

Fiscal Year 2024 Internal Audit Plan

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Audit Plan Development

We have completed the Risk Assessment, developed the FY24 Audit Plan, and secured resources to execute the Audit Plan

Methodology

Internal Audit Universe

- ✓ Use a framework to assess all aspects of risk across UNTS Enterprise
- ✓ Used the Association of College University Auditors categories as baseline and adjust as appropriate

Risk Assessment

- ✓ Evaluate inherent risk (prior to considering controls) against Impact and Probability
- ✓ Considered strategies, emerging risks and obtained input from Management and External parties/subject matter experts

Audit Plan and Resources

- ✓ Audit coverage assessed at universe level, considering past 5-year coverage
- ✓ Assess staff capacity and capability to execute the plan
- ✓ Determine budget to fund resource needs

Results

- ✓ Minimal changes to Audit Universe, which decreased from 69 to 68 auditable units
- ✓ Domains and auditable units are created at the process, risk, and function level

- ✓ Distribution of risks across the auditable units - Critical to Low risk
- ✓ Determined overall and campus level risk score
 - *See slide 9 for Inherent Risk Assessment Heap Map*

- ✓ Audit Plan includes 21 reviews
- ✓ Full time FTE and outsource providers will execute proposed audit plan
- ✓ A budget of ~\$2.50M will provide resources to execute the proposed plan
 - *See slide 8 for Audit Plan*

FY24 Internal Audit Plan

Plan Highlight:

Based on the annual risk assessment, current strategic UNTS Enterprise initiatives and ongoing focus on open audit findings, the UNTS Internal Audit Plan for FY24 was created.

Red – Assurance
Black – Advisory
Blue – Continuous Monitoring

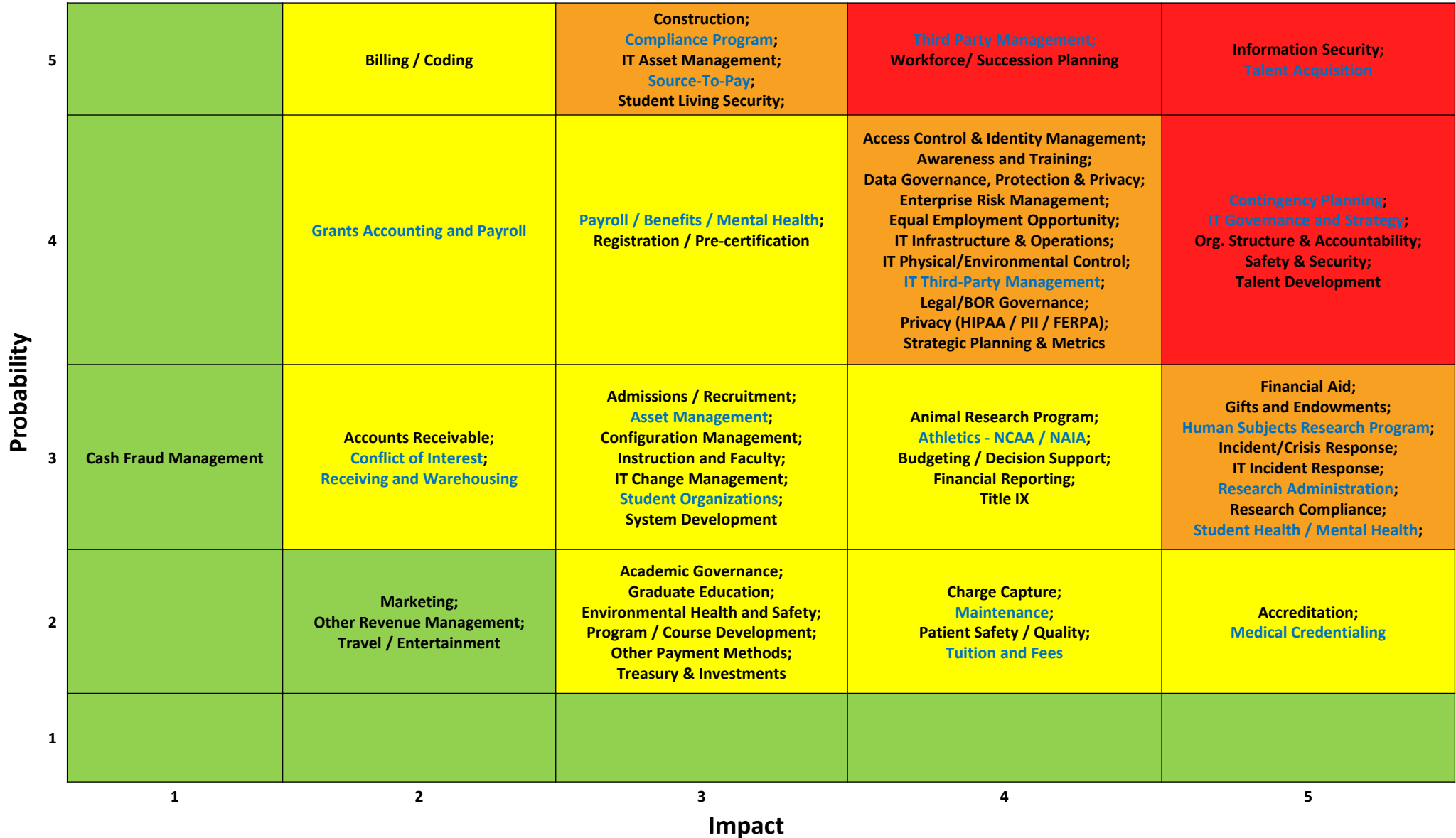
Inherent Risk Rating:
 C – Critical Risk
 H – High Risk
 M – Medium Risk
 * - Mandatory

