



Office of Audit & Consulting Services
Internal Audit Plan
Fiscal Year 2021



THE UNIVERSITY OF TEXAS AT DALLAS

OFFICE OF AUDIT AND CONSULTING SERVICES
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August 20, 2020

Dr. Richard Benson, President and Member of the Institutional Audit Committee
Ms. Lisa Choate, 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, 2020, and the UT System Board of Regents' Audit, Compliance, and Risk Management Committee approved the plan on August 19, 2020. As required by Texas Government Code, Section 2102.015, we are required to post this plan on our website at utdallas.edu/audit.

Please note that given the rapidly changing environment, the FY21 Audit Plan and respective risks will be continuously monitored and discussed at the quarterly meetings of the UT Dallas Audit Committee. When necessary, the 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.

A handwritten signature in blue ink that reads 'Toni Stephens'.

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

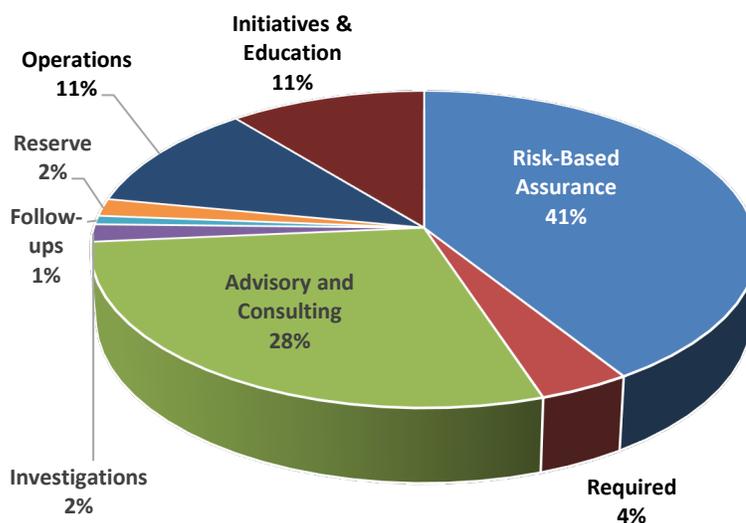
Methodology

The UT Dallas FY21 Audit Plan outlines the internal audit activities that will be performed by Internal Audit during FY21 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 FY21 Audit Plan budget of 11,240 hours was based on available staff hours for seven internal audit professionals and .5 internal audit support staff. This represents a reduction of 4,222 hours from FY20 resulting from a 10% budget cut (including 1.5 FTE employees).

The plan includes risk-based and required engagements (financial, operational, compliance, information technology), advisory and consulting engagements, follow-up audits, investigations, reserves for unanticipated projects.

