



Item: **AC: A-1**

AUDIT AND COMPLIANCE COMMITTEE

Tuesday, June 10, 2025

**SUBJECT: REVIEW AND APPROVAL OF THE OFFICE OF INSPECTOR GENERAL (OIG)'S
ANNUAL WORK PLAN FOR FISCAL YEAR 2026**

PROPOSED COMMITTEE ACTION

Approval of OIG's Annual Work Plan for Fiscal Year 2026.

BACKGROUND INFORMATION

As required by both the Board of Governor's regulation and the Professional Auditing Standards, I am pleased to present FAU's OIG's proposed Annual Work Plan for Fiscal Year (FY) 2026 for your review and approval.

In developing this work plan, we conducted an annual risk assessment to consider any financial, compliance, operational, and reputational risks that may impact the University's various departments, programs, activities, and strategic objectives. Information technology and fraud risks were also considered as part of our risk assessment. Additionally, we sought input from various FAU stakeholders, including members of the FAU BOT Audit and Compliance Committee, the President, University Administration, and OIG staff. Apart from the audit topics derived from our risk assessments and stakeholders, the annual work plan includes one audit mandated by the Board of Governors.

IMPLEMENTATION PLAN/DATE

Upon your approval, this work plan will guide our activities throughout the fiscal year.

FISCAL IMPLICATIONS

Not applicable.

Supporting Documentation:

OIGs Annual Work Plan for FY 2026

Presented by – Mr. Reuben Iyamu, Inspector General

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FLORIDA ATLANTIC UNIVERSITY
OFFICE OF INSPECTOR GENERAL



ANNUAL WORK PLAN FISCAL YEAR 2026

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

INTRODUCTION

Florida Atlantic University's Office of Inspector General (OIG) strengthens the University's ability to create, protect, and sustain value by providing the board and management with independent, risk-based, and objective assurance, advice, insight, and foresight. In aggregate, OIG activities enhance the University's:

1. Successful achievement of its objectives and strategic goals.
2. Governance, risk management, and control processes.
3. Decision-making and oversight.
4. Reputation and credibility with its stakeholders.
5. Ability to serve the student's public interest.

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 it to the Board of Trustees (BOT) for approval. This Annual Work Plan for Fiscal Year (FY) 2026 reflects the potential projects and other activities the OIG plans to undertake during the fiscal year. It is subject to change and does not prohibit the OIG from setting new priorities or initiating different projects over the course of the year. Circumstances (such as the need for an investigation or requests received from BOT members and management personnel) may prompt OIG to undertake new, higher priority projects or reduce the priority of a planned project. Some projects on the Annual Plan may be deferred to subsequent years and others that begin as an audit may instead be completed as a management advisory service, department notification, or other non-audit report, or even terminated if OIG determines that further work will not bring substantial benefit to the University or is not cost effective.

METHODS USED IN DEVELOPING WORK PLAN

In developing the work plan, the Inspector General sought input from various FAU stakeholders, including members of the FAU BOT Audit and Compliance Committee, the President, University Administration, and OIG's staff. The systematic risk-based approach we utilized helped us to determine what audits to perform by focusing on the imminent risks to the University's operations and to allocate OIG's resources effectively. The annual risk assessment was conducted to assess the likelihood and impact of financial, compliance, operational, and reputational risk, as well as risk resulting from fraud, waste, and abuse, that could prevent the successful achievement of the university's strategic goals and objectives. Apart from the audit topics derived from our risk assessments and stakeholders, the annual work plan includes one audit mandated by the Board of Governors.

RESOURCES TO ACCOMPLISH WORK PLAN

The OIG currently consists of three staff members and the Inspector General. We have budgeted total staff hours of 8,320 for the fiscal year. Of those total hours, 6,478 hours were allocated for productive time for direct and indirect projects, which include (but are not limited to) audits, investigations, management advisory reviews, follow-up, and special on-going project activities. The remaining 1,842

¹ Chapter 4.002(6)(d) – State University System Chief Audit Executives

² The Global Internal Audit Standards published by the Institute of Internal Auditors (IIA).

hours will be used for leave/holidays, and staff development/training. The **table** below presents our audit plan for fiscal year 2026, which indicates the projects, departments/divisions, and anticipated objectives. During each audit engagement, preliminary surveys will be conducted to gain an understanding of the audit area and assess existing risks. Based on the preliminary surveys and auditor assessment of risks particular to the subject area, specific objectives will be developed. Accordingly, audits in the identified areas may include objectives other than those listed in this plan. The total projects proposed in this work plan are based on the current OIG staff resources.

