



Office of Audit & Consulting Services  
Internal Audit Plan  
*Fiscal Year 2022*



**THE UNIVERSITY OF TEXAS AT DALLAS**

**OFFICE OF AUDIT AND CONSULTING SERVICES**  
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August 18, 2021

Dr. Richard Benson, President and Member of the Institutional Audit Committee  
Ms. Lisa Choate, Chair of the Institutional Audit Committee

We are pleased to submit the annual internal audit plan for The University of Texas at Dallas. The UT Dallas Institutional Audit Committee approved the plan on June 28, 2021, and the UT System Board of Regents' Audit, Compliance, and Risk Management Committee approved the plan on August 18, 2021. As required by Texas Government Code, Section 2102.015, we are required to post this plan on our website at <https://audit.utdallas.edu/audit-reports-and-plans>.

Please note that given the rapidly changing environment, the FY22 Audit Plan and respective risks will be continuously monitored and discussed at the quarterly meetings of the UT Dallas Audit Committee. When necessary, the Audit Plan will be revised.

We appreciate the support that you, executive management, and the Institutional Audit Committee offer us in the performance of our responsibilities at UT Dallas.

Toni Stephens  
Chief Audit Executive

cc: Members of the UT Dallas Institutional Audit Committee

External Agencies:

The University of Texas System Audit Office  
Legislative Budget Board  
Governor's Office  
State Auditor's Office

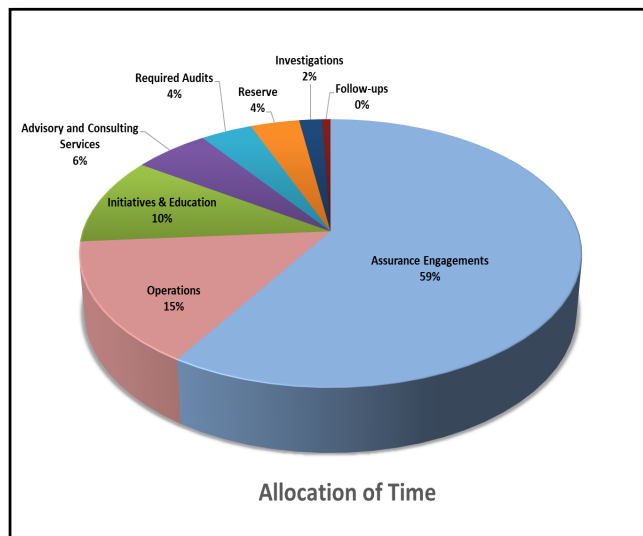
## Methodology

The UT Dallas FY22 Audit Plan outlines the internal audit activities that will be performed by Internal Audit during FY22 in accordance with criteria established by the [UT System](#), the [Texas Internal Auditing Act](#), the Institute of Internal Auditors' [International Standards for the Professional Practice of Internal Auditing](#), and [Generally Accepted Government Auditing Standards](#). The plan is prepared using a risk-based approach to ensure that areas and activities specific to UT Dallas with the greatest risk are identified for consideration to be audited.

## Allocation of Time

The FY22 Audit Plan budget of 12,332 hours was based on available staff hours for eight internal audit professionals. Of note, staffing was reduced in FY20 by one full-time position due to the pandemic.

The plan includes risk-based and required engagements (financial, operational, compliance, information technology), advisory and consulting engagements, follow-up audits, investigations, reserves for unanticipated projects.