Risk Category	UNT System	UNT	UNTHSC	UNT Dallas
People	Employee Offboarding (C)			
	Benefits Proportional by Fund*			
Financial		Tuition and Fees - Ongoing UNT (M)	Tuition and Fees –Ongoing HSC (M)	Tuition and Fees-Ongoing UNTD (M)
		Student Services Fees (H)		Asset Management, Receiving, Warehousing (M)
Strategic	CAE Involvement in Strategy development as part of Chancellor Cabinet. Risk mitigation activities through governance / control discussions in forums provide for monitoring of strategic risks.			
Compliance	Compliance Program On-Going Monitoring (H)			
		Human Subjects Research Program (H)	Human Subjects Research Program (H)	
		Athletics -UNT NCAA Compliance (M)		Athletics - Dallas NAIA Compliance (M)
	Conflict of Interest (M)			
Technology		Medical Credentialing (M)	Medical Credentialing (M)	
	IT Governance (C)			
Operations	Deferred Maintenance (M)			
	Purchase Cards (H)			
	Annual Assessment of Compliance and Procurement Policies*			
			Faculty Development*	
Governance			Family Medicine*	
	Third Party Management Program (C)			
Brand/ Reputation				
Envir., Social, Safety			Continuity of Operations (C)	

See appendix for Audit Plan Details

Inherent Risk Assessment Heat Map

- Balanced coverage of risks & operations
 - The Critical Risk areas are approximately ~13% of the Audit Universe and FY24 audit coverage is 44%
 - Overall, 29% (20/68) Auditable Units in scope. In scope does not mean full coverage
- Bold Blue Font** = Coverage in Audit Plan



Key:
Inherent Risk Rating:
C – Critical Risk
H – High Risk
M – Medium Risk
L – Low Risk

Internal Audit Organization and Resources

For FY24, the focus is primarily on assurance and mandatory audits. However, there are many interactions outside of formal / informal engagements, where Internal Audit collaborates with management and the Institutions to advise or monitor changes in risks (e.g., Advisory, Continuous Monitoring).

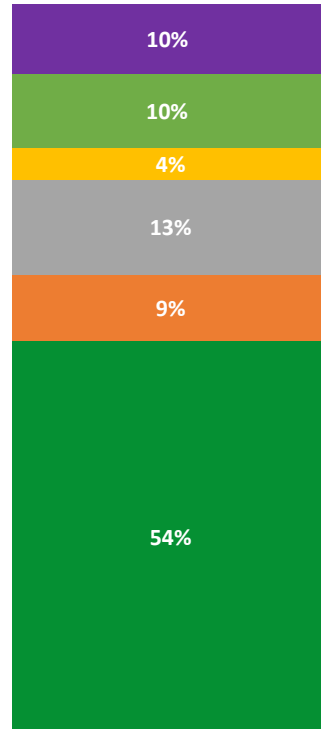
Budget:

FY24 Plan (proposed) \$2.50M - consistent with prior year.

