓	✓	✓	✓
Transportation	DMV	✓	✓	✓	✓
Transportation	VDOT	✓	✓	✓	✓

Legend	
	Yes
	No
	Internal Audit was just formed at this agency.

Count of Agencies' Internal Audit Function by Secretariat



Percent of Agencies Who Have an Internal Audit Function by Secretariat



## Administration

Internal Audit Program




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Compensation Board	
Department of Elections	
Department of General Services	
Department of Human Resource Management	
Virginia Information Technologies Agency	

## Agriculture and Forestry

Internal Audit Program

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Department of Agriculture and Consumer Services	
Department of Forestry	
Virginia Racing Commission	

## Commerce and Trade

Internal Audit Program

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Center for Innovative Technology	
Center for Rural Virginia	
Department of Energy	
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	

## 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 <sup>1</sup>	✓
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	✓



## Finance

Internal Audit Program

Department of Accounts	✗
Department of Planning and Budget	✗
Department of Taxation	✓
Department of the Treasury	✗
Virginia Resources Authority	✗

## 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	



## 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.