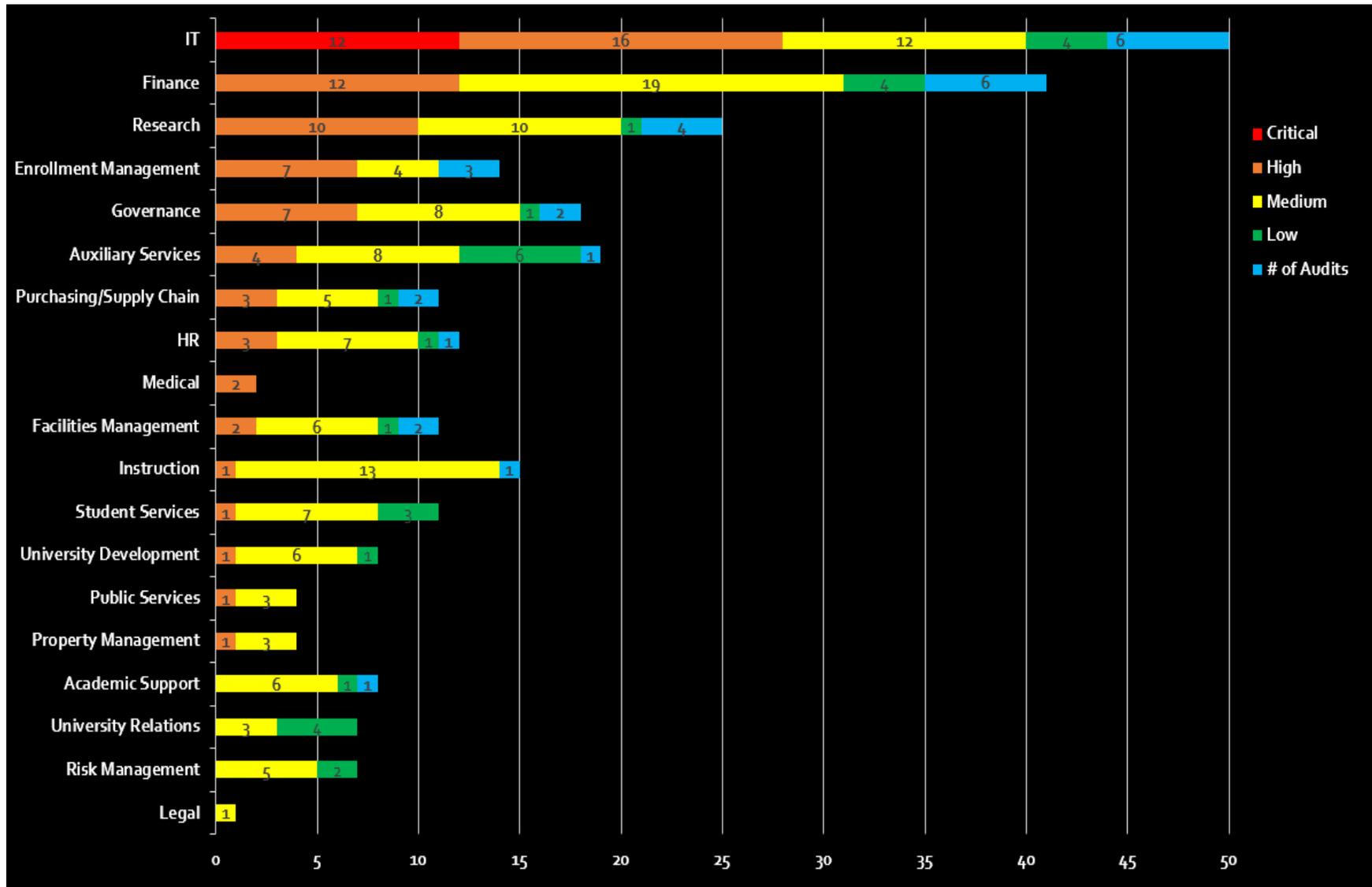


Risk Assessment Process

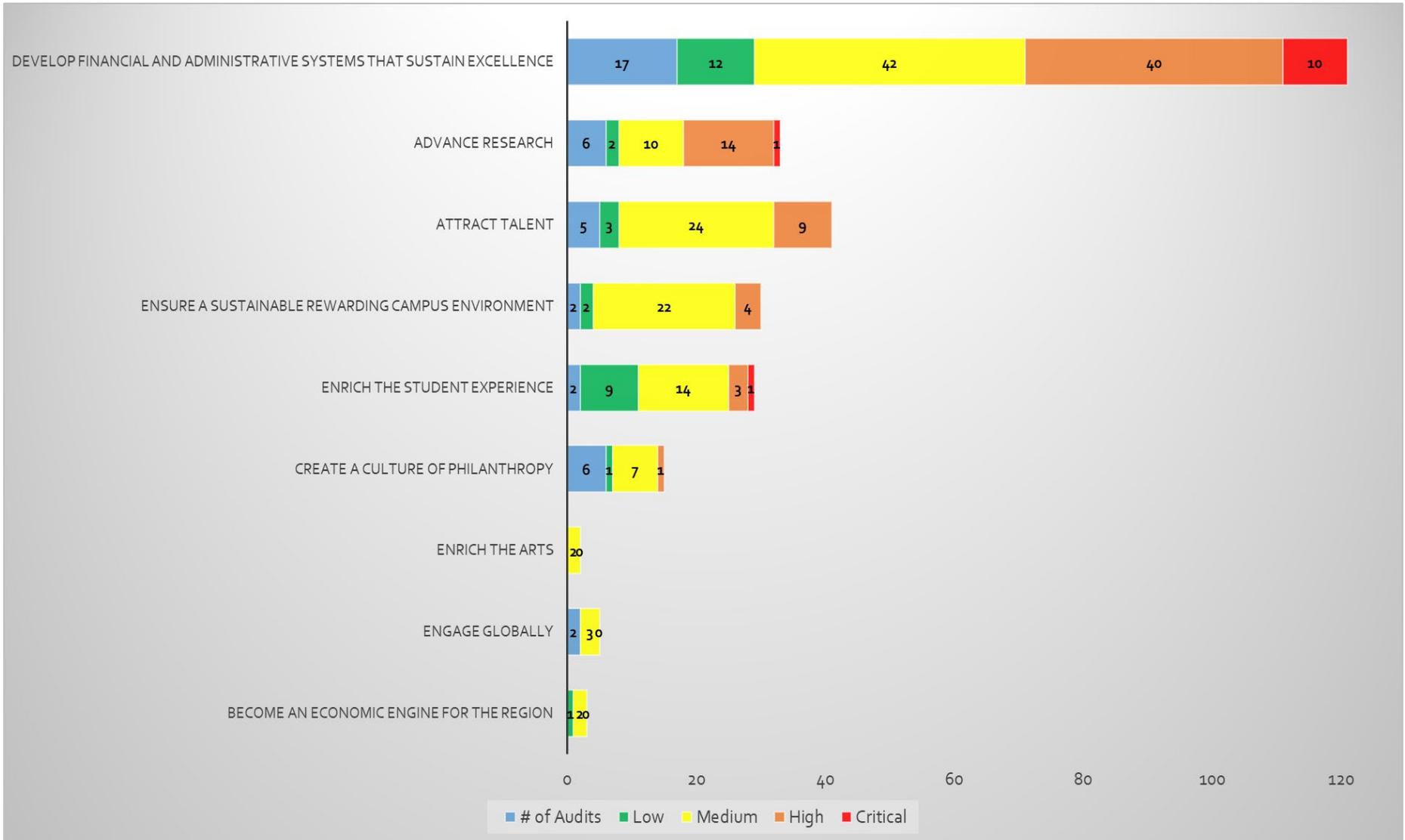
As part of the FY21 Audit Plan process, the UT Dallas Office of Audit and Consulting Services used the UT System Audit Office risk assessment methodology. The goals for this common risk assessment approach were to start at the top with an awareness of critical initiatives and objectives to ensure the 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 and requests for input with risk collaborators, executives, and managers from the various operating areas on campus. The following graphs represent the risk assessment process.