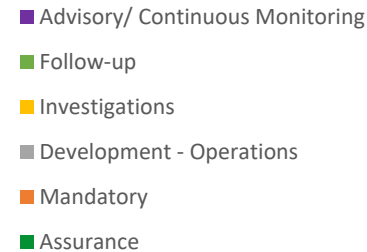
- Our budget does not include unallocated capacity. Additions will result in either a budget request or a replacement of a scheduled review.

- Continue using full time employees in combination with co-sourced resources from audit consulting firms.

- Co-sourcing used to augment staffing and internal audit expertise and provide industry best practices.



Resource Allocation



Allocation Category Definitions:

- **Assurance** – Risk-based independent audit
- **Mandatory** - Audits required by the State of Texas, Regent Rule, or grant awards
- **Development – Operations** – Non-audit activities to support internal audit
- **Investigations** - Reserved for investigations that may arise during the year
- **Follow-up** - Procedures to verify the status of corrective action plans
- **Advisory** – Consulting on strategic projects and improving process efficiency
- **Continuous Monitoring** - Monitoring events impacting the UNT System Enterprise risk profile

Appendix

FY24 Internal Audit Plan Detail

Appendix – FY24 Audit Plan

Entity	Audit Name	Business Outcome	Rationale	Auditable Unit
Compliance				
UNT	Athletics – UNT NCAA Compliance (M)	Athletics programs comply with NCAA rules and regulations related to eligibility, recruiting and financial-aid.	Recent change in conference and increased focus on compliance in this area	Athletics - NCAA / NAIA (M)
UNTD	Athletics – UNT Dallas NAIA Compliance (M)	Athletics programs comply with NAIA rules and regulations related to eligibility, recruiting and financial-aid.	Increased focus on compliance in this area	
UNTS, UNT, UNTHSC, UNTD	Conflict of Interest (M) CM	Conflicts of Interest are disclosed timely, tracked, transparent, and actions are taken to ensure integrity of affected area or financial transaction.	Follow-Up on observations from previous audit	Conflict of Interest (M)
UNTS, UNT, UNTHSC, UNTD	Compliance Program On-Going Monitoring (H) CM	Compliance Programs are adequately designed including aspects in the Sentencing Guidelines.	Follow-Up on results of recent audit	Compliance Program (H)

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Entity	Audit Name	Business Outcome	Rationale	Auditable Unit
Facilities Management				
UNTS, UNT, UNTHSC, UNTD	Deferred Maintenance (M)	Deferred maintenance projects are prioritized and addressed timely to reduce impact on ongoing operations and safety.	Material number of deferred maintenance projects and no recent audit coverage	Maintenance (M)
Human Resources				
UNTS, UNT, UNTD, UNTHSC	Employee Offboarding (C)	Provide a positive experience and transition to departing employees, while ensuring timely notification of key stakeholders (e.g., payroll), access removal, and return of company assets.	Part of a critical risk area without recent coverage.	Talent Acquisition / On-boarding / Off-boarding (C)
UNT, UNTD, UNTHSC	Benefits Proportional by Fund	The Form APS 011 as required by the <i>General Appropriations Act, Article IX, Section 6.08, Benefits Paid Proportional by Fund</i> , was completed accurately and submitted timely for each institution.	Mandatory audit	Payroll / Benefits / Mental Health (M)
Finance				
UNTD	Asset Management, Receiving, Warehousing-Dallas (M)	Assets are appropriately procured, tracked, received, maintained, and protected until appropriate disposition. Assets are accurately captured within tracking and financial systems.	Area not recently reviewed at campus level	<ul style="list-style-type: none"> •Asset Management (M) •Receiving/Warehousing (M)

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Supply Chain				
UNTS, UNT, UNTHSC, UNTD	Annual Assessment of Compliance and Procurement Policies	UNTS Enterprise established and operates under the rules, policies, and guidelines required by Texas Education Code §51.9337.	Mandatory audit	} Source-To-Pay (H)
UNTS, UNT, UNTD, UNTHSC	Purchase Cards (H)	Permissible goods and services are purchased within authorization limits by approved UNTS Enterprise personnel.	Detailed review of purchase card controls not recently completed	
UNTS, UNT, UNTHSC, UNTD	Third-Party Management Program (C) AD	Oversight and management of third-parties enables business processes to function more effectively.	Enterprise-wide program under development	<ul style="list-style-type: none"> •Third-Party Management Program (C) •IT Third Party Management Program (H)
Patient Care Operations				
UNTHSC	Medical Credentialing (M)	Medical staff have appropriate credentials for their roles and functions served.	Area not recently reviewed	Medical Credentialing (M)

