THE TEXAS A&M
UNIVERSITY SYSTEM

System Internal Audit Department

Fiscal Year 2016 Audit Plan

Introduction

The purpose of the Audit Plan is to outline audits and other activities the System Internal Audit Department will conduct during fiscal year 2016. The plan is developed to satisfy responsibilities established by the Board of Regents Bylaws, System Policy 10.01, Section 2102.008 of the Government Code, and applicable auditing standards. The Chief Auditor is authorized to make changes to the Plan, as deemed necessary, to address changes in identified risks. The Committee on Audit and the Chancellor will be notified of any significant additions, deletions, or other changes to the Audit Plan.

The types of audits listed in this Plan demonstrate the variety of approaches the System Internal Audit Department takes to address its mission of helping The Texas A&M University System achieve its goals and objectives in an efficient and effective manner. Audits included in this Plan were primarily identified through a system-wide risk assessment process. However, some of the audits included are performed to assist the A&M System in complying with external requirements. In order to more effectively utilize audit resources and to provide better information related to certain risk areas that span across the A&M System, the department has initiated the use of system-wide audits. As a result of the system-wide audits and the overall system-wide risk assessment process, some of the A&M System members do not have any specifically planned audits in the fiscal year 2016 audit plan. The members with no specifically planned audits include Texas A&M International University, Texas A&M University – San Antonio, Texas A&M Veterinary Medical Diagnostic Laboratory, Texas A&M Forest Service, and Texas A&M AgriLife Extension Service. Deliverables for planned audits may include a variety of services, including audit reports, technical assistance, data analysis, and other written and oral communications.

The specific scope of each audit in the Plan will be determined once the audit team has completed its audit planning process for each engagement. The audit planning process includes consideration of the risk management, control, and governance processes that provide reasonable assurance that:

- Risks are appropriately identified and managed.

- Information is accurate, reliable, and timely.

- Employee actions are in compliance with policies, standards, procedures, and applicable laws and regulations.

- Operations are efficient and effective.

- Resources are acquired economically, used efficiently, and adequately protected.

- Accountability systems are in place to ensure organizational and program missions, goals, plans, and objectives are achieved.

Planned Audits for Fiscal Year 2016

SYSTEM-WIDE AUDITS

Compliance with Benefits Proportional by Fund Requirements*
Payroll
Time and Effort Reporting for the Major Research Entities
Major Construction Projects Handled through Facilities Planning and Construction
Construction Project Reporting to the Texas Higher Education Coordinating Board*

Note: These audits will include the applicable Texas A&M University System members.

A&M SYSTEM OFFICES

Information Technology Governance and General Controls
Easterwood Airport Operations

TEXAS A&M UNIVERSITY

Accounts Receivables
Athletic Department Administration
Controlled Substances
Division of Research - Information Technology
Export Controls
Health Science Center Contract Administration
Information Technology Governance and General Controls
Office of the Provost - Information Technology
Student Counseling Services
Student Health Services
Transportation Services
Utilities and Energy Services

PRAIRIE VIEW A&M UNIVERSITY

Learning Management System General and Application Controls
Tuition and Fees

TARLETON STATE UNIVERSITY

Human Resources for Faculty and Staff

TEXAS A&M UNIVERSITY - CENTRAL TEXAS

Financial Management Services Operations
Student Information System General and Application Controls

*These audits are required to be performed to comply with external audit requirements.

TEXAS A&M UNIVERSITY – COMMERCE

Governance

TEXAS A&M UNIVERSITY – CORPUS CHRISTI

Information Technology Governance and General Controls

TEXAS A&M UNIVERSITY - KINGSVILLE

Human Resources for Faculty and Staff
Learning Management System General and Application Controls

TEXAS A&M UNIVERSITY - TEXARKANA

Housing Operations

WEST TEXAS A&M UNIVERSITY

Auxiliary Services - Bookstore, Housing, and Athletics

TEXAS A&M ENGINEERING EXPERIMENT STATION

Export Controls
Information Technology Governance and General Controls

TEXAS A&M ENGINEERING EXTENSION SERVICE

Student Systems General and Application Controls

TEXAS A&M TRANSPORTATION INSTITUTE

Proving Grounds Research Facility Compliance with ISO Standards*
Health, Safety and Environmental Management

TEXAS A&M AGRILIFE RESEARCH

Export Controls

*These audits are required to be performed to comply with external audit requirements.

Other Types of Audits/Activities

Follow-up Audits

Conduct follow-up audits on management's implementation of prior audit recommendations to determine if management has adequately addressed the issues.

Change in Management Reviews

Conduct change in management reviews, on an as-needed basis, when there is a change in an executive management position within the A&M System.

Continuous Auditing

Continuous auditing is the application of computer assisted audit tools and techniques on organizational processes, transactions, systems and/or controls to provide greater audit coverage. Benefits of continuous auditing include the review of 100% of auditable transactions/data versus a sampling, the identification of errors or other issues through frequent monitoring and review, and the facilitation of trend analysis to identify problems and/or other concerns.

Participation and/or Assistance

Internal audit staff may participate and/or assist A&M System members in developing and maintaining strong governance, risk management, and control processes and systems. Activities may include serving as a member of a work group, participating in the design of a major information system, or providing consultative advice on financial, operational, and compliance issues. The staff may also perform work to support external audit requirements.

*These audits are required to be performed to comply with external audit requirements.