FY21 Audit Plan Risks and Audits by Taxonomy Type



FY21 Audit Plan Risks and Audits by Strategic Plan Objective



FY21 Audit Plan Risk Map

Probability	High	<ul style="list-style-type: none"> • Accounts Receivable • Criminal Background Check Process • Financial Reporting Operations in Schools Consulting Review • Impact of Budget Operations on Campus Consulting Review 	<ul style="list-style-type: none"> • Remote Campus Environment • Software Development Life Cycle • Cloud Storage • Account/NetID Management (FY20) • Decentralized Computing (FY20) • UT System Network Security Review (FY20) • Research Collaboration (FY20) 	
	Medium	<ul style="list-style-type: none"> • Purchasing – SB 20/Texas Education Code (required) • Education Research Center (required) • THECB Facilities Inventory review (required) 	<ul style="list-style-type: none"> • Foreign Influence • SEVIS • Enrollment Management • Cares Act • Campus Safety – Key and Card Access • Scholarship Administration • Tuition & Fees • Intellectual Property • Data Center Vendor Selection Consulting Review • Decentralized Security Scorecards Consulting Review • Decentralized Operations – various consulting reviews • Deloitte Financial Audit/related assistance to auditor • UT System Compliance Program Maturity Assessment • State Auditor's Office audit of Financial Aid • Lab Safety Peer Review • IT Governance/Confidential Data Management (FY20) • Research Compliance (FY20) • Travel & Entertainment (FY20) • Disaster Recovery (FY18-20 follow-up) • OIT Inventory Consulting Review (FY20) • Log Management (FY20) • Campus Construction (FY20) • Property Management (FY20) • Cash Management (FY20) • Conflicts of Interest (FY20) • Callier Center (FY20) • FY20 outside review of HIPAA Privacy and Security • Minors on Campus (FY20) • Payroll (FY20) 	
	Low	<ul style="list-style-type: none"> • Lena Callier Trust (required) 		
		Low	Medium	High

FY21 Audit Plan

FY 2021 Audit Plan	Percent of Total	Risk	Primary Taxonomy	General Objective/Description
Assurance Engagements				
Accounts Receivable		High	Finance	Provide assurance as to the adequacy and effectiveness of controls over the accounts receivable process and corresponding allowance for doubtful accounts.
Auxiliary Contracts		High	Purchasing/Supply Chain	Risk-based audit of contracting, focusing on auxiliary contract to determine if terms of revenue-producing contracts are being satisfied. Also satisfies requirements of SB20.
Cares Act		High	Enrollment Management	Audit to ensure compliance with the Cares Act distributions.
Cloud Storage		Critical	Information Technology	To evaluate controls surrounding cloud storage services (Box, OneDrive, and SharePoint) to ensure data is adequately protected. Carried forward from FY20.
Criminal Background Check Process		High	Human Resources	Provide assurance as to the adequacy and effectiveness of controls over the criminal background process which is handled Human Resources (staff), Academic Affairs (faculty, and the Career Center (student workers).
Enrollment Management		High	Enrollment Management	Provide assurance as to the adequacy and effectiveness of controls over admissions and recruiting., focusing on current environment. Scope to be narrowed upon risk assessment. Carried forward from FY20.
Foreign Influence on Research		High	Research	Provide assurance that the UT Dallas plan to address foreign influence on research has been implemented. Carrying forward FY20 audits of Export Controls, Technology Commercialization, Gifts, and Lab Safety into this audit.
Key and Card Access		High	Auxiliary Services	Ensure appropriate controls are in place over keys and card access to ensure campus safety. Carried forward from FY20.
Remote Campus Environment		Critical	Information Technology	To evaluate controls surrounding device management in a remote work environment to ensure they are scanned for vulnerabilities, patched, and secure. Includes distance learning/ADA.
Scholarship Administration		High	Enrollment Management	Audit to ensure effectiveness of controls over the Academic Excellence Scholarship (AES) process. Carried forward from FY20.
SEVIS		High	Instruction	To provide assurance as to the adequacy and effectiveness of controls over the new Student and Exchange Visitor Program (SEVIS) system.
Software Development Life Cycle		Critical	Information Technology	Evaluate controls surrounding software development to ensure applications/websites are secure and follow a formal Software Development Life Cycle (SDLC) process which includes design, testing, and code/security reviews prior to deployment. Will include TAC 202 Systems and Services Acquisition Controls section.
Tuition and Fees		High	Finance	Provide assurance as to the effectiveness of tuition and fee controls, including determining if fees are being spent in accordance with applicable policies, procedures, and regulations. Carried forward from FY20.
eProcurement		High	Purchasing/Supply Chain	Provide assurance that information system controls over eProcurement are effective, including controls such as proper segregation of duties, access, and safeguarding of confidential information. Carried forward from FY20.
Research Data Protection		Critical	Research	Provide assurance that controls surrounding the protection of research data exist to ensure data is protected in accordance with best practices and/or research contract requirements. Carried forward from FY20.

