



Office of Audit & Consulting Services  
Internal Audit Plan  
*Fiscal Year 2023*



**THE UNIVERSITY OF TEXAS AT DALLAS**

**OFFICE OF AUDIT AND CONSULTING SERVICES**

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September 1, 2022

Dr. Richard Benson, President and Member of the Institutional Audit Committee

Mr. John Cullins, 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 July 7, 2022, and the UT System Board of Regents' Audit, Compliance, and Risk Management Committee approved the plan on August 24, 2022. 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 FY23 Audit Plan and respective risks will be continuously monitored and discussed at the quarterly meetings of the UT Dallas Audit Committee. When necessary, this 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

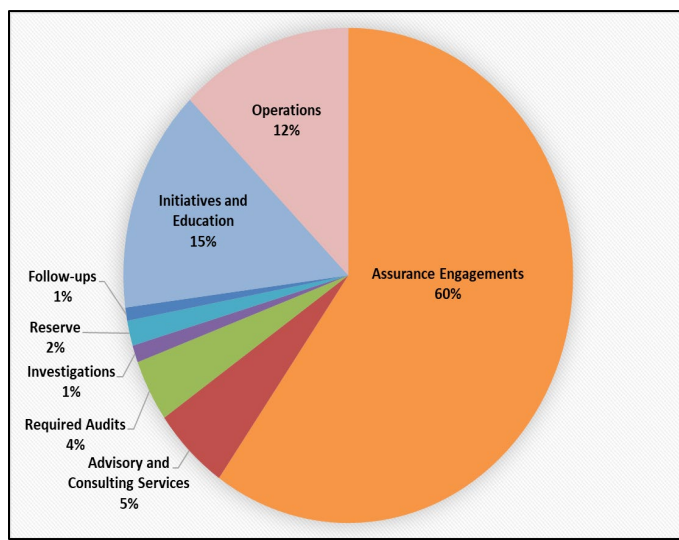
## Methodology

The UT Dallas FY23 Audit Plan outlines the internal audit activities that will be performed by Internal Audit during FY23 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 FY23 Audit Plan budget of 11,616 hours was based on available staff hours for eight internal audit professionals.

The graph depicts the allocation of time. Assurance engagements, which comprise 60% of the total budget, are risk-based audits that typically encompass financial, compliance, operational, and information technology areas.

