ANNUAL AUDIT PLAN
Fiscal Year 2013

May 2012

Statewide Office of Internal Audit
University of Alaska

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I. INTRODUCTION

The Audit Plan is developed based on risks faced by the University of Alaska. This includes risks that are known by the internal audit department and risks that are communicated by stakeholders via risk assessments and in response to our annual planning questionnaire. Risks that are not able to be addressed due to audit department resources must be communicated to senior management and the Board of Regents Audit Committee. Planned audits that are not able to be conducted during the current year are communicated to the Audit Committee and re-evaluated for inclusion in the next annual audit plan. This is important since factors that lead to risks are in a constant state of change. For example, a risk that existed during the audit plan development for FY12 may not be relevant during audit plan development for FY13 due to revision of policies and procedures or implementation of other internal controls during FY12.

The 2013 Audit Plan presents coverage of the three main campuses as well as system-wide functions. The objective of the plan is to provide the most comprehensive scope of audit coverage to the university using a risk-based approach and within the constraints of available audit resources.

While recognizing that Internal Audit's primary role is in the performance of audits of university business activities, the plan also recognizes the importance of Internal Audit's role in the following areas:

- Education and training of the workforce in concepts of internal control.
- Assisting management in their efforts toward improvement of operating systems and procedures.
- Providing coordination and support to various external audit agencies.
- Conducting investigations of financial and other irregularities.

The 2013 Audit Plan continues our approach to expand audit coverage into various departments of the university with a focus on information technology audits and data analytics to leverage information systems auditing. Additionally, this audit plan includes allocation of effort toward evaluating internal controls, compliance with policy, regulations, and external requirements, and conducting reviews of restricted funds, such as grant and contract management.

II. PLAN OVERVIEW

The plan is based on four full-time equivalent (FTE) auditors and one student intern for the year representing 8,320 available hours. The FTE estimate assumes full staffing levels within the department. We are currently recruiting to fill one vacant auditor position. The audit plan takes into consideration the professional training that is required for staff to enhance existing skills and prepare for new areas of auditing, as well as required university training.

The following table represents the planned use of those hours:

Professional Development	320

relation to planned audits to establish the priority of projects. Not all special requests can be met. However, the underlying cause of the request often represents information that would have caused the area to be given a higher risk consideration had such information been available during the annual planning process.

IV. FISCAL YEAR 2013 PROPOSED AUDIT SCHEDULE

External Audit Support
(Budgeted 441 hours; 7% of Planned Direct Audit Hours)

Year-end cutoff
Inventory observation
Cash disbursements & bank transfers
Cash depositories
Auxiliary fund analysis
Unexpended plant fund additions
Search for unrecorded liabilities

University of Alaska Anchorage and University of Alaska Fairbanks
NCAA Agreed Upon Procedures (financial audit required every three years)

Special Requests and Investigations:
(Budgeted 700 hours; 10% of Planned Direct Audit Hours)

Special Requests*
Investigations*

Audits and Projects:
(Budgeted 4,138 hours; 65% of Planned Direct Audit Hours)

University of Alaska Anchorage:
- Restricted Funds Compliance*
- Departmental Cash Receipts**
- Department Review** - Mat-Su College

University of Alaska Fairbanks:
- Restricted Funds Compliance*
- Departmental Cash Receipts**
- Department Review**

University of Alaska Southeast:
- Title III and Title IV Compliance
- Sitka Campus

Statewide:
- Restricted Funds Compliance

Function and System Reviews:
- Fixed Cost Contracts Analysis**
- Fraud and Ethics Incident Management

Information Systems Reviews:
- Banner Access Controls**
- On Base Access Controls
- Data Integrity
- IT Governance

Ongoing Audits:
- Follow-up Auditing
- Continuous Controls Auditing

*Specific departments/areas to be determined later

**Carried forward from FY12

V. RISK ASSESSMENT AND PLAN DEVELOPMENT

The Audit Plan i

VII. AUDIT UNIVERSE including year of last audit

Statewide Administration	Last Audited
3 U H V L G H Q W ¶ V 2 I I L F H	
General Counsel	
Regent Affairs	
University Relations	
Risk Services	
Finance	
Fund Accounting	
Cash Management	
Controller	
Financial Systems	
Advance College Tuition	1995
Travel	2010
Cost Ana W* n /P <</MCID 28>> BDC q 72.024 473.7me55.224	

Statewide Administration	**Last Audited**
Production Services	

University of Alaska Fairbanks	**Last Audited**
&KDQFHOORU¶V2IILF	
Office of Multicultural Affairs and Diversity	
Governance	
Womens' Center	
Academic Affairs/Provost Office	2001
College of Engineering and Mines	

University of Alaska Fairbanks	Last Audited
GI Human Resources	
Poker Flats	2004
Alaska Climate Science Center	
CRS Special Projects	
Economic Development Projects	

University of Alaska Anchorage	Last Audited
Housing and Dining Services	
Wendy Williamson Auditorium	
Facilities & Campus Services	1994
Maintenance & Operations	2010
Parking Services	2001
Facilities Planning & Construction	2010
Human Resource Services	
Procurement Services	2010
Sustainability	
University Police	
Student Affairs	
Admissions	
Advising and Testing Center	
Career Services Center	
Counseling and Support Services (Health Center)	
Disability Support Services	
Financial Aid	1999
Recruitment	
Registration/Records	
Residence Life	
Student Activities	
Student Life and Leadership (Associated Students of the UAA)	
Student Support Services (Trio program)	
Academic Affairs/ Provost Operations	
Academic Center for Excellence	
Consortium Library	
Information Technology Services	

University of Alaska Anchorage	Last Audited
Institute of Social and Economic Research	
Center for Economic Development	
Center for Economic Education	
College of Education	
Professional and Continuing Education	2002
College of Health	
Alaska Geriatric Education Center	
Center for Community Engagement and Learning	
Center for Human Development	2012
Department of Health Sciences	
Department of Human Services	
Institute of Circumpolar Health Studies	
Justice Center	
National Resource Center for Native Elders	
Occupational Therapy Program	
Pharmacy Program	
Physical Therapy Program	
School of Allied Health	
School of Nursing	
School of Social Work	
WWAMI School of Medical Education	
Community and Technical College	2001
Consortium Library	2000
School of Engineering	2010
Environment and Natural Resources Institute (ENRI)	2001
Graduate School	
University Honors College	
Eagle River Campus	
Elmendorf Campus	
Fort Richardson Campus	
Kenai Peninsula College Business Office	2011
Kodiak College Business Office	1999
Mat-Su College Business Office	2006
Prince William Sound Community Campus Business Office	2006

University of Alaska Southeast	Lat Audited
Chancellor's Office	
Public Relations and Marketing	
Development and Alumni Relations	2004

University of Alaska Southeast	Lat Audited
Academic Affairs	1997
School of Arts and Sciences	2009
School of Career Education	
School of .ation	

Information Systems Audits	Last Audited
Software and Systems Acquisition	
Software Licensing	2001
Banner- HumanResource Application	
Banner- Finance Application	
Banner- Student Application	2009
Property Application	
Physical Plant Work Order Application	
GI Computer Center	
Personal Computer Reviews	

Functions and Systems