Office of Audit and Consulting Services
 FY21 Internal Audit Plan

FY 2021 Audit Plan	Percent of Total	Risk	Primary Taxonomy	General Objective/Description
Assurance Engagements				
PRIOR AUDITS IN PROCESS				
IT Governance/Confidential Data Management		High	Information Technology	Carried forward from FY18 and FY17. Assess whether the IT governance supports UT Dallas' strategies and objectives; new leadership in OIT.
Behavioral Assessment and Intervention		High	Student Services	Review of the behavioral assessment and intervention program process for effectiveness and campus safety
Callier Center		High	Academic Support	Due to the decentralized nature of internal controls and business operations, School, Division, and departmental reviews conducted on a periodic basis and based on risks and as requested by management. COSO-based reviews will focus on internal controls and will include high risks such as purchasing cards, financial controls, time reporting for non-exempt employees, receipting, and use of student fees. Overall objective: to evaluate financial and accounting processes, internal controls systems, and the effectiveness and efficiency of related operations and controls. Risk-based Center.
Conflicts of Interest and Commitment		High	Governance	Audit of university-wide compliance with conflicts of interest and commitment policies in purchasing, research, and faculty/staff
Executive Education		High	Public Services	Audit to assess the effectiveness of controls over executive education programs
One Cards		High	Purchasing/Supply Chain	Audit to ensure the effectiveness of controls in place over the One Card process for purchasing
Research Subjects - Greenphire		High	Research	Audit of clincard system for effectiveness of controls and compliance with applicable federal regulations regarding research participants
School of BBS		High	Academic Support	Due to the decentralized nature of internal controls and business operations, School, Division, and departmental reviews conducted on a periodic basis and based on risks as requested by management. COSO-based reviews will focus on internal controls and will include high risks such as purchasing cards, financial controls, time reporting for non-exempt employees, receipting, and use of student fees. Overall objective: to evaluate financial and accounting processes, internal controls systems, and the effectiveness and efficiency of related operations and controls. Risk-based School with new Dean
School of ECS		High	Academic Support	Due to the decentralized nature of internal controls and business operations, School, Division, and departmental reviews conducted on a periodic basis and based on risks as requested by management. COSO-based reviews will focus on internal controls and will include high risks such as purchasing cards, financial controls, time reporting for non-exempt employees, receipting, and use of student fees. Overall objective: to evaluate financial and accounting processes, internal controls systems, and the effectiveness and efficiency of related operations and controls. Risk-based School with new Dean
Account/NetID Management		High	Information Technology	Review the Account Management/NetID process; including sponsored accounts and two factor authentication, to determine if the controls over account (NetID) management and access provisioning is adequate to protect UTD resources.
Assurance Engagements Subtotal	41.0%			

