

**UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS AGENDA**

COMMITTEE: Audit and Compliance

ITEM: Report on Long Range Internal Audit Plan for FY 2013-2015

DATE PREVIOUSLY SUBMITTED:

SUMMARY:

Attached for your review and approval is the UHS Internal Auditing Department Long-Range Internal Audit Plan for Fiscal Years 2013-2015 (Audit Plan). The Audit Plan has been prepared to meet the requirements of the Board of Regents policy and the Texas Internal Auditing Act (Texas Government Code, Sec. 2102), as amended. The Texas Internal Auditing Act requires the Board of Regents to approve the Audit Plan and periodically review the resources dedicated to the Internal Audit program and determine if adequate resources exist to ensure that risks identified in the annual risk assessment are adequately covered within a reasonable time frame. The Internal Audit resources are described in Section 2 of the Audit Plan, and the risk assessment is included in Section 8 of the Audit Plan. Risk assessment techniques were employed to identify auditable areas and to ensure that the accounting systems and controls, the administrative systems and controls, and other major systems and controls are reviewed on a periodic basis.

SUPPORTING

DOCUMENTATION: Internal Audit Long Range Internal Audit Plan for FY 2013-2015
(under separate cover)

FISCAL NOTE: None

**RECOMMENDATION/
ACTION REQUESTED:** Administration recommends approval of this item

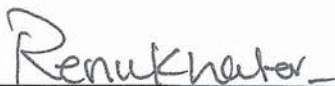
COMPONENT: University of Houston System



CHIEF AUDIT EXECUTIVE Don Guyton

7/17/12

DATE



CHANCELLOR Renu Khator

7/20/12

DATE

**08/15/12
AUDIT C1**



UNIVERSITY OF HOUSTON SYSTEM

Internal Auditing Department
Houston, Texas 77204-0930
(713)743-8000
Fax: (713)743-8015

MEMORANDUM

TO: Board of Regents

FROM: Don F. Guyton
Chief Audit Executive

DATE: July 24, 2012

SUBJ: Annual Internal Audit Plan

Attached for your review and approval is the final draft of the Long-Range Internal Audit Plan for Fiscal Years 2013-2015. This plan has been prepared to meet the requirements of the Board of Regents policy and the Texas Internal Auditing Act (Texas Government Code, Sec. 2102). This act states that the annual audit plan developed by the internal auditor must be approved by the governing board. This plan is an approval item on the agenda for the August 15, 2012 Audit and Compliance Committee meeting and August 15, 2012 Board of Regents meeting.

Please let me know if you have any questions.

Attachments

UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT

LONG - RANGE INTERNAL AUDIT PLAN
and
RISK ANALYSIS

Fiscal Years 2013 - 2015

To be Presented to the Board of Regents
for Approval on August 15, 2012



UNIVERSITY OF HOUSTON SYSTEM

Internal Auditing Department
Houston, Texas 77204-0930
(713)743-8000
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MEMORANDUM

TO: Ms. Nandita Berry
Chair, Audit and Compliance Committee

Dr. Renu Khator
Chancellor/President, UHS/UH

FROM: Don F. Guyton
Chief Audit Executive

DATE: July 13, 2012

SUBJ: Long-Range Internal Audit Plan - Fiscal Years 2013-2015

Attached for your review and approval is the UHS Internal Auditing Department Long-Range Internal Audit Plan for Fiscal Years 2013-2015 (Audit Plan). The Audit Plan has been prepared to meet the requirements of the Board of Regents directives and the Texas Internal Auditing Act (Texas Government Code, Chapter 2102), as amended. The Texas Internal Auditing Act requires the Board of Regents to approve the Audit Plan and periodically review the resources dedicated to the Internal Audit program and determine if adequate resources exist to ensure that risks identified in the annual risk assessment are adequately covered within a reasonable time frame. The Internal Audit resources are described in Section 2 of the Audit Plan, and the risk assessment is included in Section 8 of the Audit Plan. Risk assessment techniques were employed to identify auditable areas and to ensure that the accounting systems and controls, the administrative systems and controls, and other major systems and controls are reviewed on a periodic basis. Coverage of key departments and functions at planned intervals has been designed into the plan to assure that no significant auditable area has been overlooked.

Each auditable area has been evaluated as to its risks and other functions which might determine the urgency and frequency for performing an audit. In addition to an analytical review of all significant financial data for each campus, the risk evaluation and scheduling process included requests for input from all campus presidents, fiscal officers, and other key personnel. Once the risk assessment was completed, each auditable area was included in the audit schedule for the next three fiscal years or later.

Included in the attached Section 5 of the Audit Plan is a listing of brief audit objectives for each auditable area. These objectives relate to overall internal controls, efficiency of operations and compliance with laws and regulations, and Board of Regents and/or management policies and procedures.

Recommendation:

The Audit Plan should be flexible and periodically adjusted to adapt to changes in the audit environment. These changes include new or revised laws or regulations and changes in existing operations or activity levels. The Audit and Compliance Committee should approve these periodic changes to the Audit Plan. I recommend that the Board of Regents approve the attached Audit Plan, including the Internal Audit Resources, and delegate approval for periodic changes to the Audit and Compliance Committee.

DFG:rh
Attachment

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT**

**LONG-RANGE INTERNAL AUDIT PLAN
FY 2013-2015**

Table of Contents

<u>Description</u>	<u>Section</u>
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Executive Summary

Section 1

University of Houston System
Annual Long-Range Internal Audit Plan, FY 2013-2015

Executive Summary

Background: The Texas Government Code, Board of Regents Audit and Compliance Committee Charter, and Board of Regents Audit Policy require the Internal Auditing Department to prepare a risk based audit plan and present it to the Board of Regents for approval. The methodology we use in preparing this analysis consists of the following phases: (1) identification of auditable areas, (2) input from management, and (3) a risk analysis. Matters that we consider in establishing audit work schedule priorities include (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. During the risk analysis, we assign numerical risk factors depending upon the following: (1) reason for the audit, (2) administrative oversight, and (3) date last audited.

Identification of Auditable Areas: Auditable areas can be categorized in each of the following categories:

1. **Annual Assistance to External Auditors**
 - State Auditors Office (SAO): Projects included in the SAO's annual audit plan, including SACS accreditation reviews, and special projects upon request
 - External CPA firms: Audits of Houston Public Media, Endowment Fund, Athletics, and Charter School
2. **Annual Activities/Mandates**
 - Follow-up activity required by the Institute of Internal Auditors (IIA) Standards
 - Chancellor/Board of Regents Travel and Entertainment reimbursements requested by Board of Regents/Chancellor
 - Special projects and police investigations required by institutional policy and IIA Standards
 - Texas Higher Education Coordinating Board: ARP/ATP Grants and Facilities Audit (5 year cycle)
 - NCAA Rules-Compliance and football attendance audits required by NCAA rules
 - Construction: Construction procurement process, new construction (outsourced)
 - Board of Regents Procurement Report
3. **Departmental Reviews:** These compliance reviews test 15 different areas of compliance for system and campus policies. These reviews are conducted every 5 years for all departments within the system. Many of the policies tested are directly related to internal controls. See Attachment A for a listing of all departmental reviews by college/division together with pertinent data on each college/division.
4. **Functional Reviews:** These engagements are operational reviews for efficiency/effectiveness and are conducted for all divisions and service organizations within the system.
5. **Information Technology Reviews:** The security reviews are required by Texas Administrative Code, and various other information technology areas are addressed based on risk.