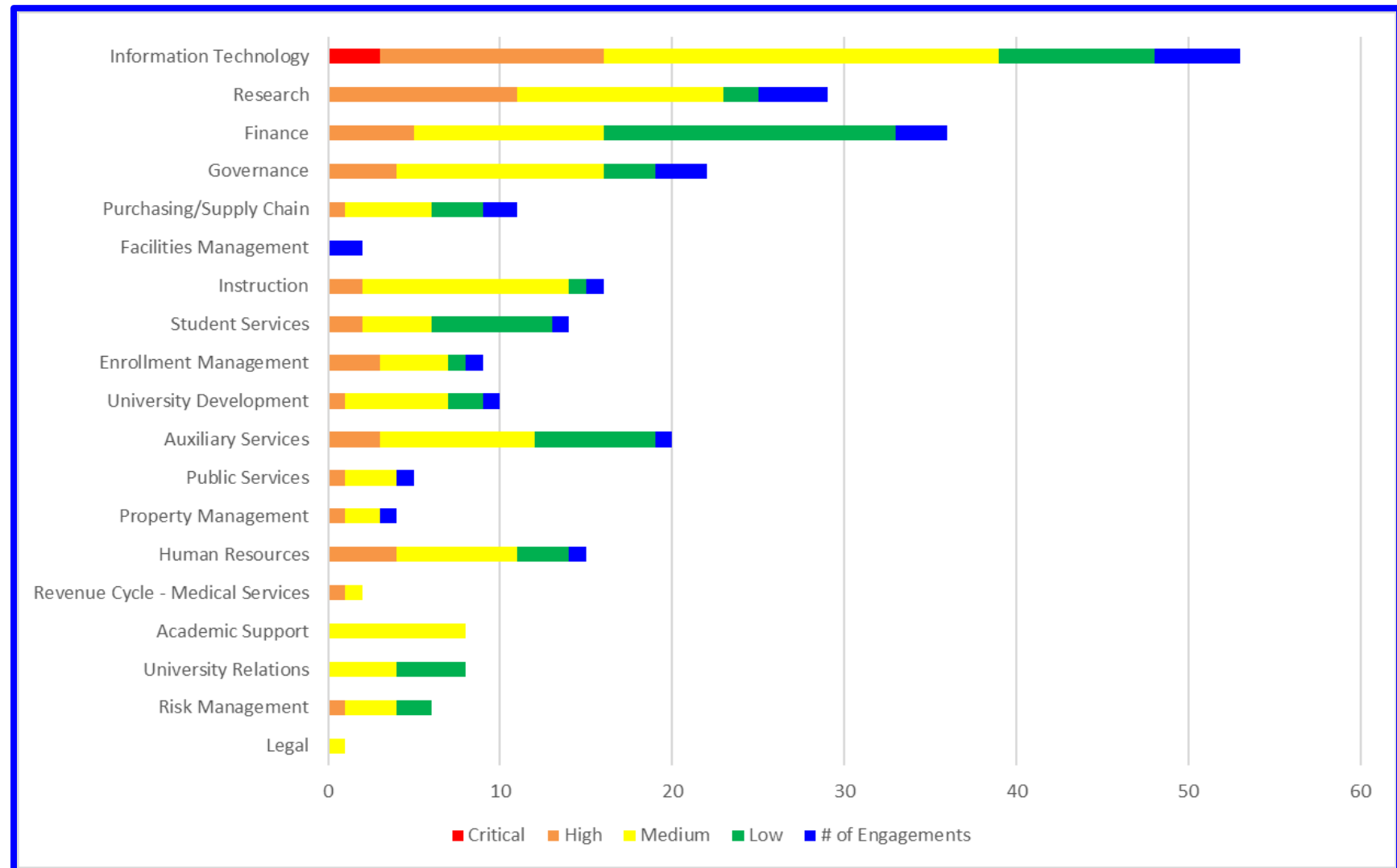


## Risk Assessment Process

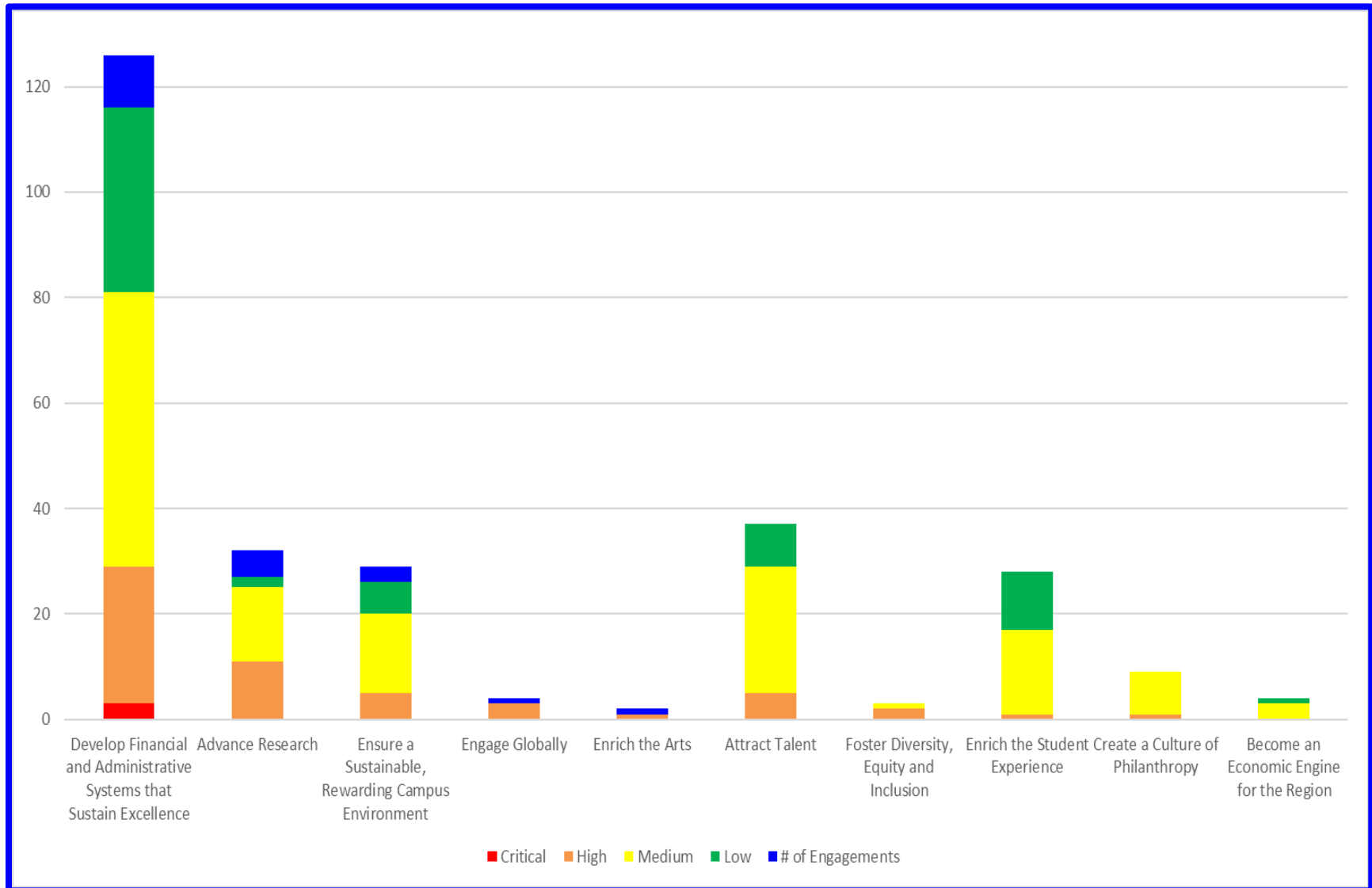
As part of the FY23 audit planning process, the UT Dallas Office of Audit and Consulting Services used the UT System Audit Office risk assessment methodology. The goals for this common risk assessment approach were to start at the top with an awareness of critical initiatives and objectives to ensure 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, surveys, and requests for input with executive leadership, the audit committee, risk collaborators, and managers from the various operating areas on campus. ***All critical and high risks require either an audit or some other 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.