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 FY21 Internal Audit Plan

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Advisory and Consulting Engagements				
CONSULTING	<p><i>Activities that will be conducted as a specific engagement with identifiable objectives or goals. Consulting engagements will comply with IIA IPPF Standards and GAGAS, and the "Consulting Services Program" must be followed. The format of reporting on these engagements may vary; however, if significant issues are identified, the CAE must ensure conformance with standards related to reporting to its institutional audit committee. At a minimum, high-level planning and reporting should be documented in TeamMate. Inclusion of detailed workpapers in TeamMate is at the discretion of the CAE. If the engagement results in recommendations, they can be tracked in TeamCentral, at the CAE's discretion.</i></p>			
<i>Decentralized Operations (Consulting Service)</i>	<p>Due to the decentralized nature of internal controls and business operations, School, Division, and departmental reviews conducted on a periodic basis and based on risks and as requested by management. COSO-based reviews will focus on internal controls based on a risk assessment of the area reviewed.</p>			
Center for Brainhealth		High	Research	To evaluate financial and accounting processes, internal controls systems, and the effectiveness and efficiency of related operations and controls within the Center.
Center for Innovation and 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.
Facilities Management		High	Facilities Management	To evaluate financial and accounting processes, internal controls systems, and the effectiveness and efficiency of related operations and controls within the department.
School of Arts & Humanities		High	Academic Support	To evaluate financial and accounting processes, internal controls systems, and the effectiveness and efficiency of related operations and controls within the School.
UT Design Program		High	Research	To evaluate financial and accounting processes, internal controls systems, and the effectiveness and efficiency of related operations and controls within the Program.
Financial Reporting Operations in Schools		High	Finance	Requested by management. Consulting with deans and fiscal officers regarding financial reporting processes.
Impact of Budget Reductions on Operations		High	Finance	Requested by management. Review of departmental budget reduction plans to assess for impact on operations and reasonableness.
Business Continuity Plan Incident Management (Veoci)		High	Governance	Consulting risk-based review of new business continuity plan incident management system.
Edith O'Donnell Institute of Art History		High	Academic Support	To evaluate financial and accounting processes, internal controls systems, and the effectiveness and efficiency of related operations and controls within the department. Carried forward from FY20.
Geosciences		High	Academic Support	To evaluate financial and accounting processes, internal controls systems, and the effectiveness and efficiency of related operations and controls within the department. Include closing of Center for Lithospheric Studies. Carried forward from FY20.

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Advisory and Consulting Engagements				
FACILITATING	<i>Services in which the auditor assists management in examining organizational performance for the purpose of promoting change. In a facilitation role, the auditor does not judge organizational performance. Instead, the auditor guides management in identifying organizational strengths and opportunities for improvement. Providing facilitation services without making management decisions would generally not create a threat to independence. This activity may not require a written report or be documented in TeamMate.</i>			
Data Center Vendor Selection		High	Information Technology	Consulting with Information Technology regarding vendor selection of data center.
Decentralized Security Scorecards		High	Information Technology	Consulting with Information Security decentralized areas.
ADVISORY / TRUSTED ADVISOR	<i>Service on committees or participation on task forces. Providing advice to the entity on routine business matters is considered "routine activities" in accordance with GAGAS, as long as management is overseeing and assuming all management responsibility. In order to ensure there is no confusion related to Advisory services, Internal Audit members should only serve in a non-voting capacity on management committees/task forces. This activity may not require a written report or have to be documented in TeamMate. Advisory engagements may be separate projects or be grouped together into one overall project code in TeamMate.</i>			
Participation on the Hotline Team		N/A	N/A	Participation on the Hotline Team or other fraud reports not specific to an individual investigation.
Participation on Institutional Committees		N/A	N/A	Participation on various IT, finance, and other committees. Current committees include COVID-19 RUO Committee, Finance/Budget; Cabinet; Business Management Council; Compliance Advisory Committee; Endowment Team; Information Security; OnBase Users.
EDUCATION	<i>Participation in the development and/or delivery of education or awareness campaigns on various topics. Educating the entity about matters within the technical expertise of the auditors, as it relates to an engagement, is considered "routine activities" in accordance with GAGAS. This activity may not require a written report or be documented in TeamMate.</i>			
Academic Operations Consulting and Relationship Strategies		N/A	N/A	Consulting and meetings held with leaders in academic affairs areas, including deans.
Administrative Operations Consulting and Relationship Strategies		N/A	N/A	Consulting and meetings held with leaders in non-academic affairs areas, including Title IX changes.
Information Technology and Security Consulting and Relationship Strategies		N/A	N/A	Consulting and meetings held with Information Technology and Security leaders.
New Leaders Consulting and Relationship Strategies		N/A	N/A	Meetings held with new leaders to discuss internal controls or audit operations.
Training for University Employees		N/A	N/A	Training university employees on internal audit, fraud, risks, and controls.
RESERVE				
Reserve for advisory and consulting engagements		N/A	N/A	Reserve for advisory and consulting engagements requested by management.
Advisory and Consulting Engagements Subtotal	28.6%			