The Internal Audit Resources allocated to each of these areas for fiscal years FY 2013-2015 are as follows:

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>
Assistance to External Auditors	300	700	300
Mandates	3,600	3,400	3,400
Departmental Reviews	4,300	2,450	2,250
Functional Reviews	4,986	6,636	7,036
IT Reviews	1,900	1,900	2,100
	<hr/>		
Total Hours	15,086	15,086	15,086
	<hr/>		

Departmental Resources: The Texas Internal Auditing Act requires the Board of Regents to approve the Audit Plan and periodically review the resources dedicated to the Internal Audit program and determine if adequate resources exist to ensure that risks identified in the annual risk assessment are adequately covered within a reasonable time frame. The Internal Audit Team is comprised of a Chief Audit Executive, Assistant Director, four Senior Auditors, Information Technology Auditor, and three Staff Auditors. The estimated FY 2013 salary budget is \$992,004 and the M&O budget is \$52,539. In our opinion, the resources dedicated to the Internal Auditing program are adequate.

Input from Management: A series of meetings are scheduled with key management personnel throughout the system and with the Chair of the Audit and Compliance Committee to identify sensitive or high exposure areas and to identify high risk functions, information technology, and compliance areas that are hot topics in the higher education industry that should be scheduled for review. Comments are also requested on the Internal Audit Plan and Risk Analysis from all Audit and Compliance Committee members at the August Audit and Compliance Committee meeting. See Attachment B for a schedule of these meetings.

Risk Analysis: The risk analysis is used to develop an audit plan for performing audit projects in risk areas over a specified time to minimize the risk of losses to the University; to prioritize audit projects by the level of risk; to use our audit staff and time in an effective and efficient manner; and to determine the nature, timing, and extent of audit steps and procedures in direct relation to the amount and nature of the risk.

Conclusion: The Long Range Internal Audit Plan and Risk Analysis help provide the Audit and Compliance Committee with assurance that it is providing the necessary oversight over the quality and integrity of the accounting, financial reporting practices, system of internal controls, institutional management practices, and the direction of the internal auditing function.

ATTACHMENT A

**AUDIT COVERAGE MATRIX
DEPARTMENTAL REVIEWS**

University	College/Division Name	FY 2013 BUDGET			FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
		Operations Expenditures	Restricted Expenditures	FTEs					
UH	Academic Affairs/Provost Division	78,387,213	99,417,126	500				X	
UH	Administration & Finance	73,950,512	85,434	1,293	X				
UH	Architecture	4,875,275	551,621	66			X		
UH	Athletics	29,904,914	3,174,238	99			X		
UH	Business	42,436,894	6,700,823	364	X				
UH	Chancellor/President Division	3,699,238	75,737	32			X		
UH	Education	11,803,596	5,207,570	256				X	
UH	Engineering	30,293,531	20,680,922	415	X				
UH	Graduate College of Social Work	4,173,751	3,756,000	75				X	
UH	Honors	2,475,809	706,308	45		X			
UH	Hotel & Restaurant Management	10,916,069	2,484,671	108				X	
UH	Law Center	24,565,571	574,062	297		X			
UH	Liberal Arts & Social Sciences	60,910,468	17,016,825	1,113		X			
UH	Library	17,595,198	246,260	120	X				
UH	Natural Sciences & Mathematics	48,270,703	28,671,384	506	X				
UH	Optometry	17,058,783	5,830,826	149			X		
UH	Pharmacy	11,955,659	4,682,150	88		X			
UH	Research	37,646,394	10,064,723	201	X				
UH	Student Affairs	37,049,946	660,499	336	X				
UH	Technology	12,764,973	2,890,682	124	X				
UH	University Advancement	9,271,411	204,928	123					X
		570,005,908	213,682,789	6,312					
UHCL	Administration & Finance	12,679,222	5,000	185			X		
UHCL	Business	10,431,315	4,715	137		X			
UHCL	Education	6,496,721	716,557	113					X
UHCL	Human Sciences & Humanities	8,150,320	991,290	157			X		
UHCL	President's Office	2,051,966	3,000	22					X
UHCL	Provost's Office	27,602,317	10,038,948	326				X	
UHCL	Science and Computer Engineering	6,817,034	405,391	120		X			
		74,228,895	12,164,901	1,059					
UHD	Academic Affairs & Provost	10,954,094	240,189	89				X	
UHD	Administration & Finance	25,525,858	0	255					X
UHD	Advancement & External Relations	2,124,455	0	15					X
UHD	Business	10,269,992	525,038	148	X				
UHD	Employment Svc & Operations	1,354,221	0	14					X
UHD	Humanities & Social Sciences	11,861,912	71,603	243	X				
UHD	President's Office	1,200,539	5,000	8					X
UHD	Public Service	6,019,793	659,519	94					X
UHD	Sciences & Technology	8,151,926	1,859,152	153		X			
UHD	Student Svc & Enrollment Mgmt	9,024,673	176,435	163					X
UHD	University College	1,972,724	169,000	31				X	
		88,460,187	3,705,936	1,214					
UHV	Administration & Finance	6,383,110	186,457	105			X		
UHV	Arts & Sciences	4,497,727	0	77					X
UHV	Business Administration	6,465,990	299,666	78					X
UHV	Education	2,735,991	0	35					X
UHV	President's Office	3,353,402	61,082	44					X
UHV	Provost	5,854,190	1,138	91			X		
UHV	Nursing	1,743,680	100,000	24				X	
		31,034,090	648,343	455					