## FY23 Audit Plan Risks and Audit Engagements by Taxonomy Type



## FY23 Audit Plan Risks and Audit Engagements by [Strategic Plan](#) Objective



## FY23 Audit Plan

FY 2023 Audit Plan	Percent of Total	Risk	Primary Taxonomy	General Objective/Description
<b>Assurance Engagements</b>				
Animal Care/IACUC		High	Research	Compliance audit of animal care and the Institutional Animal Care and Use Committee (IACUC).
Building Access		High	Auxiliary Services	Audit of building card access as well as follow-up of key shop audit recommendations from previous year.
Business Continuity		High	Information Technology	Assess the effectiveness of controls over the business continuity planning system.
Center for Brain Health		High	Research	Evaluate financial and accounting processes, internal controls systems, and the effectiveness and efficiency of related operations and controls at the Center for Brain Health. Not included with the risk-based audits due to the more complex nature of this Center.
Construction		High	Facilities Management	Audit of internal controls over construction.
Decentralized Computing		Critical	Information Technology	Assess the effectiveness of controls over decentralized computing operations, including patching, vulnerabilities, logging, encryption, asset inventory, backup and recovery, change and incident management, and technology selection.
Education Abroad and International Travel		High	Instruction	Audit of education abroad program and international travel process.
Export Controls		High	Research	Compliance audit of the export controls processes.
Financial Aid		High	Enrollment Management	Audit of financial aid internal control processes.
Lab Safety		High	Research	Compliance audit of the lab safety program.
Offboarding Process		Critical	Human Resources	Audit of the offboarding process for employees who terminate, transfer, or retire. Will also include review of identity lifecycle/access management.
Revenues (internal and external sales)		High	Finance	Audit of the internal and external sales processes for collecting revenues, including compliance with federal regulations over service centers (internal sales).
Risk-Based Audit Process Development		High	Finance	Development of a new process to conduct risk-based audits of divisions, schools and departments. This new process will incorporate better use of data analytics and more audit efficiency.
Risk-based Audits of Divisions, Schools, and Departments		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 to be based on implementation of new process.
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>FY22 Carryforward Audits</b>				Reserve for FY22 audits not completed as of 8/31/2022.
Data Analytics and Continuous Auditing		High	Governance	Development and performance of data analytics to perform continuous review of high-risk areas.

