



TEXAS WOMAN'S
UNIVERSITY™

ANNUAL AUDIT PLAN

FOR FISCAL YEAR 2022

OFFICE OF AUDIT SERVICES



Date: August 18, 2021

To: Members of the Board of Regents
Carine Feyten, Ph.D., Chancellor and President

From: Shannon South, CPA 
Director, Office of Audit Services

Subject: Fiscal Year 2022 Audit Plan

We are pleased to submit the annual internal audit plan for Texas Woman's University (TWU). The TWU Finance and Audit Committee and the Board of Regents approved the plan on August 13, 2021. As required by Texas Government Code, Section 2102.015, we are required to post this plan on our website at twu.edu/audit-services.

We appreciate the support that you, executive management, and the Finance and Audit Committee offer us in the performance of our responsibilities at TWU.

Distribution:

Texas Woman's University (TWU)	State of Texas Agencies:	Members of the TWU Board of Regents:	
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Kimberly Russell, Ed.D., Vice President for University Advancement			
Deanna Titzler, Interim Associate Vice President for Marketing and Communications			
R. Jason Tomlinson, Vice President of Finance and Administration			

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METHODOLOGY

The Fiscal Year 2022 audit plan was prepared using a risk-based approach as required by the Texas Internal Auditing Act (Government Code 2102). The plan was prepared by identifying auditable areas of the University. The auditable areas are identified by reviewing budgetary information, the TWU website, information from the Association of College and University Auditors (ACUA), The Institute of Internal Auditors (IIA), and other institutions of higher education in Texas.

A risk assessment was conducted of the auditable areas based on risk factors detailed below in Figure 1. These risk factors are established based on information from peers, ACUA, IIA, and professional judgement. The relative risk for each auditable area was assessed on a judgmental basis by assigning a risk rating that indicates the risk for that factor to the auditable area. The risk ratings for the auditable area are averaged by the number of factors to determine the impact and likelihood scores. Risk scores were then evaluated on a risk matrix comparable to Figure 2. Priority was given to focusing on critical and high risk areas for inclusion on the audit plan.

To obtain additional insight and to validate the audit plan, we conducted discussions with senior leadership and management to identify reputation factors, regulatory changes, organization shifts, new initiatives and deployment of new systems or technology tools.

The audit plan focuses on delivering value to TWU with an emphasis on the following risk areas: strategic, operational, financial, compliance, and IT. Critical areas for consideration in the core audit plan include, but are not limited to:

- Academic Units
- Advancement
- Auxiliary Enterprises and Athletics
- Campus Safety and Security
- Enrollment Services
- Facilities and Operations
- Financial Management
- Human Resources
- Information Technology
- Research
- Student Services

If topics emerge during the audit plan period that require more attention, the plan is designed to be flexible and can be adjusted to accommodate these needs. In addition, as each audit is undertaken, risks will be re-evaluated to ensure proper audit coverage with consideration of confidentiality, integrity, and availability.

After consideration of estimated time for holidays and leave, the Fiscal Year 2022 audit plan budget was based on 5,280 available staff hours for 3 internal audit professionals. Of this time, approximately 2,900 hours will be dedicated to performing risk-based and required audits, 400 hours is needed for follow-up on prior audits, 300 hours are set aside for investigations and unscheduled requests, 340 hours are utilized for staff education and development, and 1,340 hours are allocated for administrative and other value-added work, including the annual risk assessment, institutional committee service, service to the profession, and department development.

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AUDIT PLAN FISCAL YEAR 2022



RISK-BASED AND REQUIRED AUDITS

- Information Technology Change Management
- CARES Act Compliance
- College of Business
- Financial Aid - outsourced
- Benefits Proportionality
- Investments
- Texas Education Code 51.9337 Compliance
- Safety and Security
- Facilities



