JACKSONVILLE STATE UNIVERSITY INTERNAL AUDIT PLAN

2023-2024

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OFFICE OF INTERNAL AUDIT

INTERNAL AUDIT PLAN

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EXECUTIVE SUMMARY

Background: The Jacksonville State University (JSU) Board of Trustees (BOT) Audit, Risk, and Compliance Charter and the JSU Internal Audit Charter require the Office of Internal Audit (IA) to prepare and present an annual audit plan (plan) to the BOT Audit, Risk, and Compliance Committee for approval. The methodology used in preparing this plan consists of the following: (1) identification of auditable areas, otherwise known as the audit universe, (2) Enterprise Risk Assessment results, (3) identification of annual audit mandates, and (4) input from members of the President's Cabinet and other JSU Leaders. Matters considered in establishing audit work schedule and priorities include, but are not limited to, (a) the date and results of the last audit; (b) financial exposure; (c) potential loss and risk; (d) requests by management; (e) major changes in operations, programs, systems, and controls; and (f) opportunities to achieve operating benefits.

Methodology

Identification of Audit Universe: The Audit Universe aligns with the Risk Universe established in the Enterprise Risk Assessment as follows:

- ✓ Academic Affairs
- ✓ Advancement & Development
- ✓ Athletics
- ✓ Enrollment Management
- ✓ External Affairs
- ✓ Finance & Administration, including Human Resources
- ✓ Information Technology
- ✓ Internal Audit & Legal
- ✓ Student Affairs

Enterprise Risk Assessment (ERA) Results: An Enterprise Risk Assessment, last executed in FY 2022-2023, identified key risks in the following areas:

Audit Universe Area	# (%) of High Risks	# (%) of Moderate Risks
Academic Affairs	1 (8%)	0
Advancement & Development	0	2 (22%)
Athletics	0	0
Enrollment Management	1 (8%)	1 (11%)
External Affairs	1 (8%)	0
Finance & Administration	7 (58%)	3 (33%)
Information Technology	2 (17%)	1 (11%)
Legal & Internal Audit	0	0
Student Affairs	0	2 (22%)

Annual Audit Mandates: Requires allocation of audit resources as follows:

- Follow-up activity required by the Institute of Internal Auditors (IIA) Standards
- Special projects and ethics investigations required by institutional policy
- Rules-Compliance audits required by the National Collegiate Athletics Association (NCAA)
- Assistance provided to other state, federal, and external sponsor auditors such as the Alabama Department of Examiners of Public Accounts (ADEPA), the Department of Education (ED), JSU's External CPA firm (Warren Averett)

Audit Resources

The Office of Internal Audit staffing includes one Full Time Equivalent (FTE) and two Interns (which are considered 0.5 FTE each); therefore, person-hour calculations start at 4160 hours (52 weeks x 40 hours x 2 = 4160 hours). To determine auditable hours (hours allocated to execute audits) the following hours are subtracted from the 4160 hours:

Hour Type	Description	Hours (%)
GROSS HOURS	Total hours available (2 FTE)	4160
Administration	Hours assigned to support the Board of Trustees, policy management, records management, and the month of December work 30-day work break for the Interns.	-840 (20.3%)
Training	40 hours assigned for one training conference for the Chief Internal Auditor and approximately 33% of IA Intern time for training (1040 x .33 x 2 = 686)	-726 (17.5%)
Holiday	Hours JSU is closed (x 2 FTEs)	-336 (8.1%)
Annual Leave	Hours accrued in 2023-2024	-96 (2.3%)
Sick	Hours accrued in 2023-2024	-96 (2.3%)
AUDITABLE HOURS	Total hours available to audit	2106 (49.7%)

The 2023-2024 Annual Audit Plan

Audit Project	Driver	Area	Hours	%
IT General Controls	Risk Assessment	Information Technology	320	15%
Military and Post Traditional Services	Cabinet Request	Student Affairs	240	11%
Human Resources	Risk Assessment	Finance & Administration	320	15%
University Police Department	Risk Assessment	Student Affairs	320	15%
Writing Center	Cabinet Request	Academic Affairs	240	11%
Student Success	Risk Assessment	Academic Affairs	320	15%
Student Assistance Fund Review	NCAA Compliance	Athletics	80	4%
Academic Enhancement Fund Review	NCAA Compliance	Athletics	80	4%
Special Projects & Investigations	Cabinet/BOT	TBD	186	9%

Office of Internal Audit Staff: The Office of Internal Audit is comprised of the Chief Internal Auditor and two (2) rotating, part-time interns from the College of Business and Industry.