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Research				
UNT, UNTHSC	Human Subject Research Program (H)	Comply with HHS regulations 45 CFR Part 46 ('Common Rule'), to safeguard the rights and welfare of individuals who participate as subjects in research activities, relying on Institution Review Board (IRB) oversight, informed consent and other processes.	Area not recently reviewed. Federal funding of research programs	Human Subject Research Program (H)
UNTHSC	Family Medicine	Texas Higher Education Coordinating Board (THECB) program funds are expended according to the program contract. The Annual Financial Report was prepared according to THECB guidelines.	Mandatory audit	Research Administration (H) Grants Accounting and Grants Payroll (M)
UNTHSC	Faculty Development	THECB program funds are expended according to the Faculty Development Center Support Grant contract. The Annual Financial Report was prepared in accordance with THECB guidelines.	Mandatory audit	
Student Services				
UNT	Student Services Fee (H)	Fees are allocated equitably and used to support the services for which they were collected.	Health services and 461+ student organizations funded from service fees	Student Health / Mental Health (H) Student Organizations (M)

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Student Enrollment and Financial Management				
UNTUNT	Tuition and Fees - Ongoing UNT - Continuous Monitoring (M) (CM)	Resident and non-resident tuition rates for undergraduate and graduate students are calculated accurately and billed timely.	Focus on area of highest revenue	Tuition and Fees (M)
UNTD	Tuition and Fees - UNT Dallas – Continuous Monitoring (M) (CM)	Resident and non-resident tuition rates for undergraduate and graduate students are calculated accurately and billed timely.	Focus on area of highest revenue	
UNTHSC	Tuition and Fees – Continuous Monitoring HSC (M) (CM)	Resident and non-resident tuition rates for undergraduate and graduate students are calculated accurately and billed timely.	Focus on area of highest revenue	
Technology				
UNTHSC	Continuity of Operations (C)	Address disruptions timely, minimize impact to operations and return to normal operations as soon as possible.	Area not recently reviewed at UNTHSC	Contingency Planning, Business Continuity, & Disaster Recovery (C)
UNTS, UNT, UNTHSC, UNTD	IT Governance (C)	The governance and management of the enterprise’s information technology supports the organization’s strategies and objectives, generates value, promotes accountability and improves efficiency.	Criticality of Information Technology (IT) underpins UNT System Enterprise strategy and fulfills business value	IT Governance and Strategy (C)
Inherent Risk Rating: ■ – Critical Risk; ■ – High Risk; ■ – Medium Risk; ■ – Low Risk; AD Advisory; CM Continuous Monitoring				

UNTS Internal Audit 5 Year Historical Audit Coverage

The chart below illustrates Audit Universe coverage history from 2019 to 2023 and the planned audit coverage for FY 2024. This 5-year history is used, in conjunction with the risk assessments, strategic initiatives, and audit management’s judgement, to determine the Audit Plan.

	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	FY24 Audit Plan
Academic Affairs / Experiential Medical Training							
Accreditation (M)							
Academic Governance (M)	I			I			
Instruction and Faculty (M)	I						
Program / Course Development (M)							
Graduate Education (M)							
Auxiliary Services							
Other Payment Methods (M)	✓	✓					
Other Revenue Management (L)	✓	✓	✓				
Cash Fraud Management (L)	✓	✓					
Brand & Reputation Management							
Communication, Strategy, Incident/Crisis Response (H)					✓		
Marketing (L)							
Compliance							
Athletics - NCAA / NAIA (M)			✓	P		✓	-Athletics - Dallas NAIA Compliance -Athletics - UNT NCAA Compliance
Conflict of Interest (M)	P	P	P			CM	Conflict of Interest
Compliance Program (H)				✓	✓	CM	Compliance Program On-going Monitoring
Privacy (Medical Records / PII) (H)					3rd		
Title IX (M)					P		
Equal Employment Opportunity (H)		P		P	✓		
Facilities Management							
Construction (H)			✓				
Maintenance (M)						✓	Deferred Maintenance
Finance							
Budgeting / Decision Support (M)		✓	✓				
Cash Management / Treasury & Investments / Debt Services (M)	✓	✓	✓	✓	✓		
Asset Management (M)				CM		P	Asset Management, Receiving, Warehousing-Dallas
Accounts Receivable, Collections (Students and Medical) (M)						SAO	
Financial Reporting (M)	3rd	✓/3rd	3rd	3rd	3rd	3rd	
Travel / Entertainment (L)	✓	✓	✓				
Governance							
Diversity, Equity, and Inclusion (H)							Removed
Organizational Structure & Accountability (C)						CM/CAE	
Strategic Planning & Metrics (H)						CM/CAE	
Enterprise Risk Management (H)						CM/CAE	
Legal /BOR Governance (H)					Delayed	CM/CAE	