ATTACHMENT B

SCHEDULED MEETINGS WITH MANAGEMENT

BOR Audit and Compliance Committee

Nandita Berry

UHS/UH Chancellor/President

Renu Khator

UHS/UH Administration & Finance

Carl Carlucci

Tom Ehardt

Emily Messa

General Counsel

Dona Cornell

UH Provost/Academic Affairs

John Antel

Elaine Charlson

Craig Ness

Ed Hugetz

UH Research

Rothindra Bose

Selesta Hodge

Cris Milligan

Kirstin Rochford

Beverly Rymer

Emanuelle Schuler

Anne Sherman

Nancy Ward

UH University Services

Melissa Rockwell

Jonathan Thurston

Sean York

Pat Sayles

Georgeann Smith

Linda Garza

Esmeralda Valdez

Deborah Davis

UHCL Senior Management

William Staples

Carl Stockton

Michelle Dotter

John Cordary

UHD Senior Management

William Flores

Brian Chapman

David Bradley

Lisa Montgomery

Ivonne Montalbano

Johanna Wolfe

Elaine Pearson

UHV Senior Management

Philip Castille

Jeffrey Cass

Wayne Beran

Val Walden

UH Administration & Finance

Raymond Bartlett

David Ellis

Mike Glisson

Margie Hattenbach

Karin Livingston

UH Information Technology

Dennis Fouty

UH Student Affairs

Richard Walker

Don Yackley

Dan Maxwell

Floyd Robinson

Keith Kolwalka

Pat Sayles

Summary of Man-Hours / Man-Hour Assumptions

Section 2

**University of Houston System
Internal Auditing Department**

**Long-Range Internal Audit Plan
Summary of Man-Hours**

<u>Activity</u>	<u>Fiscal Year</u>		
	<u>2013</u>	<u>2014</u>	<u>2015</u>
Scheduled Audits	7,136	8,236	8,236
IT Reviews/Monitoring	1,650	2,200	2,300
Special Projects	1,600	1,600	1,600
Departmental Reviews	4,200	2,550	2,450
Follow-up Reviews	<u>500</u>	<u>500</u>	<u>500</u>
Total Direct Audit Hours	<u><u>15,086</u></u>	<u><u>15,086</u></u>	<u><u>15,086</u></u>

**University of Houston System
Internal Auditing Department**

**Long-Range Internal Audit Plan
Man-Hour Assumptions**

<u>Available Man-Hours</u>	<u>Chief Audit Executive</u>	<u>Assistant Director</u>	<u>Senior Auditor</u>	<u>Information Technology Auditor</u>	<u>Staff</u>
Vacations	120	120	96	96	96
Holidays (13 days)	104	104	104	104	104
Sick Leave	40	40	60	60	60
Professional Training	60	60	40	40	40
In-house Training	40	40	40	40	40
Professional Organizations	40	40	16	16	16
Indirect Audit Hours: Administrative	1,100	800	200	80	40
Direct Audit Hours	<u>576</u>	<u>876</u>	<u>1,524</u>	<u>1,644</u>	<u>1,684</u>
Total Hours Available	<u><u>2,080</u></u>	<u><u>2,080</u></u>	<u><u>2,080</u></u>	<u><u>2,080</u></u>	<u><u>2,080</u></u>
 <u>Allocable Direct Audit Hours</u>					
Direct Audit Hours By Position	576	876	1,524	1,644	1,684
Staff Size By Position	1	1	4	1	4
Employee Turnover/Attrition	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.5</u>
Available Staff Size	1.0	1.0	4.0	1.0	3.5
Subtotal	<u>576</u>	<u>876</u>	<u>6,096</u>	<u>1,644</u>	<u>5,894</u>
Total Direct Audit Hours					<u><u>15,086</u></u>

**University of Houston System
Internal Auditing Department**

**Long-Range Internal Audit Plan
Departmental Resources**

The Texas Internal Auditing Act requires the Board of Regents to approve the Audit Plan and periodically review the resources dedicated to the Internal Audit program and determine if adequate resources exist to ensure that risks identified in the annual risk assessment are adequately covered within a reasonable time frame. In our opinion, the resources dedicated to the Internal Auditing program are adequate.

FY 2012 Departmental Resources:

- Personnel: Chief Audit Executive, Assistant Director, four Audit Seniors, Information Technology Auditor, and four Staff Auditors (one vacant position)
- Salary Budget: \$910,084
- M&O Budget: \$47,539

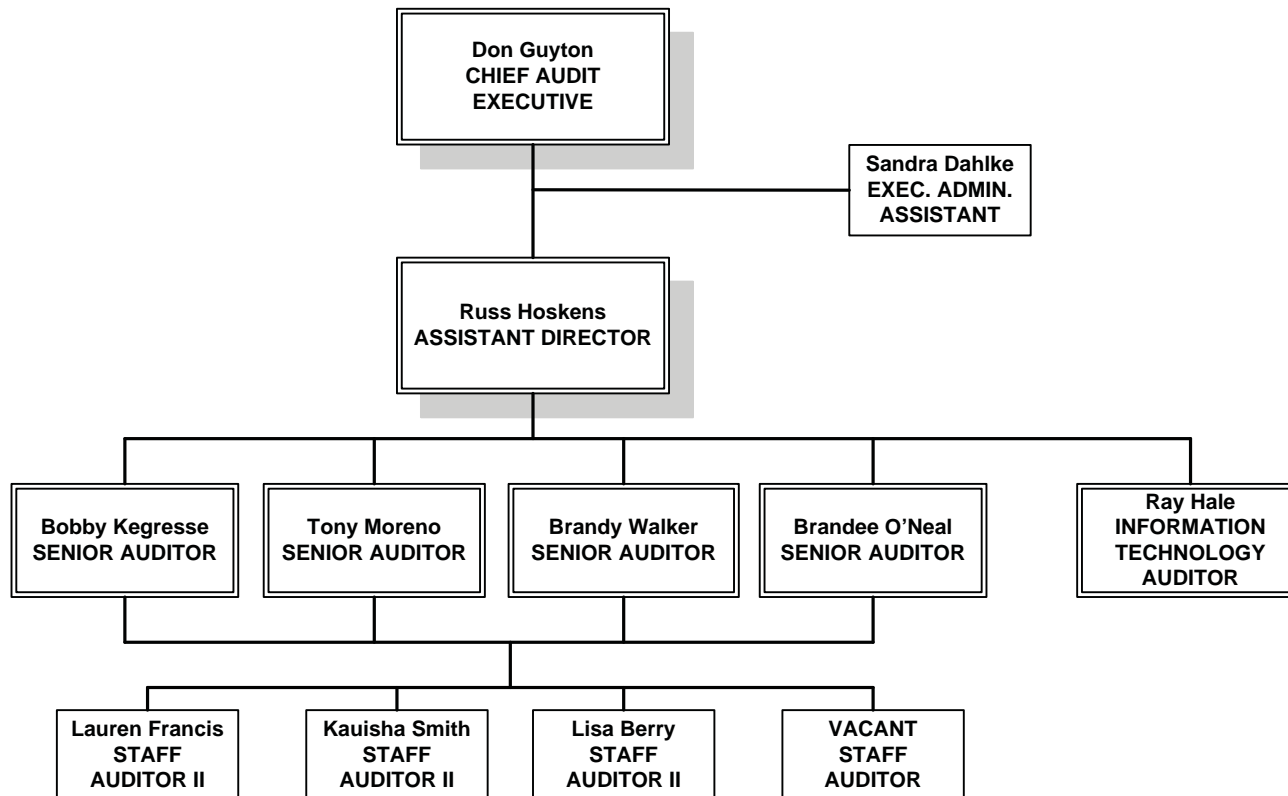
Estimated FY 2013 Departmental Resources:

- Salary Budget: \$992,004
- M&O Budget: \$52,539

Organization Chart:

The departmental organization chart is attached.

