



Item: AC: A-1

AUDIT AND COMPLIANCE COMMITTEE
Tuesday, June 7, 2022

SUBJECT: REQUEST FOR APPROVAL OF THE ANNUAL WORK PLAN FOR FISCAL YEAR 2023 FOR THE OFFICE OF INSPECTOR GENERAL

PROPOSED COMMITTEE ACTION

Review and approve the Annual Work Plan for Fiscal Year 2023 for the Office of Inspector General (OIG).

BACKGROUND INFORMATION

This is the Office of Inspector General (OIG)'s proposed Annual Work Plan for Fiscal Year (FY) 2023. This Work Plan (which is consistent with our current staff resources) reflects the projects and other activities that the OIG plans to undertake during the fiscal year. Both the Board of Governor's regulations and the Professional Auditing Standards require that the Inspector General prepare a risk-based work plan annually and submit it for the Board of Trustee's approval. In preparing this work plan, we conducted an annual risk assessment of the University's programs and activities, and we obtained input from the Board of Trustee (BOT) Audit and Compliance Committee Chair, the President, senior management, and staff. Upon your approval, this work plan will guide our activities throughout the fiscal year but may be adjusted to allow for responses to emerging risks as well as to meet other priority needs of management and the BOT Audit and Compliance Committee.

IMPLEMENTATION PLAN/DATE

Upon approval from the Board of Trustees

FISCAL IMPLICATIONS

Not applicable

Supporting Documentation:
Presented by: Mr. Reuben Iyamu, Inspector General

Annual Work Plan Fiscal Year 2023
Phone: 561-297-6493



FLORIDA ATLANTIC UNIVERSITY
OFFICE OF INSPECTOR GENERAL



ANNUAL WORK PLAN FISCAL YEAR 2023

**Reuben Iyamu, MBA, CIA, CFE, CIGA
Inspector General**

INTRODUCTION

This is the Office of Inspector General (OIG)'s Annual Work Plan for Fiscal Year (FY) 2023. This Work Plan presents the projects and other activities that the OIG plans to undertake during the fiscal year. Both the Board of Governor's regulation¹ and the Professional Auditing Standards² require that the Inspector General prepare a risk-based work plan annually and submit to the Board of Trustees (BOT) for approval. It is my pleasure to present this work plan to you for consideration and approval. This work plan will guide our activities throughout the fiscal year but may be adjusted to allow responses to emerging risk, and to meet the needs and priorities of management and the BOT Audit and Compliance Committee. Our office will continue to partner with management and staff to create a risk conscious climate and promote the opportunity for achieving greater economy, efficiency, effectiveness, and accountability for this University.

METHODOLOGY

This work plan was based on the OIG's, annual risk assessment, and the contributions and insights from management, staff, and the BOT Audit and Compliance Committee Chair, as well as the available OIG staff resources. Annual risk assessment was conducted to assess the likelihood and impact of operational, financial, compliance, and reputational risk that could prevent successful achievement of the university's strategic goals and objectives.

RESOURCES TO ACCOMPLISH WORK PLAN

The OIG currently consists of three staff and the Inspector General. Based on the staff levels, we have budgeted total staff hours of 8,320 for the fiscal year. Of those hours, we are allocating 6,480 hours of productive time for direct and indirect projects, which includes (but are not limited to) audits, investigations, consulting, follow-up, and special on-going project activities. The remaining hours will be used for leave/holidays, and professional development activities. The following **table** presents our audit plan for fiscal year 2023, which indicates the department/division and the anticipated objectives. Prior to each audit engagement fieldwork, preliminary surveys will be conducted to gain an understanding of the audit area and assess existing risks. From the preliminary survey and auditor assessment of risks particular to the subject area, specific objectives will be developed. Accordingly, audits of the identified areas may include objectives other than those listed in this plan.

¹ Board of Government Regulation 4.002(6)(d) State University System Chief Audit Executives

² The International Standards for the Professional Practice of Internal Auditing Published by the Institute of Internal Auditors.

