

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, 2006. The Internal Audit Director held a joint planning meeting with the campus Audit Managers to discuss and standardize the risk assessment and planning activities on each campus. The result has been a consistent and methodical effort to improve and enhance the planning processes.

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 Audit and Compliance Committee in August.

Internal Audit has sought input from the Internal Audit staff, Auditor of State, Board Office staff, and selected others on campus. Input and guidance from the Audit and Compliance Committee members is also sought to provide direction and potential audit areas for next fiscal year.

Consideration of enterprise-wide audit projects will be assessed for inclusion in the plan when deemed appropriate. Previously identified enterprise-wide projects include:

- The Regents Transformation and Excellence Plan
- Grow Iowa Values Fund
- President's Accounts

The risk assessments are performed at each campus in order 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 risk also varies. When a common high risk area is identified we will plan and execute the audits as an enterprise-wide effort to ensure a consistent and focused audit approach. There are a number of high risk areas that are routinely included in the internal audit cycle including investments and NCAA compliance.

Once the annual audit plan is approved, Internal Audit will track hourly progress on a weekly basis to be fully accountable on progress made throughout the year. Internal Audit will continue to standardize audit processes and procedures during the coming year to complete the enterprise-wide internal audit consolidation as directed by the Board.