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING
ORGANIZATION CHART**



Audit Team

Section 3

**University of Houston System
Internal Auditing Department**

Internal Audit Team

Don F. Guyton, C.P.A., Chief Audit Executive, began working in the UHS Internal Auditing Department in his current position on October 1, 1987. Other experience includes: five years of Big Four public accounting experience, three years of controller experience in industry, and three years of experience as a commissioned officer in the U.S. Army. He received a M.B.A. degree from the University of New Orleans where he was a member of Beta Gamma Sigma. He is a member of the American Institute of Certified Public Accountants (AICPA), Texas Society of Certified Public Accountants (TSCPA), and the Institute of Internal Auditors (IIA). He is a past president of the Texas Association of College and University Auditors.

Russell G. Hoskens, C.P.A., C.I.A., C.F.E., C.I.S.A., Assistant Director, began working in the UHS Internal Auditing Department in his current position on June 30, 1997. Other experience includes: eleven years of internal audit experience, including two years as an audit manager at the University of Texas Medical Branch at Galveston. He received a M.B.A. degree (concentration in Internal Auditing) from Louisiana State University. He is a member of the AICPA, the IIA, the Association of Certified Fraud Examiners (ACFE), and the Information Systems Audit and Control Association (ISACA). He is also a past president of the Texas Association of College and University Auditors.

Bobby Kegresse, C.P.A, C.I.A., Senior Auditor, began working in the UHS Internal Auditing Department on November 8, 2010. Other experience includes nineteen years of internal audit experience and eight years of accounting experience. He received a B.B.A. degree in Accounting from Southwest Texas State University. He is a member of the IIA.

Tony Moreno, C.F.E., C.I.C.A, Senior Auditor, began working in the UHS Internal Auditing Department on October 10, 2005. Other experience includes nine years of internal audit experience and ten years of banking experience. He received B.S. degrees in Economics and Anthropology from the University of Houston and is a member of the IIA and the ACFE.

Brandy Walker, C.F.E., Senior Auditor, began working in the UHS Internal Auditing Department on December 11, 2006. Other experience includes one year of internal audit experience at the Department of the Navy. She received a M.S. degree in Finance from Tulane University and is a member of the IIA and the ACFE.

Brandee O'Neal, C.I.A., C.I.C.A., Senior Auditor, began working in the UHS Internal Auditing Department on July 11, 2011. Other experience includes ten years of internal audit and accounting experience at the Texas Department of Criminal Justice. She received a M.B.A. degree from Sam Houston State University and is a member of the IIA.

**University of Houston System
Internal Auditing Department**

Internal Audit Team

Ray Hale, C.I.S.A, Information Technology Auditor, began working in the UHS Internal Auditing Department on November 15, 2010. Other experience includes eighteen years of internal audit experience, including ten years of information technology experience. He received a M.B.A. degree from Webster University and is a member of the IIA and ISACA.

Lauren Francis, C.P.A., Staff Auditor II, began working in the UHS Internal Auditing Department on August 24, 2009. Other experience includes four years in public accounting. She received a B.B.A. degree in Accounting from Baylor University and is a member of the IIA.

Kauisha Smith, Staff Auditor II, began working in the UHS Internal Auditing Department on March 16, 2009. Other experience includes six years as a State Tax Auditor. She received a M.B.A. degree from Devry University and is a member of the IIA.

Lisa Berry, C.I.A., C.F.E., Staff Auditor II, began working in the UHS Internal Auditing Department on September 8, 2008. Other experience includes two years of internal audit experience in industry. She received a M.S. degree in Accounting from the University of Houston. She is a member of the IIA and the ACFE. She is also past president of the Internal Audit Student Association at the UH Bauer College of Business.

Sandra Dahlke, Executive Administrative Assistant, became a Certified Administrative Professional in 1978. She began working in the Internal Auditing Department on July 9, 2012, after working for the University of Houston Law Center for almost seven years as a Secretary. Other experience includes 28 years of secretarial experience.

Vacant Position – One Staff Auditor position.

Professional Certifications:

- C.P.A. – Certified Public Accountant
- C.I.A. – Certified Internal Auditor
- C.I.S.A. – Certified Information Systems Auditor
- C.F.E. – Certified Fraud Examiner
- C.I.C.A. – Certified Internal Control Auditor

Auditable Areas / Audit Activities

Section 4

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

**AUDITABLE AREAS
ANNUAL ASSISTANCE/MANDATES & SYSTEM-WIDE AUDITS**

ANNUAL ASSISTANCE / MANDATES

Annual External Audits - Liaison

- Athletics – NCAA
- Charter School
- Endowments
- Houston Public Media

Athletics

- Football Attendance Audit
- NCAA Rules-Compliance

Follow-up Audit Procedures

Special Projects

- Annual Audit Plan/Risk Analysis
- Annual Internal Audit Activity Report
- Board of Regents Procurement Report
- Construction: Construction Procurement Process and New Construction (Outsourced)
- Internal Audit Quality Assurance
- Management Requests
- Police Investigations

State Auditor's Office - Liaison

- State-wide and Other Audits
- Regional Accreditation Reviews (SACS)

Texas Higher Education Coordinating Board

- ARP/ATP Grants
- Facilities Audits

Travel Expenditures

- Board of Regents' Travel
- Chancellor/President's Travel
- UH Frequent Traveler Audit

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

**AUDITABLE AREAS
ANNUAL ASSISTANCE/MANDATES & SYSTEM-WIDE AUDITS**

SYSTEM-WIDE AUDITABLE AREAS

Academic Fees
Accounts Payable
Athletics
Auxiliary Contract Administration
Budgeting
Colleges / Divisions
Continuing Education
Endowments
Facilities Management
Facilities Planning & Construction
Financial Aid
Financial Reporting
Formula Funding
General Accounting
Human Resources
Information Security Standards/TAC 202
Information Technology
Institutional Compliance Programs
Investment Management
IT – Review & Monitor Systems
Library
Parking
Payroll
Police Departments
Privacy/Information Security
Property Management (Fixed Assets)
Student Accounting & Receivables
Student Admissions & Registration
Support Organizations
Travel and Entertainment Expenditures
University Advancement

Procurement
 Procurement Cards/Travel Cards
 Purchasing
 Contract Administration

Research
 Contracts & Grants Administration
 Intellectual Property Management
 Research Oversight Committees
 Research Centers and Institutes
 Research Financial Services
 Research Information Center
 Time and Effort Reporting

Student Services
 Campus Recreation
 Childcare
 Health Center
 Student Housing
 Student Center

Unit Audits – Divisions, Colleges, Schools,
 Departments, Centers, Institutes, Programs,
 Management Changeover, etc.