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Required Engagements				
AFR Audit Assistance to External Auditor		N/A	Finance	Assistance on Deloitte external audit. Hours provided by UT System.
Assistance to External Auditors		N/A	N/A	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		N/A	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 FY20/21.
Lena Callier Trust		N/A	Finance	Annual audit, required by the Trust agreement, to ensure compliance with the terms of the agreement.
Peer Review Team Facilities Audit		N/A	Facilities Management	Review of facilities development projects in conjunction with the THECB peer review of accuracy of facilities inventory.
Purchasing Compliance with Texas Education Code		N/A	Purchasing/Supply Chain	Annual audit to ensure compliance with Texas Education Code (TEC) Section 51.9337.
Required Engagements Subtotal	3.9%			
Investigations				
Reserve for Investigations				Reserve for investigations that arise during the year primarily involving fraud.
Investigations Subtotal	1.8%			
Reserve				
Reserve for Unanticipated Projects				Reserve for projects that arise due to emerging risks during the year.
Reserve Subtotal	1.8%			
Follow-Up				
Quarter 1 Follow-up Work				Follow-up recommendations due 8/15/2020 - 11/13/2020
Quarter 2 Follow-up Work				Follow-up recommendations due 11/14/2020 - 2/12/2021
Quarter 3 Follow-up Work				Follow-up recommendations due 2/13/2021 - 5/14/2021
Quarter 4 Follow-up Work				Follow-up recommendations due 5/15/2021 - 8/20/2021
Follow-Up Subtotal	0.9%			

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Development - Operations				
Annual Internal Audit Report				Preparation of the annual internal audit report.
Audit Committee				Preparation and participation in the UTD Internal Audit Committee meetings.
Audit Manager Leadership				Duties performed by audit managers related to staff mentoring and developing and meetings and discussions with CAE not related to specific audits.
CAE Leadership				Includes hiring, development, budgeting, performance appraisals, administrative duties, leadership, promoting the internal audit department, executive meetings, and all other responsibilities of the CAE that are not directly attributable to a specific audit project.
External Requests for Information				Requests for reporting from UT System, the SAO, and other external agencies.
FY22 Audit Plan and Risk Assessment				Risk assessment and development of the FY22 annual audit plan.
Internal Quality Assurance and Improvement Program (QAIP)				Internal Quality Assurance and Improvement Program activities, such as updating audit procedures, etc.
IT Audit Quarterly Data Pulls				Assistance provided by IT Audit Manager to pull data for all audits (not audit-specific) from PeopleSoft, Citibank, and/or other applications.
IT Audit Technical Support				Technical support provided by IT Audit Manager for TeamMate, IDEA, or other issues.
Staff Meetings				Staff meetings are held once a week for approximately one hour during remote working; monthly for approximately two hours after return to campus.
UT System Meetings				UT System Audit Office meetings, including CAE, IAC (non-cpe related), TeamMate Champion, IT auditors, other meetings not specific to System initiatives.
Website				Updates to the Audit and Consulting Services website.
Development - Operations Subtotal	11.1%			
Development - Initiatives and Education				
CPE and CPE Travel				Continuing Professional Education (CPE) and related travel.
Data Analytics				Data analytics improvement initiatives not specific to particular audits.
Participation in Professional Organizations				Participation on committees for professional organizations.
Participation in QAR's for Other Organizations				Participation on quality assurance reviews for another organization.
Professional Writing, Publications, and Presentations				Speaking and writing/publications for audit-related organizations.
Student Internship Program				Time spent by internal audit recruiting and mentoring student interns and speaking at class (not specific to an audit).
Training (non-CPE)				Training from UT Dallas and others, including compliance training, that does not provide CPE hours related to the profession.
UT Dallas Audit Strategic Initiatives				UT Dallas Internal Audit strategic initiatives arising from internal assessments.
UT System Audit Initiatives				System Audit Office initiatives participation (Committees, Workgroups, research, etc.).
Development - Initiatives and Education Subtotal	10.9%			
Total Budgeted Hours	100.0%			