Planned Projects For FY 2023

Project Summary

Project Types	Total
New Audit Projects	5
Required Annual Audit Projects	1
Consulting Projects	2
Follow-Up Audit Projects	4*
Special On-going Projects	2
OVERALL TOTAL	14

* Projected for new audits and those currently in-progress

Project Descriptions

New Audit and Consulting Projects

New Audit Projects

Project	Department/Division	Description
Contract Procurement Process.	Financial Affairs	The planned objectives of this audit would be to evaluate the University's contract procurement processes. The scope of the audit will be limited to determine whether controls are in place to ensure contracts are properly and competitively awarded in accordance with best business practices, the University procurement policy, and other governing laws, rules, policies, and procedures.
Purchasing Card Program	University-Wide	The planned objectives of this audit would be to determine, for selected University departments, whether the Purchasing Card (P-Card) program is operating efficiently, effectively, and in accordance with policies and best business practices. Specifically, the audit will determine whether adequate internal controls were implemented to reasonably ensure (1) the program's goals and objectives will be accomplished; and 2) P-Card activities for selected University departments, and the

		administration of the program by the Procurement Department adhere to the University P-Card policy, relevant laws, and best business practices.
Student Activity Service Fees and Expenses ³	Student Affairs/Financial Affairs	The anticipated objective of this audit would be to determine whether the applicable University management are properly monitoring student activity and service fees to ensure appropriate use of funds, and compliance with applicable State laws and/or regulations.
The University Internal Debt ⁴	University-Wide	The proposed objective of this audit would be to review and determine whether the University has established and implemented procedures for ensuring proper administration of Internal Debt. Specifically, the audit will examine the process for recording internal debt activities, including debt financed, repayments, and balances, in the University general ledger by fund based on the funding source. The audit may also determine whether procedures ensure that the funding for internal debt is from an allowable resource.
Control over the Purchase and Use of University Vehicles	University-Wide	The anticipated objective of this audit would be to evaluate the University practices over the purchase and use of university vehicles. Specifically, the audit will determine whether (1) business purpose needs were demonstrated for the purchase and use of vehicles; (2) vehicle inventory is properly managed; and (3) the University practices for purchase and use of vehicles are in accordance with applicable policies and regulations.
Consulting Projects		
Assistance and Guidance on ERM Development	University-Wide	Consulting services are advisory in nature and are generally performed at the request of management. Although not specifically requested by management or the BOT Audit and Compliance Committee, assistance and guidance may be provided by OIG on Enterprise Risk Management Development.
Student Affairs Approval Process for Student Sport	Student Affairs & Enrollment Management	OIG may review, benchmark, and provide recommendations on ways to streamline the travel approval process with a focus on student sport

³ This topic was a subject of a recent audit by the Auditor General at one of the State of Florida Colleges.

⁴ This topic was a subject of a recent audit by the Auditor General at one of the Universities within the State University System

Club Teams to Travel		club travel within the division of Student Affairs & Enrollment Management.
Required Annual Audit Projects		
State University Performance-Based Funding Metrics – Data Integrity	University-Wide	In accordance with the State University Systems Board of Governor (BOG)’s mandate, the objectives of this annual audit will include analysis of processes, procedures, system-based controls, and other data verification measures in place to support the integrity of information presented by Florida Atlantic University (FAU) to the BOG for the University’s Performance-Based Funding calculations.
Follow-up audit Projects		
Follow-up audits	To Be Determined	Follow-up audits will be conducted as needed for audit reports issued during the year to determine whether corrective actions were taken to address agreed-upon recommendations and management action plans. Follow-up audits are conducted every six months (March and September) for up to two years.
Investigations and Special Review Projects		
Investigations		
Complaint Intake and Investigations (<i>as it arises</i>)		OIG receives complaints reported through various sources. We evaluate each complaint received to determine jurisdiction, whether it merits investigation, and whether the complaint is Whistle Blower related. The OIG is responsible for investigating non-criminal allegations and Whistle Blower complaints pertaining to fraud, waste, and abuse of University Resources. Complaints determined to be outside of our jurisdiction are referred to the appropriate management.
Special On-Going Projects		
External Audit Coordination		For audits conducted by the Auditor General and other entities, the OIG acts as the primary liaison and assists in coordinating and facilitating management response and follow-up on the audits or investigations.

Unannounced Cash Counts.	OIG may perform unannounced cash counts throughout the year for any of the University locations that collect or maintain cash.
Other OIG Functions and Management Activities	
Other OIG Functions	
Other OIG functions	Other OIG functions include (but are not limited to) activities such as policy and procedure development, Annual Risk Assessment for work plan development, and Internal Quality Assurance and Peer Reviews.
Office Management Activities	
Office Management Activities	Office management activities include (but are not limited to) general administrative functions and staff meetings, continuing professional development, outreach to university staff and administrators, and approved employee leave and holidays.