Audit Objectives

Section 5

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

AUDIT OBJECTIVES

ANNUAL ASSISTANCE / MANDATES:

Annual External Audits (Athletics – NCAA, Endowments, Houston Public Media, and Charter School)

To provide assistance, as requested, to external auditors to expedite the audit and reduce audit costs to the university.

Athletics – Football Attendance Audit

To verify attendance at football games to comply with NCAA legislation.

Athletics – NCAA Rules-Compliance

To determine the adequacy of the Athletic Department's NCAA Rules-Compliance Program in accordance with the requirements of NCAA Bylaw 23.2.3.(e).

Board of Regents Procurement Report

To determine the accuracy and completeness of the information presented to the Board of Regents.

Board of Regents' Travel

To determine whether the travel expenditures and reimbursements to the members of the Board of Regents comply with the applicable statutes/Board of Regents policies.

Chancellor/President's Travel

To determine whether the travel expenses and non-payroll payments or reimbursements to the Chancellor/President were adequately documented and comply with the applicable statutes and Board of Regents/UHS policies.

Construction Procurement Process

To determine whether UHS is complying with its policies and procedures and the Texas Education Code in selecting its contractors for its major construction projects.

Follow-up Reviews

To determine whether appropriate action is taken on reported audit findings.

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

AUDIT OBJECTIVES

Special Projects

Annual Audit Plan/Risk Analysis

Annual analysis to determine the university's areas of risk and scheduling audits of these areas with the resources available to the Internal Auditing Department.

Annual Internal Audit Activity Report

Annual activity report provides a summary of internal audit activities performed during the fiscal year, including explanations for significant deviation from the approved audit plan.

Internal Audit Quality Assurance

Procedures performed to ensure that the Internal Auditing Department complies with The International Standards for the Professional Practice of Internal Auditing as promulgated by the Institute of Internal Auditors.

Management Requests

Projects requested by management that arise due to events within the university. Provide auditing expertise in review of systems and procedures and provide recommendations for improvements to internal controls.

Police Investigations

Projects assigned by the UH-System Chancellor or Board of Regents or that arise due to unexpected events within the university. Provide auditing expertise in review of systems and procedures and provide recommendations for improvements to internal controls related to police investigations such as theft or other fraud.

State Auditor's Office

Liaison – State-wide and Other Audits

Provide assistance to the State Auditor's Office to expedite the audit.

Regional Accreditation Reviews (SACS)

To assist the State Auditor's Office in performing the specified audit procedures for the special report required every 10 years for each campus by the Southern Association of Colleges and Schools.

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

AUDIT OBJECTIVES

Texas Higher Education Coordinating Board

ARP/ATP Grants (Advanced Research Program/Advanced Technology Program)

To determine whether expenditures of grant funds comply with the terms and conditions of the grants. Internal Audits of a sample of these grants is one of the terms and conditions of the grants.

Facilities Audits

To determine accurate reporting of space and space needs, including confirming the following: 1) data reported in the institution's Facilities Inventory, 2) construction projects have received the necessary approvals, and 3) cost, funding, and space for all completed projects.

SYSTEM-WIDE AUDITABLE AREAS:

Academic Fees

To determine whether procedures help ensure academic fees are properly recorded and expended appropriately and are in compliance with state laws and regulations.

Accounts Payable

To determine whether the accounts payable system has adequate internal controls to provide assurance that only bona fide university expenditures are paid, there is adequate documentation and proper approvals. To ascertain that procedures ensure accurate recording and reporting of liabilities.

Athletics

To determine that there are adequate internal controls to help ensure that departmental resources are being effectively and efficiently utilized and the department's activities comply with statutes, regulations, and university policies.

Auxiliary Contract Administration

To determine whether all executed contracts are in accordance with university policies and that monitoring procedures are in place to help ensure compliance with contract obligations.

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

AUDIT OBJECTIVES

Budgeting

To determine whether budget activities were being performed under an adequate system of internal controls to assure the reliability and integrity of the university's budgetary data.

Continuing Education

To determine whether there are adequate internal controls to help ensure that departmental resources are being effectively and efficiently utilized and the department's activities comply with statutes, regulations, and university policies.

Contract and Grants Administration

To determine whether there are management practices in place to help ensure that contracts and grants are being managed in compliance with state and federal regulations and university policies and procedures.

Endowments

To determine whether endowment income was expended in accordance with the terms of the endowment agreement.

Facilities Management

To determine whether there are adequate internal controls to help ensure that departmental and university resources are being effectively and efficiently utilized and activities comply with statutes, regulations, and university policies.

Facilities Planning & Construction

To determine whether there are adequate internal controls to help ensure that departmental and university resources for major and minor construction projects are being effectively and efficiently utilized and activities comply with statutes, regulations, and university policies.

Financial Aid

To determine whether the university is in compliance with federal and state regulations and university policy.

Financial Reporting

To determine whether activities are performed under an adequate system of internal controls to help ensure the reliability and integrity of the information contained in the university's financial reports and that reports are prepared in accordance with statutes, regulations, and university policies.

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

AUDIT OBJECTIVES

Formula Funding

To determine whether procedures are in place to help ensure that the data provided to the Coordinating Board is accurate, complete and in the format prescribed.

Frequent Traveler Audits

To determine whether travel expenditures are adequately supported and comply with university policies and procedures and IRS regulations.

General Accounting

To determine whether activities are performed under an adequate system of internal controls to help ensure that transactions are recorded general ledger in accordance with university policies.

Human Resources

To determine whether there are adequate internal controls to help ensure that departmental resources are being effectively and efficiently utilized and the department's activities comply with statutes, regulations, and university policies.

Information Security Standards/TAC 202

To determine whether there are policies, practices, and procedures in place to help ensure that the university is in compliance with the Texas Administrative Code 202, Information Security Standards.

Information Technology

To determine whether there are adequate internal controls to help ensure that departmental resources are being effectively and efficiently utilized and the department's activities comply with statutes, regulations, and university policies.

Institutional Compliance Programs (May be Conducted by External Peer Review Team)

To determine whether programs are designed and functioning effectively.

Investment Management

To determine whether there are adequate internal controls over the investment of non-endowed funds to help ensure compliance with statutes, regulations, and university policies.

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

AUDIT OBJECTIVES

IT - Review and Monitor Systems

To review and monitor the planning, design and implementation of new systems and modifications of existing systems to determine whether controls are adequate to ensure that university information is secure and processed, reported, stored and transferred accurately.

Library

To determine whether there are adequate internal controls to help ensure that departmental resources are being effectively and efficiently utilized and the department's activities comply with statutes, regulations, and university policies.

Parking

To determine whether there are adequate internal controls to help ensure that departmental resources are being effectively and efficiently utilized and the department's activities comply with statutes, regulations, and university policies.