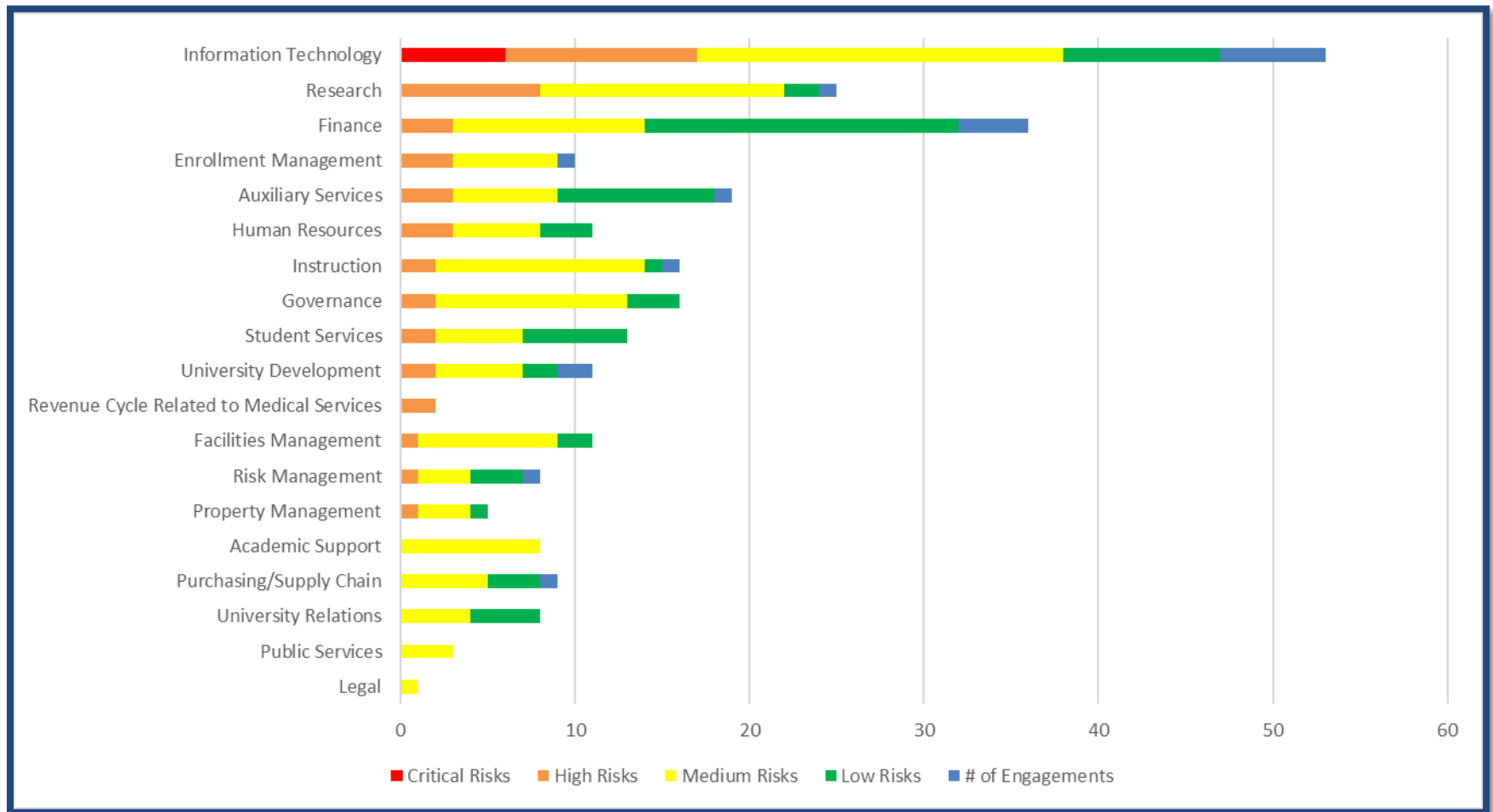
## Risk Assessment Process

As part of the FY22 audit planning process, the UT Dallas Office of Audit and Consulting Services used the UT System Audit Office risk assessment methodology. The goals for this common risk assessment approach were to start at the top with an awareness of critical initiatives and objectives to ensure the risks assessed were the most relevant. The assessment process was standardized by creating common terms and criteria, enabling trending of risk and System-wide comparisons. An emphasis was placed on collaboration with other functions that assess, handle, or manage risk.

