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MEMORANDUM

TO: The Audit, Finance and Planning Committee

FROM: BG Dallas B. Clark

SUBJECT: ARMICS Oversight Committee Annual Report – FY 2024

The ARMICS coordinator, in cooperation with the ARMICS Oversight Committee, coordinates and oversees the annual State mandated Agency Risk Management and Internal Control Standard (ARMICS) assessment process ensuring it is conducted in conformity with directives from the State Comptroller and applicable reporting deadlines are met.

FY 2024 Actions:

The ARMICS coordinator, and Oversight Committee when called upon, is responsible for reviewing and assessing significant fiscal processes. A focused survey of employees potentially involved in significant fiscal processes is also conducted. The deadline for the FY 2024 certification is 31 October 2023, which allows assessment and testing to be conducted after the fiscal year is completed.

During the assessment phase, the responsible department head for each area (ex. Accounts Payable, Admissions, Financial Aid, General Accounting, Payroll, etc.) with significant fiscal processes reviews their processes, determines whether any procedural changes have occurred, and determines whether any new processes should be assessed. Presently, a total of forty-two significant fiscal processes will be reviewed for FY 2024. Samples of transactions are selected, and testing is performed to ensure controls are functioning as intended.

Few changes to existing fiscal processes have been noted however recent personnel changes have occurred resulting in new department heads (Registrar, Admissions, Financial Aid, Human Resources) and reorganization of duties.

The assessment and testing process is currently ongoing and on track to meet the 31 October 2024 certification deadline. ARMICS testing workpapers are now electronic and online certification to the State is required. The Superintendent (Agency Head) and Director of Finance and Budget (Fiscal Officer) are required to certify ARMICS for VMI.