Payroll

To determine whether only bona fide university employees are being paid their approved wages and that payroll procedures comply with Board and university policies and state and federal law.

Police Department

To determine whether there are adequate internal controls to help ensure that departmental resources are being effectively and efficiently utilized and the department's activities comply with statutes, regulations, and university policies.

Privacy/Information Security

To determine whether there are practices, policies and procedures for the privacy of information to help ensure that there is adequate internal control over access to information systems and data.

Procurement/Travel Cards

To determine whether procurement/travel cards are being used for University purchases and that reconciliations are being performed in a timely manner.

Property Management (Fixed Assets)

Review the Property Management System and make recommendations to improve the methods of recording, safeguarding, and accounting for fixed assets (including the Wortham House and other facilities owned/leased by the university).

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

AUDIT OBJECTIVES

Purchasing/Contract Administration

To ascertain whether the purchasing system has adequate internal controls and procedures which result in obtaining the desired product at the optimum price, in the requested quantity, at the right time and place.

Student Accounting and Receivable System

Review of systems internal controls to determine whether adequate security and controls related to software, data, and operating personnel exist and to determine whether application meets desired user objectives.

Student Admissions and Registration

To determine whether the admissions and registration process is effective and efficient and meets the students' and institution's needs.

Student Services

To determine whether there are adequate internal controls to help ensure that departmental resources are being effectively and efficiently utilized and the department's activities comply with statutes, regulations, and university policies.

Support Organizations

To determine whether the amount recorded in the university's books and records agree with the corresponding amounts included in the support organization's audited financial statements and IRS Form 990 and to determine whether the foundations are complying with their agreements with the board of regents.

Travel and Entertainment Expenditures

To determine whether travel and entertainment expenditures comply with Board and university policies and state regulations.

University Advancement

To determine whether there are adequate internal controls to help ensure that departmental resources are being effectively and efficiently utilized and the department's activities comply with statutes, regulations, and university policies.

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

AUDIT OBJECTIVES

Unit Audits (Divisions/Colleges/Departments/Centers/Institutes/Programs/Management Change-over Reviews)

To determine whether departmental financial and administrative activity complies with Board and university policies and state regulations and to determine whether there are management practices in place to help ensure goals and objectives are being accomplished efficiently and effectively.

Three-Year Audit Schedule, FY 2013 - 2015

Section 6

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015
SCHEDULED AUDITS - FY 2013**

<u>AUDIT ACTIVITY</u>	<u>BUDGET HOURS</u>
<u>ANNUAL ASSISTANCE / MANDATES (3,700 hours)</u>	
Annual External Audits - Liaison	100
Athletics - Football Attendance Audit	100
Athletics - NCAA Rules-Compliance	400
Board of Regents Travel, FY 2013	200
Chancellor/President's Travel, FY 2013	200
Construction Procurement Process	100
Follow-up Reviews	500
Frequent Traveler Audit (UH)	300
Special Projects/Police Investigations	1,600
State Auditor's Office Liaison	
Audit Assistance - General	100
Follow-up Reports	100
<u>SYSTEM-WIDE AUDITS (4,000)</u>	
Endowments (UHCL and UHD)	600
Financial Aid	900
Formula Funding	1,200
General Accounting	1,200
JAMP (UH)	100
<u>DEPARTMENTAL REVIEWS (4,100 hours)</u>	
UH Administration & Finance	700
UH Business	700
UH Engineering	500
UH Library	150
UH Natural Sciences & Mathematics	500
UH Research	250
UH Student Affairs	500
UH Technology	300
UHD Business	200
UHD Humanities & Social Sciences	300
<u>INFORMATION TECHNOLOGY (1,700 hours)</u>	
IT - Review and Monitor of IT Systems	700
(PeopleSoft Student & Academic Administration - Post Implementation Review)	
Information Security (UH)	500
IT Audit Risk Assessment	500
<u>INITIATED DURING FY 2012 - TO BE COMPLETED/REPORTED IN FY 2013</u>	1,586
Total Hours Scheduled for Fiscal Year 2013	<u>15,086</u>

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015
FY 2012 AUDITS IN PROGRESS AT YEAR-END**

<u>AUDIT ACTIVITY</u>	<u>Budget Hours</u>
<u>Projects Initiated During FY 2012, But Not Completed</u>	1,586
Board of Regents Travel, FY 2012	
Chancellor/President's Travel, FY 2012	
Contracts & Grants Administration (UHCL and UHV)	
Departmental Reviews	
UH University Advancement	
UHCL Education	
UHCL President's Office	
UHD Administration & Finance	
Endowments	
UH College of Architecture	
UH College of Business	
UH Graduate College of Social Work	
UH Hilton College of Hotel & Restaurant Management	
UH College of Law	
Financial Aid (UHCL, UHD, and UHV)	
Research Centers	
UH Texas Center for Superconductivity	
UHCL Environmental Institute of Houston	
Student Accounting & Receivables (All Components)	
UH TAC 202	

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015
SCHEDULED AUDITS - FY 2014**

<u>AUDIT ACTIVITY</u>	<u>BUDGET HOURS</u>
<u>ANNUAL ASSISTANCE / MANDATES (4,100 hours)</u>	
Annual External Audits - Liaison	100
Athletics - Football Attendance Audit	100
Athletics - NCAA Rules-Compliance	400
Board of Regents Travel, FY 2014	200
Chancellor/President's Travel, FY 2014	200
Construction Procurement Process	100
Follow-up Reviews	500
Frequent Traveler Audit (UH)	300
Special Projects/Police Investigations	1,600
State Auditor's Office Liaison	
Regional Accreditation Review - SACS (UHV)	400
Audit Assistance - General	100
Follow-up Reports	100
<u>SYSTEM-WIDE AUDITS (5,600)</u>	
Endowments (UH and UHV)	1,000
Facilities Management	1,200
Facilities Planning & Construction	500
Financial Aid	900
Payroll	900
Procurement Cards (UH)	200
Property Management (Fixed Assets)	900
<u>DEPARTMENTAL REVIEWS (2,450 hours)</u>	
UH Honors College	150
UH Law Center	200
UH Liberal Arts & Social Sciences	1,200
UH College of Pharmacy	200
UHCL School of Business	150
UHCL School of Science and Computer Engineering	150
UHD Sciences & Technology	400
<u>INFORMATION TECHNOLOGY (1,900 hours)</u>	
IT - Review and Monitor of IT Systems	500
TAC 202 (UHCL, UHD, and UHV)	900
IT Audit - TBD	500
<u>RESEARCH CENTERS (300)</u>	
Center for Neuromotor and Biomechanics Research (UH)	300
<u>INITIATED DURING FY 2013 - TO BE COMPLETED/REPORTED IN FY 2014</u>	736
Total Hours Scheduled for Fiscal Year 2014	<u>15,086</u>

