

**Contact: Todd Stewart**

**INTERNAL AUDIT PLANNING**

**Action Requested:** Receive the annual internal audit planning strategy and provide guidance to Internal Audit Director.

**Executive Summary:**

Internal Audit is presently developing a comprehensive enterprise-wide audit plan to be executed during the fiscal year beginning July 1, 2007.

The initial step has been to hold numerous risk assessment meetings with the University Presidents, Vice Presidents, selected Deans and other senior administrators on campus and at the University of Iowa Hospitals and Clinics. The input received has allowed Internal Audit to develop a listing of proposed audit projects for consideration. Upon further analysis, Internal Audit will prioritize the universe of projects and select the high risks areas for inclusion on the final audit plan that will be submitted to the Board in August.

Internal Audit is also seeking input from the Internal Audit staff, Auditor of State, Board Office staff, and selected others on campus. Input and guidance from the Board members is also sought to provide direction and potential audit areas for next fiscal year. A meeting to discuss the final audit plan will be held with the Auditor of State to insure complete audit coverage without duplication of effort.

The risk assessments are performed at each campus to identify those areas of high risk on each individual campus. Since business processes and administrative systems differ considerably from campus to campus, the associated risks also vary. When a common high risk area is identified, Internal Audit will plan and execute the audits as an enterprise-wide effort to ensure a consistent and focused audit approach.

In evaluating the institutional risk of a process or organization, the following areas are considered:

- Impact on University Mission/ Student Impact
- Financial Loss
- Legal/Regulatory
- Complexity
- Level of Changes
- Reputation/ Public Relations
- Control Environment
- Information Security/Technology