

JACKSONVILLE STATE UNIVERSITY  
INTERNAL AUDIT PLAN

*2020-2021*

**JACKSONVILLE STATE UNIVERSITY**

**OFFICE OF INTERNAL AUDIT**

**INTERNAL AUDIT PLAN**

**2020-2021**

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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 an annual audit plan and present to the BOT Audit, Risk, and Compliance Committee for approval. The methodology used in preparing this analysis 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 and is categorized as follows:

- ✓ Academic Affairs
- ✓ Finance & Administration, including Human Resources, and Operations
- ✓ Advancement & Development
- ✓ Student Affairs
- ✓ Enrollment Management
- ✓ Information Technology
- ✓ Athletics
- ✓ Governmental Relations & Community Engagement

**Enterprise Risk Assessment (ERA) Results:** The Enterprise Risk Assessment was executed in FY 2018-2019 and identified risks in the following areas:

Audit Universe Area	% High Risk	% Moderate Risk
Academic Affairs (18)	11%	44%
Advancement & Development (6)	0%	17%
Athletics (3)	0%	0%
Finance & Administration <sup>1</sup> (25)	28%	20%
Governmental Relations & Community Engagement (2)	0%	50%
President & Cabinet <sup>2</sup> (12)	33%	25%
Student Affairs (10)	10%	20%

<sup>1</sup> Includes Human Resources and Information Technology

<sup>2</sup> Includes risks that all areas impact

**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 (CDPA)

**Audit Resources**

The Office of Internal Audit is staffed with one Full Time Equivalent (FTE) and two Interns (which are considered 0.5 FTE); therefore, man-hour calculations start at 3120 hours (52 weeks x 60 hours = 3120 hours). To determine auditable hours (hours allocated to execute audits) the following hours are subtracted from the 3120 hours:

<b>Hour Type</b>	<b>Description</b>	<b>Hours (%)</b>
GROSS HOURS	Total hours available (1.5 FTE)	3120
Administration	Hours assigned to support the Board of Trustees, policy management, records management, and the IA Interns	-664 (21%)
Training	Hours assigned for one training conference (did not attend training in FY2019 and FY2020 due to budgetary constraints)	-40 (1%)
Holiday	Hours JSU is closed	-252 (8%)
Annual Leave	Hours accrued in 2020-2021	-96 (3%)
Sick	Hours accrued in 2020-2021	-96 (3%)
AUDITABLE HOURS	Total hours available to audit	1972 (63%)

The Internal Audit Auditable hours for 2020-2021 are allocated as follows:

<b>Audit Project</b>	<b>Factor</b>	<b>Area</b>	<b>Hours</b>	<b>%</b>
Non-Athletic Camps Audit	Cabinet	Academic Affairs	231	12%
Revenue Audit	ADEPA	Finance	231	12%
IT General Controls Follow Up Audit	IIA	IT	143	7%
Athletic Camps Follow Up Audit	IIA	Athletics	143	7%
Risk Assessment	ERA/Cabinet	ALL	272	13%
Student Assistance Fund Review	NCAA	Athletics	80	4%
Academic Enhancement Fund Review	NCAA	Athletics	80	4%
NCAA Report Review	NCAA	Finance	136	7%
Special Projects	Cabinet/BOT	TBD	328	17%
Investigations	As Needed	TBD	328	17%

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