Planned Projects for FY 2026	
Project Summary	
Project Types	Total
New Audit Projects	2
Required Audit Project*	1
Management Advisory Reviews	2
Carryforward Audit Projects	2
Follow-Up Audit Projects	5**
Investigations	2***
External Audit Coordination	1
OVERALL TOTAL	15
* This is the Board of Governors (BOG) required audit project. ** Projected for completed and new audits, as well as for those currently in-progress. *** Projected for FY	

Project Descriptions		
New Audit Projects		
Project	Department/Division	Description
FAU Alumni Association – Membership Program	FAU Alumni and Community Engagement	The proposed objective of this audit will be to evaluate the adequacy and effectiveness of operational controls regarding the governance, oversight, and monitoring of the University’s Alumni Association Membership Program and related key activities.
Restricted Gift Administration	University-wide	The anticipated objective of this audit will be to determine whether donor gifts to the University are properly classified, recorded, and used by the applicable university units in accordance with the donor intent.

BOG Required Audit Project		
Performance-Based Funding (PBF) Metrics Data Integrity	University-Wide	In accordance with the State University Systems Board of Governor's (BOG)'s mandate, the objective of this annual audit is to determine whether the processes, procedures, system-based controls, and other data verification measures in place ensure the completeness, accuracy, and timeliness of data submitted to the BOG for the University's Performance-Based funding calculations.

Carryforward Audit Projects		
Housing Maintenance Operation <i>[Carryforward]</i>	Student Affairs	The proposed objectives of the audit will be to ascertain the effectiveness of operational, administrative, and financial controls related to housing maintenance, and to ensure compliance with relevant laws, regulations, and University policies.
Campus Recreation – Membership Administration <i>[In-progress - currently in Reporting phase]</i>	Student Affairs	The objective of the audit is to evaluate the adequacy and effectiveness of controls over the University campus recreation membership activities, including registration, payment, and cancellation processes. The audit will also examine the recreation facility access and equipment use controls, as well as compliance with applicable laws, regulations, and policies.

Management Advisory Reviews		
Business Continuity, Emergency Preparedness, and Disaster Recovery Plans	Emergency Management/ Administrative Affairs	Review objectives will be determined in collaboration with the Department of Emergency Management.
Assistance and Guidance Report	University-Wide	As part of our management advisory services, OIG may provide a report (on a selected topic) to assist FAU management with good internal control activities and best business practices.

Follow-up Audit Projects		
Follow-up audits	To Be Determined	Follow-up audits will be conducted as needed for audit reports issued before and/or during the fiscal year to determine whether corrective actions were taken to address agreed-upon

		management action plans. Follow-up audits are conducted every six months (March and September) for up to two years.
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Investigations and External Audit Coordination		
Investigations		
Complaint Intake and Investigations (<i>as they arise</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 appropriate management.
External Audit Coordination – Including Follow-ups		
External Audit Coordination		For audits conducted by 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.
FAU Auditor General Operational Audit 2025		In instances where the State Auditor General’s operational audit, conducted every three years, identifies statutory valuation, the BOG requires the University President, the ACC, and the BOT Chair to complete and sign the Certification of Corrective Actions to Auditor General Findings of Statutory Non-Compliance (Certification) to document compliance with the laws cited by the Auditor General. To help provide an objective basis of support for the Certification, OIG will conduct follow-up test work to validate the actions taken by management to address the Auditor General’s findings and recommendations.

Other OIG Functions and Office Management Activities	
Other OIG functions	Other OIG functions include (but are not limited to) activities such as policy and procedure development/revisions, Annual Risk Assessment for work plan development, and Internal Quality Assurance and Peer Reviews.
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.