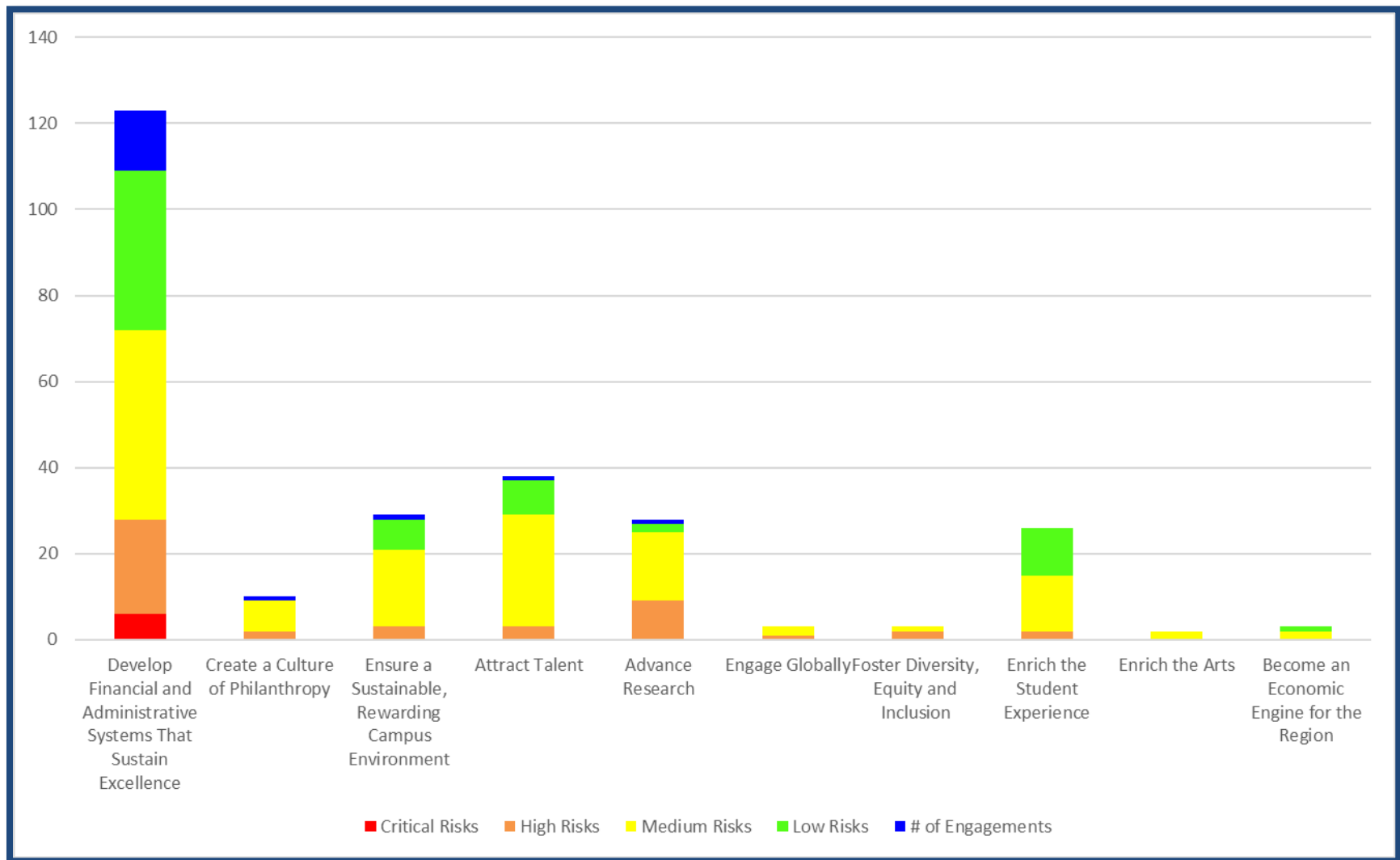
The risk assessment approach was based on a top-down process that included conversations and requests for input with risk collaborators, executives, and managers from the various operating areas on campus. All critical and high risks require either an audit or some form of risk mitigation. Risk mitigating factors are contained in the detailed audit plan that is approved by the [Institutional Audit Committee](#). The following graphs represent the results of the risk assessment process.