AUDIT FOLLOW-UP AND RESERVE

- Follow-up Audits
- Investigations and Special Requests



OTHER DEPARTMENT ACTIVITIES

- Staff Training and Development
- Administrative Operations

AUDIT RESOURCE ALLOCATION

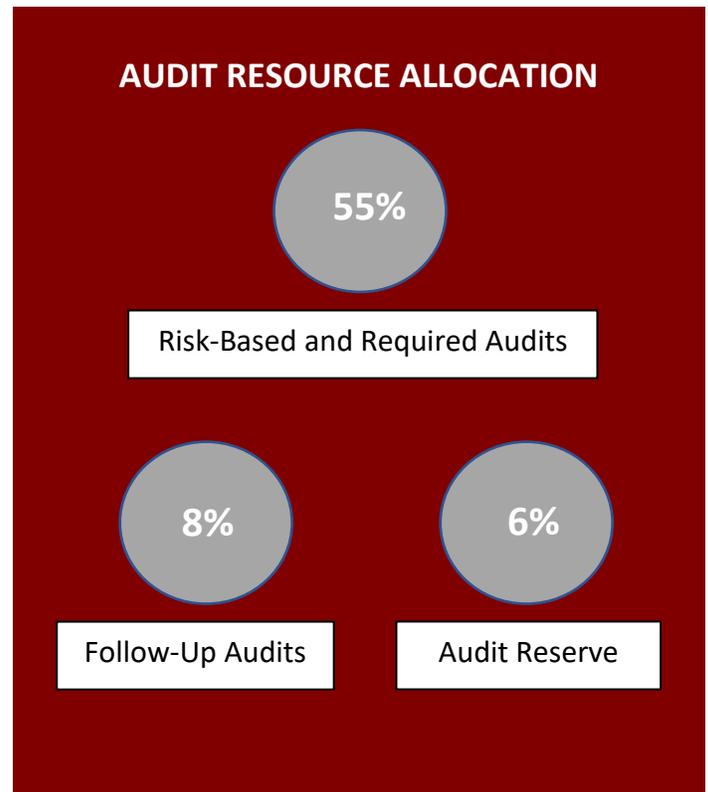


FIGURE 1

RISK RATING DEFINITIONS					
Risk Factors	Very Low	Low	Moderate	High	Critical
Resources at Risk	<\$25k in impact to the University	>\$25k - <\$100k in impact to the University	>\$100k - <\$500k in impact to the University	>\$500k - <\$1M in impact to the University	>\$1M in impact to the University
Reputation	No impact on reputation	Impact is isolated to a small group; Damage is reversible	Negative impact is departmental, is in the public domain, but with limited publicity	Negative impact is regional with widespread publicity	Long-term / irreparable damage; Negative impact is state-wide or national and is widely publicized
Regulatory Compliance	No breaches of regulatory or contractual obligations	Breaches of regulatory or contractual obligations are confined to an isolated incident or incidents; Not systemic	Breaches of regulatory or contractual obligations with costs to the University and increased scrutiny from regulators	Regulatory censure or action; Significant breach of rules or contract; Possibility of action against specific member(s) of the senior management team	Public regulatory fines or censure, or major litigation potential; Possibility of imprisonment for senior management
Years Since Last Audit	A review of the area or activity took place within the last year	A review of the area or activity took place within the past 2 years	A review of the area or activity took place within the past 3 years	A review of the area or activity took place within the past 5 years	A review of the area or activity has not been conducted within the past 5 years
Organizational Changes	Little to no organizational changes	Transition of a Manager within an organizational unit	Transition of a Director level or above within an organizational unit	Implementation of a new process/technology that has departmental-wide impact or transition of a Vice President or Dean	Implementation of a new process/technology that has a University-wide impact
Complexity	Low complexity with no interface	Low complexity with limited interface	Medium complexity with limited interface	High complexity with limited interface	High complexity with heavy interface (three or more systems)

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FIGURE 2

RISK RATING						
L I K E L I H O O D	5 – Critical	Low	Moderate	High	Critical	Critical
	4 – High	Low	Moderate	High	High	Critical
	3 – Moderate	Very Low	Low	Moderate	High	High
	2 – Low	Very Low	Very Low	Low	Moderate	Moderate
	1 – Very Low	Very Low	Very Low	Low	Low	Moderate
		1 – Very Low	2 – Low	3 – Moderate	4 – High	5 - Critical
IMPACT						

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