



FISCAL YEAR 2019

AUDIT PLAN

OFFICE OF AUDIT SERVICES





AUDIT SERVICES

TEXAS WOMAN'S UNIVERSITY

August 30, 2018

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

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 10, 2018 . As required by Texas Government Code, Section 2102.015, we are required to post this plan on our website at twu.edu/audit-services.

In addition, the Texas Internal Audit Act requires that the Board be notified of deviations from the prior years audit plan. This communication serves as notice that the department has successfully fully completed the audit plan for fiscal year 2018. The only open item is receiving management responses for one audit from the current year's plan.

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

Ali Subhani, CIA, CISA, GSNA
Director of Audit Services

Plan Distribution:

Texas Woman's University (TWU):

Dr. Monica MendezGrant, Vice President for Student Life
Dr. Randall Langston, Vice President for Enrollment Management
Dr. Alan Utter, Provost and Vice President for Academic Affairs
Jason Tomlinson, Vice President for Finance and Administration
Robin Head, Interim Vice President Advancement
Raechelle Clemmons, Associate Provost for Technology and Chief Information Officer
Cynthia Pollard, Associate VP Marketing Communications
Destinee Waiters, Associate VP Compliance & General Counsel
Deena King, Director Compliance

State of Texas Agencies

Governor's Office of Budget and Planning
Legislative Budget Board
State Auditor's Office
Sunset Advisory Commission

Members of the TWU Board of Regents:

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Regent Nancy Painter Paup Regent Kathleen Wu
Regent George R. Schrader Regent Mary Wilson
Regent Bernadette Coleman Regent Jill Jester
Student Regent Emily Galbraith Regent Teresa Doggett

AN EQUAL EMPLOYMENT/AFFIRMATIVE ACTION UNIVERSITY



METHODOLOGY

The Fiscal Year 2019 audit plan was prepared 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 request to complete a survey was sent out to institutional stakeholders at the three locations. In addition, a survey was all sent senior leadership to identify priorities for institutional leadership. A Risk Assessment was then conducted of the auditable areas based on 5 risk factors detailed below [F1 - F5] in Figure 1. These risk factors are established based on information from peers, ACUA, IIA, and professional judgment. Each factor is given a risk rating (RR) which indicates the risk for that factor to the auditable area. The risk ratings for the auditable area are then averaged by the number of factors to determine the impact scale.

Professional judgement was utilized to determine the likelihood of the auditable area experiencing a negative incident in the absence of adequate controls using the criteria defined in Figure 2.

The auditable areas were then sorted by risk score (highest to lowest) and plotted on a risk matrix comparable to Figure 3. Priority was given to focusing on critical and high risk areas. Low or Medium risk areas were not considered for inclusion on the audit plan.

ALLOCATION OF TIME

The Fiscal Year 2019 Audit Plan budget was based on available staff hours for 3 internal audit professionals with 2,080 available hours. The Plan includes risk-based and required audits (financial, operational, compliance, information technology), risk-based consulting reviews, follow-up audits, investigations, reserves for management requests, and other projects and initiatives as outlined in the audit plan section.



AUDIT SERVICES

TEXAS WOMAN'S UNIVERSITY

Audit Plan

Fiscal Year 2019



RISK BASED AUDITS

- Student Housing
- Advancement
- Property & Surplus
- Tuition
- HIPAA Compliance
- Executive Travel and Entertainment
- Department of Public Safety
- Swipe Card System
- Vulnerability Management Process



REQUIRED AUDITS

- Emergency Operations Plan; Safety and Security Audit
- TEC 51.9337 Compliance
- Investments



FOLLOW-UP

- Quarterly Follow-up audits



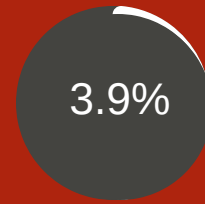
CONSULTING

- Purchasing Cards Monitoring

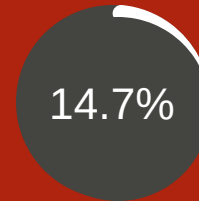
RESOURCE ALLOCATION



RISK BASED AUDITS



CONSULTING



REQUIRED AUDITS



TRAINING

- Training & Development for departmental staff



FIGURE 1

RISK RATING DEFINITIONS

	Low	Moderate	Significant	Severe	Catastrophic
Resources at Risk	<\$25k in impact to the institution	>\$25k - <\$100k in impact to the institution	>\$100k- <\$500k in impact to the institution	>\$500k- <\$1M in impact to the institution	>\$1M in impact to the institution
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.
Years Since Last Audit	A review of the area or activity took place <6 months ago.	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 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.
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 institution 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.

FIGURE 2

LIKELIHOOD DEFINITIONS

	Rare	Infrequent	Occasional	Frequent	Imminent
Frequency	In more than / every 5 years	Within the next / every 3 to 5 years	Within the next / every 1 to 3 years	Within the next / every 1 year	Within the next / every Quarter



FIGURE 3

L I K E L I H O O D	5- Imminent	Low	Moderate	High	Critical	Critical
	4- Frequent	Low	Moderate	High	High	Critical
	3- Occasional	Very Low	Low	Moderate	High	High
	2- Infrequent	Very Low	Very Low	Low	Moderate	Moderate
	1-Rare	Very Low	Very Low	Low	Low	Moderate
		1-Minor	2- Moderate	3- Significant	4-Severe	5-Catastrophic
I N H E R E N T R I S K						