Risk Level	Definition
Priority	High probability of occurrence that would significantly impact UT System and/or UT Dallas.
High	Risks are considered to be substantially undesirable and pose a moderate to significant level of exposure to UT Dallas operations. Without appropriate controls, the risk will happen on a consistent basis.
Medium	The risks are considered to be undesirable and could moderately expose UT Dallas. Without appropriate controls, the risk will occur some of the time.
Low	Low probability of various risk factors occurring. Even with no controls, the exposure to UT Dallas will be minimal.

## FY22 Audit Plan Risks and Audit Engagements by Taxonomy Type



## FY22 Audit Plan Risks and Audit Engagements by [Strategic Plan](#) Objective



## FY22 Audit Plan

Description of Engagement/Project	Percent of Total	Risk	Primary Taxonomy	General Objective/Description
<b>Note:</b> In accordance with the Texas Internal Auditing Act, section 2102.011, the internal audit program shall conform to the Standards for the Professional Practice of Internal Auditing, the Code of Ethics contained in the Professional Practices Framework as promulgated by the Institute of Internal Auditors, and generally accepted government auditing standards. As such, all audit engagements will be performed in accordance with these standards as applicable.				
Assurance Engagements				
Audits of Schools, Divisions, Departments, and Research Centers		High	Finance	Risk-based audits of schools, divisions, departments, and research centers to evaluate financial and accounting processes, internal controls systems, and the effectiveness and efficiency of related operations and controls. Areas selected each quarter based on emerging risks and discussions with executive leadership.
Data Analytics and Continuous Auditing		High	Governance	Development and performance of data analytics to conduct continuous reviews of high-risk areas.
Family Educational Rights and Privacy Act (FERPA)		High	Enrollment Management	Audit to ensure compliance with federal regulations and the effectiveness of operations surrounding the Family Educational Rights and Privacy Act.
Fire and Life Safety		High	Risk Management	Audit to ensure compliance with applicable regulations and the effectiveness of fire and life safety operations.
Gifts		High	University Development	Audit to assess the effectiveness of operating and information technology controls (Raiser's Edge) over gift acceptance and compliance with donor wishes.
Higher Education Emergency Relief Fund (HEERF) - Institutional Funds		High	Finance	Audit to ensure compliance with the Cares Act distributions regarding institutional funds (not ready for audit in FY21).
Information Technology and Information Security Risk-Based Audits		Critical	Information Technology	ACS will engage in agile, risk assurance activities based on risks associated with IT and IS operations as well as compliance with Texas Administrative Code 202 as applicable. Current topics include network management, website security, BC Incident

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				Management (Veoci System), and decentralized computing operations.
Parking Operations		High	Auxiliary Services	Audit of parking operations to assess the effectiveness of operations and financial impacts resulting from pandemic.
Research Participants		High	Research	Audit to ensure compliance with federal regulations and the effectiveness of operations over research participants. Audit to include the effective assignment, performance, and training of oversight committee roles of the Institutional Review Board.
Salaries, Wages, and Additional Pay		High	Finance	To provide assurance as to the adequacy and effectiveness of controls over the management of salaries, wages, and additional/supplemental pay.
Student and Exchange Visitor Program (SEVIS)		High	Instruction	To provide assurance as to the adequacy and effectiveness of controls over the new Student and Exchange Visitor Program (SEVIS) system.
Vulnerability Management		Critical	Information Technology	To determine if UT Dallas has an effective vulnerability management process and that it complies with Texas Administrative Code 202.
<b><i>FY21 Carryforward - Assurance Engagements</i></b>				
Accounts Receivable		High	Finance	Provide assurance as to the adequacy and effectiveness of controls over the accounts receivable process and corresponding allowance for doubtful accounts.
AES Scholarships		High	Enrollment Management	Audit to ensure effectiveness of controls over the Academic Excellence Scholarship (AES) process.
Center for Innovation & Entrepreneurship		High	Research	To evaluate financial and accounting processes, internal controls systems, and the effectiveness and efficiency of related operations and controls within the Center.
Criminal Background Check Process		High	Human Resources	Provide assurance as to the adequacy and effectiveness of controls over the criminal background process which is handled by Human Resources (staff),