Legend:

P - Partial Coverage
 AD - Advisory
 CM - Continuous Monitoring
 CM/CAE - CAE Monitoring

✓ - Full Coverage
 3rd - 3rd Party Audit
 SAO - State Auditor Office
 I - Investigations

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UNTS Internal Audit 5 Year Historical Audit Coverage

Human Resources							
Talent Acquisition / On-boarding / Off-boarding (C)					Delayed	CM/P	Employee Offboarding
Talent Development / Retention (C)						CM/CAE	
Workforce Planning / Succession Planning (C)			P				
Awareness and Training (H)			✓	✓			
Payroll / Benefits/Mental Health (M)	✓	✓	✓	P	P	P	Benefits Proportional by Fund
Institution Safety							
Safety & Security (C)					CM	✓	
Student Living Security (H)			✓				
Environmental Health and Safety (M)	✓						
Medical Patient Revenue Cycle							
Billing / Coding (M)							
Charge Capture (M)				✓			
Registration / Pre-certification (M)				✓			
Patient Care Operations							
Medical Credentialing (M)						✓	Medical Credentialing
Pharmacy Operations (H)							Removed
Patient Safety / Quality (M)							
Research							
Animal Research Program (M)							
Human Subjects Research Program (H)						✓	Human Subjects Research Program
Research Administration (M)	✓	✓	✓	✓	✓	✓	-Faculty Development
Grants Accounting and Grants Payroll (M)	✓	✓	✓	✓	✓	✓	-Family Medicine
Research Compliance (H)				✓	✓		
Student Enrollment and Financial Management							
Tuition and Fees (M)	I		✓	✓	✓	✓	Tuition and Fees -UNT, Dallas, HSC
Financial Aid (M)	✓	✓	✓		SAO		
Admissions / Recruitment (M)	✓	✓		P			
Student Services							
Student Health / Mental Health (H)			✓			P	UNT Student Services Fees
Student Organizations (M)	✓	✓				P	
Supply Chain							
Source-To-Pay (H)	✓	✓	✓	✓	✓, I	✓	1. Purchase Cards 2. Annual Assessment of Compliance and Procurement Policies
Third-Party Management (C)				P	✓	AD	Third-Party Management Program
Receiving and Warehousing (M)		✓				P	Asset Management, Receiving, Warehousing-Dallas
Technology							
Contingency Planning, Business Continuity, & Disaster Recovery (C)	✓			✓	P	P	HSC Continuity of Operations
Information, System, and Communication Security (C)			P	✓	✓	SAO	
IT Governance and Strategy (C)					3rd	AD	IT Governance
Access Control & Identity Management(H)	✓			P	✓		
Data Governance, Protection & Privacy (H)		P		P	3rd		
IT Incident Response (H)			✓		P		

Legend:

P - Partial Coverage

AD - Advisory

CM - Continuous Monitoring

CM/CAE - CAE Monitoring

✓ - Full Coverage

3rd - 3rd Party Audit

SAO - State Auditor Office

I - Investigations

Inherent Risk Rating:

C – Critical Risk H – High Risk

M – Medium Risk L - Low Risk

UNTS Internal Audit 5 Year Historical Audit Coverage

IT Asset Management (H)		P	P	P		
IT Physical & Environmental Controls (H)			✓			
IT Infrastructure, Operations, and Maintenance (H)	✓			✓		
Configuration Management (M)			P	P		
IT Third-Party Management (H)			P	✓	AD	Third-Party Management Program
IT Change Management (M)		✓				
System Development Lifecycle & Acquisitions (M)			P			
University Relations						
Gifts and Endowments / Foundation (H)	✓			P		

Legend:

P - Partial Coverage
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