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015
SCHEDULED AUDITS - FY 2015**

<u>AUDIT ACTIVITY</u>	<u>BUDGET HOURS</u>
<u>ANNUAL ASSISTANCE / MANDATES (3,700 hours)</u>	
Annual External Audits - Liaison	100
Athletics - Football Attendance Audit	100
Athletics - NCAA Rules-Compliance	400
Board of Regents Travel, FY 2015	200
Chancellor/President's Travel, FY 2015	200
Construction Procurement Process	100
Follow-up Reviews	500
Frequent Traveler Audit (UH)	300
Special Projects/Police Investigations	1,600
State Auditor's Office Liaison	
Audit Assistance - General	100
Follow-up Reports	100
<u>SYSTEM-WIDE AUDITS (5,400)</u>	
Academic Fees (UH)	200
Accounts Payable	1,000
Endowments (UH)	500
Financial Aid, Scholarships	1,200
Frequent Traveler Audit (UH)	300
Human Resources	1,200
Purchasing/Contract Administration	1,000
<u>DEPARTMENTAL REVIEWS (2,250 hours)</u>	
UH Architecture	150
UH Athletics	200
UHS/UH Chancellor/President's Division	150
UH Optometry	500
UHCL Administration & Finance	500
UHCL Human Sciences & Humanities	150
UHV Administration & Finance	300
UHV Provost	300
<u>INFORMATION TECHNOLOGY (2,100 hours)</u>	
IT - Review and Monitor of IT Systems	700
UH TAC 202	400
IT Audit - TBD	500
IT Audit - TBD	500
<u>RESEARCH CENTERS (500 hours)</u>	
UH Texas Learning & Computation Center, Follow-up	500
<u>QUALITY ASSURANCE REVIEWS (200 hours)</u>	
Internal Quality Assurance Review	100
External Quality Assurance Review	100
<u>INITIATED DURING FY 2014 - TO BE COMPLETED/REPORTED IN FY 2015</u>	936
Total Hours Scheduled for Fiscal Year 2015	<u>15,086</u>

FREQUENCY OF AUDIT ACTIVITY

**Frequency Analysis
Fieldwork Scheduled, FY 2013 - 2015
Reports Issued, FY 2008 - 2012**

Section 7

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
FREQUENCY OF AUDIT ACTIVITY
INTERNAL AUDIT PLAN, FY 2013-2015**

UNIVERSITY OF HOUSTON

Auditable Area	WORK PERFORMED							WORK SCHEDULED				LATER
	Audit Rpt. No./Special Project Rpt. No. X = Work In-Progress/Scheduled											
	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015		
ANNUAL ASSISTANCE / MANDATES												
Annual External Audit Liaison - Athletics	06-03							X	X	X		
Annual External Audit Liaison - Charter School								X	X	X		
Annual External Audit Liaison - Endowments	06-02	07-24	08-16	09-14				X	X	X		
Annual External Audit Liaison - Houston Public Media								X	X	X		
Athletics - Football Attendance Audit	06-17	07-16	08-10	09-13	10-12	11-10	12-13	X	X	X		
Athletics - NCAA Rules-Compliance	06-15		08-02	09-25	10-26		12-25	X	X	X		
SAO Liaison - State-wide & Other Audits								X	X	X		
SAO - Regional Accreditation Reviews (SACS)											X	
THECB - ARP/ATP Grants	06-22				10-19, 10-28						X	
THECB - Facilities Audits											X	
THECB - Techonology Workforce Development				09-16								
SYSTEM-WIDE AUDITS												
Academic Fees										X		
Accounts Payable										X		
Athletics (See Mandates above and Division Audits below)								X	X	X		
Auxiliary Contract Administration							X				X	
Budgeting											X	
College/Division (See College & Division Audits below)							X	X	X	X		
Continuing Education			08-19								X	
Contracts & Grants Administration (See Research below)											X	
Endowments						11-25, 11-26 11-29, 11-32 11-34	12-03, 12-12 12-18, 12-23 12-33	X	X	X		
Facilities Management				SP09-05					X			
Facilities Planning & Construction				09-22		SP11-06	SP12-04		X			
Financial Aid		07-26				11-20	SP12-09	X	X	X		
Financial Reporting							12-36				X	
Formula Funding								X			X	
General Accounting								X			X	
Human Resources										X		
Information Security Standards/TAC 202					10-03					X		
Information Technology (See Information Technology below)								X				
Institutional Compliance Programs											X	
Investment Management											X	
IT - Review and Monitor Systems	06-29	07-29	08-24	09-26	10-24	11-33	12-38	X	X	X		
Library (see College Audits below)												
Parking											X	
Payroll									X			
Police Department											X	
Privacy/Information Security						11-30					X	

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
FREQUENCY OF AUDIT ACTIVITY
INTERNAL AUDIT PLAN, FY 2013-2015**

UNIVERSITY OF HOUSTON

Auditable Area	WORK PERFORMED							WORK SCHEDULED				LATER
	Audit Rpt. No./Special Project Rpt. No. X = Work In-Progress/Scheduled											
	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015		
Procurement Cards/Travel Cards		07-33							X			
Property Management (Fixed Assets)									X			
Purchasing/Contract Administration										X		
Student Accounting & Receivables							X				X	
Student Admissions & Registration		07-26				SP11-03					X	
Student Services (See Student Services below)											X	
Support Organizations	06-04	07-09 SP07-03	08-05		10-10 10-11						X	
Travel and Entertainment Expenditures						11-23		X	X	X		
University Advancement (Also see Division Audits below)		SP07-02									X	
COLLEGE AUDITS												
Architecture					10-18					X		
Business		07-23	08-18					X				
Education						11-31					X	
Engineering			08-17					X				
Graduate College of Social Work							12-07				X	
Graduate & Professional Studies	06-18											
Honors College					10-09				X			
Hotel & Restaurant Management							12-04, 12-19				X	
Law Center	06-01, 06-05				10-17				X			
Liberal Arts & Social Sciences					10-07				X			
Library		07-17		SP09-01				X				
Natural Sciences & Mathematics				09-12				X				
Optometry						11-11 SP11-08				X		
Pharmacy				09-23			SP12-02		X			
Technology				09-02				X				
DIVISION AUDITS												
Academic Affairs/Provost	06-20, 06-26						12-14				X	
Administration & Finance				09-18			SP12-06	X				
Athletics						11-02				X		
Chancellor/President					10-27					X		
Research		07-13					SP12-03 SP12-10	X				
Student Affairs	06-13, 06-20			SP09-03		11-05	SP12-07	X				
University Advancement		07-25					X				X	
INFORMATION TECHNOLOGY												
Administration of IT Organization, Clerical Support				SP09-02							X	