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Description of Engagement/Project	Percent of Total	Risk	Primary Taxonomy	General Objective/Description
				Academic Affairs (faculty, and the Career Center (student workers)).
Foreign Influence on Research		High	Research	Provide assurance that the UT Dallas plan to address foreign influence on research has been implemented.
Key Shop		High	Auxiliary Services	Ensure appropriate controls are in place over keys to ensure campus safety.
School of Arts and Humanities		High	Academic Support	To evaluate financial and accounting processes, internal controls systems, and the effectiveness and efficiency of related operations and controls within the School.
Software Development Life Cycle		Critical	Information Technology	Evaluate controls surrounding software development to ensure applications/websites are secure and follow a formal Software Development Life Cycle (SDLC) process which includes design, testing, and code/security reviews prior to deployment. Will include TAC 202 Systems and Services Acquisition Controls section.
Student Fees		High	Finance	Provide assurance as to the effectiveness of fee controls, including determining if fees are being spent in accordance with applicable policies, procedures, and regulations.
<b><i>Assurance Engagements Subtotal</i></b>	<b>59%</b>			
<b>Advisory and Consulting Engagements</b>				
Academic Operations		N/A	Governance	Consulting and meetings held with new and existing leaders in academic affairs areas, including deans.
Administrative Operations		N/A	Governance	Consulting and meetings held with new and existing leaders in non-academic affairs areas. Includes post-pandemic operations consulting.
Information Technology and Security Operations		N/A	Information Technology	Consulting and meetings held with Information Technology and Information Security leaders.
Participation on Institutional Committees		N/A	Governance	Participation on various IT, finance, and other committees where audit has been appointed in a consulting role.



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Description of Engagement/Project	Percent of Total	Risk	Primary Taxonomy	General Objective/Description
Research Operations		N/A	Research	Consulting and meetings held with leaders in research.
School of ECS Revenues		N/A	N/A	Requested by the Dean to review revenue collection for certain areas within the School.
Training for University Employees		N/A	Governance	Training program for university employees on internal audit, fraud, risks, and controls.
Reserve for Advisory and Consulting Engagements		N/A	N/A	Reserve for advisory and consulting engagements requested by management.
<b><i>FY21 Carryforward Audits – Consulting Engagements</i></b>				
UT Design Program		N/A	Research	To evaluate the adequacy and effectiveness of controls over program funding, management, and processes surrounding sponsor agreements.
Financial Reporting Operations in Schools		N/A	Finance	Requested by management. Consulting with deans and fiscal officers regarding financial reporting processes.
<b><i>Advisory and Consulting Engagements Subtotal</i></b>	<b>6%</b>			
<b>Required Engagements</b>				
Assistance to External Auditor - Financial Audit		N/A	Finance	Assistance on external audit.
Assistance to External Auditors - State, Federal, Other		N/A	Governance	Hours to be provided in the event of an external audit not anticipated at the time of the Audit Plan development.
Benefits Proportional to Funding		N/A	Finance	Audit required by statute to ensure the accuracy of benefits funding proportionality as reported to the State for 2020-2021.
Education Research Center		N/A	Information Technology	Annual audit to certify that the Education Research Center at UT Dallas is in full compliance with all terms of the contract between the THECB and UT Dallas and all applicable state and federal laws.
Lena Callier Trust		N/A	University Development	Annual audit, required by the Trust agreement, to ensure compliance with the terms of the agreement.