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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.
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.
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.
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.
SEVIS		High	Instruction	To provide assurance as to the adequacy and effectiveness of controls over the new Student and Exchange Visitor Program (SEVIS) system.
Network Management			Information Technology	Conduct a risk-based audit of network management to evaluate the effectiveness of processes and controls in place for managing UT Dallas' network, including security practices, design, and architecture.
Assurance Engagements Subtotal	59.7%			
Advisory and Consulting Engagements				
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.
Crow Museum		High	Public Services	New operations and initiatives - consulting to ensure proper internal controls in place.
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. Current committees include COVID-19 RUO Committee; Cabinet; University Business Management Council; Compliance Advisory Committee; Endowment Team; Information Security Committees.
Research Operations		N/A	Research	Consulting and meetings held with leaders in research.
Training for University Employees		N/A	Governance	Training program for university employees on internal audit, fraud, risks, and controls.

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Property Management		High	Property Management	Consulting review to ensure property audit recommendations from previous audit have been implemented.
Reserve for advisory and consulting engagements		N/A		Reserve for advisory and consulting engagements requested during the year from management.
<b>Advisory and Consulting Engagements Subtotal</b>	<b>5.5%</b>			
<b>Required Engagements</b>				
Assistance to External Auditor - Financial Audit		Low	Finance	Assistance on Deloitte external audit.
Assistance to External Auditors		N/A	Governance	Hours to be provided in the event of an external audit not anticipated at the time of the Audit Plan development. This does not pertain to Deloitte.
Education Research Center		Medium	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 for FY21/22.
Lena Callier Trust		Low	University Development	Annual audit, required by the Trust agreement, to ensure compliance with the terms of the agreement.
Purchasing Compliance with Texas Education Code		Medium	Purchasing/Supply Chain	Annual audit to ensure compliance with Texas Education Code (TEC) Section 51.9337.
THECB Facilities Audit		Medium	Facilities Management	Required audit by The Texas Higher Education Coordinating Board that requires internal audit review.
<b>Required Engagements Subtotal</b>	<b>4.0%</b>			
<b>Investigations</b>				
Hotline Triage Team				Participation and collaboration with the UT Dallas Compliance Hotline Triage Team.
Investigation Carryforward				Investigation carried forward from FY22
Reserve for Investigations				Reserve to conduct investigations resulting from hotline (fraud), UT System, SAO, management, or other sources.
<b>Investigations Subtotal</b>	<b>1.1%</b>			
<b>Reserve</b>				
Reserve for Unanticipated Projects and Emerging Risks				Reserve for Unanticipated Projects and Emerging Risks
<b>Reserve Subtotal</b>	<b>1.6%</b>			
<b>Follow-Up</b>				
Quarter 1				Audit procedures to follow up on recommendations that were are reported at the Quarter 1 Audit Committee meeting.
Quarter 2				Audit procedures to follow up on recommendations that were are reported at the Quarter 2 Audit Committee meeting.
Quarter 3				Audit procedures to follow up on recommendations that were are reported at the Quarter 3 Audit Committee meeting.
Quarter 4				Audit procedures to follow up on recommendations that were are reported at the Quarter 4 Audit Committee meeting.
<b>Follow-Up Subtotal</b>	<b>0.9%</b>			
<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.



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Audit Manager Leadership				Audit manager leadership responsibilities not related to specific audits.
CAE Leadership				CAE leadership responsibilities not related to specific audits.
External Quality Assurance Review				Working with external quality assurance team for required external QAR.
External Requests for Information				Requests for reporting from UT System, the SAO, and other external agencies.
FY24 Audit Plan and Risk Assessment				Annual and quarterly risk assessment and development of the FY24 annual audit plan.
Internal Quality Assurance Review				Preparation for external quality assurance review.
IT Audit Technical Support				IT Auditor troubleshooting IT issues.
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 in person 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-related meetings.
<b>Development - Operations Subtotal</b>	<b>14.6%</b>			
<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 organizations.
Participation in QAR's for Other Organizations				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.).
UT System Implementation of New Audit Management Software				Implementation and training for the new audit management software.
<b>Development - Initiatives and Education Subtotal</b>	<b>12.4%</b>			
<b>Total Budgeted Hours</b>	<b>100.0%</b>			