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Description of Engagement/Project	Percent of Total	Risk	Primary Taxonomy	General Objective/Description
Purchasing Compliance with Texas Education Code		N/A	Purchasing/ Supply Chain	Annual audit to ensure compliance with Texas Education Code (TEC) Section 51.9337.
<b><i>Required Engagements Subtotal</i></b>	<b>4%</b>			
<b>Investigations</b>				
Reserve for Investigations				Reserve to conduct investigations resulting from hotline (fraud), UT System, SAO, management, or other sources.
Hotline Triage Team				Participation and collaboration with the UT Dallas Compliance Hotline Triage Team
<b><i>Investigations Subtotal</i></b>	<b>2%</b>			
<b>Reserve</b>				
Reserve for Unanticipated Projects and Emerging Risks				Reserve for agile, risk-based engagements.
<b><i>Reserve Subtotal</i></b>	<b>4%</b>			
<b>Follow-Up</b>				
Quarter 1				Audit procedures to follow up on recommendations that were due by 8/20/2021. Reported at the Quarter 1 Audit Committee meeting.
Quarter 2				Audit procedures to follow up on recommendations that were due by 11/20/2021. Reported at the Quarter 2 Audit Committee meeting.
Quarter 3				Audit procedures to follow up on recommendations that were due by 2/18/2022. Reported at the Quarter 3 Audit Committee meeting.
Quarter 4				Audit procedures to follow up on recommendations that were due by 5/20/2022. Reported at the Quarter 4 Audit Committee meeting.
<b><i>Follow-Up Subtotal</i></b>	<b>1%</b>			

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Description of Engagement/Project	Percent of Total	Risk	Primary Taxonomy	General Objective/Description
<b>Development - Operations</b>				
Annual Internal Audit Report				Preparation of the annual internal audit report required by the Texas Internal Auditing Act.
Audit Committee				Preparation and participation in the UTD Internal Audit Committee meetings.
Audit Manager Leadership				Duties performed by audit manager related to staff recruitment, mentoring and development, not related to specific audits.
CAE Leadership				Includes hiring, development, budgeting, performance appraisals, administrative duties, leadership, promoting the internal audit department, executive meetings, and all other responsibilities of the CAE that are not directly attributable to a specific audit project.
External Requests for Information				Requests for reporting from UT System, the SAO, and other external agencies.
FY23 Audit Plan and Risk Assessment				Annual and quarterly risk assessment and development of the FY23 annual audit plan.
IT Audit Technical Support				Assistance provided by IT audit staff to pull data for and troubleshoot IT issues.
QAIP - Quality Assurance and Improvement Plan				Internal Quality Assurance and Improvement Program activities, such as updating audit procedures, etc. Required by Audit Standards.
Staff Meetings				Monthly staff meetings.
Website and Marketing				Updates to the Audit and Consulting Services website.
UT Dallas Meetings and Events				Attendance at UT Dallas meetings and other events for informational and operational purposes.
UT System Meetings				UT System Audit Office meetings.
<b>Development - Operations Subtotal</b>	<b>15%</b>			

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<b>Development - Initiatives and Education</b>				
Certifications				Time spent on certification study and testing per UTD Audit Manual guidance.
Continuing Professional Education				Continuing Professional Education (CPE) that satisfies audit standards and related travel.
Staff Training and Professional Activities				Training from UT Dallas and others, including compliance training, that does not provide CPE hours related to the profession. Also includes reviewing professional publications related to auditing. Guidance included in the Audit Manual.
Participation in Professional Organizations				Participation on committees for professional audit-related organizations.
Participation in Quality Assurance Reviews				Participation on quality assurance reviews for other audit organizations.
Professional Writing, Publications, Presentations				Professional writing and presentations for audit-related organizations.
Student Internship Program				Participation in the UT Dallas Internal Audit Education Program recruiting and mentoring student interns.
UT Dallas Audit Strategic Initiatives				UT Dallas Internal Audit development and participation on strategic initiatives arising from internal assessments.
UT System Audit Strategic Initiatives				Participation on UT System Audit Office initiatives (committees, workgroups, research, etc.).
<b>Development - Initiatives and Education Subtotal</b>	<b>11%</b>			
<b>Total</b>	<b>100.0%</b>			