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
FREQUENCY OF AUDIT ACTIVITY
INTERNAL AUDIT PLAN, FY 2013-2015**

UNIVERSITY OF HOUSTON

Auditable Area	WORK PERFORMED							WORK SCHEDULED				LATER
	Audit Rpt. No./Special Project Rpt. No. X = Work In-Progress/Scheduled											
	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015		
Administration/Enterprise Information Systems											X	
Desktop Computing Support, User Support Services, etc.											X	
Enterprise Infrastructure and Services, Identity Management											X	
Help Desk											X	
Information Technology Policy											X	
Information Technology Security								X				
Instructional Technology, Multimedia Services, Student Comp.											X	
Network Infrastructure and Services											X	
Operations, Data Center, Print Services	06-25										X	
Research Computing, Academic Computing											X	
Telephony											X	
Web Support Services											X	
RESEARCH												
Contract and Grants Administration	06-12					11-24					X	
Intellectual Property Management											X	
Institutional Review Board											X	
Research Centers (See Research Centers below)												
Research Financial Services											X	
Research Information Center											X	
RESEARCH CENTERS												
Center for Advanced Materials							X				X	
Texas Center for Superconductivity							X				X	
Texas Institute for Measurement, Evaluation, and Statistics							12-32				X	
Texas Learning & Computation Center							12-17			X		
Center for Neuromotor and Biomechanics Research									X			
STUDENT SERVICES												
Campus Recreation											X	
Childcare Center											X	
Health Center											X	
Residence Life & Housing			08-08			SP11-04					X	
University Center											X	
OTHER AUDITS:												
Cash Handling Reviews	06-16	07-18	08-23	09-24	10-20							
IT - PeopleSoft Change Management		07-08										
IT - PeopleSoft Student Acad. & Admin., Data Conversion			08-12									
Medical Billings					10-22							
National Research University Fund							12-24					
Research - JAMP		07-12		09-05		11-08		X				

UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
FREQUENCY OF AUDIT ACTIVITY
INTERNAL AUDIT PLAN, FY 2013-2015

UNIVERSITY OF HOUSTON-CLEAR LAKE

Auditable Area	WORK PERFORMED							WORK				LATER
	Audit Rpt. No./Special Project Rpt. No.							SCHEDULED				
	X = Work In-Progress/Scheduled							FY 2013	FY 2014	FY 2015		
FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012						
<u>ANNUAL ASSISTANCE / MANDATES</u>												
SAO Liaison - State-wide and Other Audits											X	
SAO - Regional Accreditation Reviews (SACS)						X					X	
THECB - ARP/ATP Grants					10-19						X	
THECB - Facilities Audits											X	
THECB - Techonology Workforce Development				09-16								
<u>SYSTEM-WIDE AUDITS</u>												
Academic Fees											X	
Accounts Payable										X		
Athletics (N/A)												
Auxiliary Contract Administration						X						
Budgeting											X	
College/Division (See School & Division Audits below)									X	X		
Continuing Education											X	
Contracts & Grants Administration (Sponsored Programs)						X					X	
Endowments								X				
Facilities Management									X			
Facilities Planning & Construction									X			
Financial Aid	06-11	07-31	08-13			11-18	X	X	X	X		
Financial Reporting							12-36				X	
Formula Funding								X				
General Accounting								X				
Human Resources										X		
Information Security Standards/TAC 202	06-27				10-02		12-21		X			
Information Technology (UCT)											X	
Institutional Compliance Programs											X	
Investment Management (N/A)												
IT - Review and Monitor Systems								X	X	X		
Library							SP12-05				X	
Parking											X	
Payroll									X			
Police Department											X	
Privacy/Information Security						11-30					X	
Procurement Cards/Travel Cards											X	
Property Management (Fixed Assets)									X			
Purchasing/Contract Administration										X		
Student Accounting & Receivables							X				X	

UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
FREQUENCY OF AUDIT ACTIVITY
INTERNAL AUDIT PLAN, FY 2013-2015

UNIVERSITY OF HOUSTON-CLEAR LAKE

Auditable Area	WORK PERFORMED							WORK SCHEDULED				LATER
	Audit Rpt. No./Special Project Rpt. No. X = Work In-Progress/Scheduled											
	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015		
Student Admissions & Registration (Admissions & Records)											X	
Student Services											X	
Support Organizations (N/A)												
Travel and Entertainment Expenditures						11-23					X	
University Advancement											X	
<u>SCHOOLS</u>												
Business					10-13				X			
Education	06-26, 06-28						X				X	
Human Sciences and Humanities					10-21						X	
Science & Computer Engineering					10-14				X			
<u>DIVISIONS</u>												
Administration & Finance					10-25					X		
President's Office		07-19					X				X	
Provost's Office						11-22					X	
<u>REARCH CENTER</u>												
Environment Institute of Houston							X				X	
<u>OTHER AUDITS</u>												
Cash Handling Reviews		07-18		09-24	10-20							

UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
FREQUENCY OF AUDIT ACTIVITY
INTERNAL AUDIT PLAN, FY 2013-2015

UNIVERSITY OF HOUSTON-DOWNTOWN

Auditable Area	WORK PERFORMED							WORK SCHEDULED			
	Audit Rpt. No./Special Project Rpt. No. X = Work In-Progress/Scheduled										
	FY 2006	FY 2007	FY 2008	FY2009	2010	2011	2012	FY 2013	FY 2014	FY 2015	LATER
ANNUAL ASSISTANCE / MANDATES											
SAO Liaison - State-wide & Other Audits											X
SAO - Regional Accreditation Reviews (SACS)											X
THECB - ARP/ATP Grants					10-28						X
SYSTEM-WIDE AUDITS											
Academic Fees											X
Accounts Payable										X	
Athletics (N/A)											
Auxiliary Contract Administration							X				X
Budgeting											X
College/Division (See College & Division Audits below)								X	X		
Continuing Education											X
Contract and Grants Administration		07-28					X				X
Endowments								X			
Facilities Management					SP10-01				X		
Facilities Planning & Construction									X		
Financial Aid	06-11	07-30	08-14			11-19	SP12-01, X	X	X	X	
Financial Reporting							12-36				X
Formula Funding								X			
General Accounting								X			
Human Resources										X	
Information Security Standards/TAC 202	06-21			09-20			12-11		X		
Information Technology											X
Institutional Compliance Programs											X
Investment Management (N/A)											
IT - Review and Monitor Systems								X	X	X	
Library											X
Parking											X
Payroll									X		
Police Department											X
Privacy/Information Security						11-30					X
Procurement Cards/Travel Cards											X
Property Management (Fixed Assets)									X		
Purchasing/Contract Administration										X	
Student Accounting & Receivables							X				X
Student Admissions & Registration (Admission & Records)											X
Student Services											X

UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
FREQUENCY OF AUDIT ACTIVITY
INTERNAL AUDIT PLAN, FY 2013-2015

UNIVERSITY OF HOUSTON-DOWNTOWN

Auditable Area	WORK PERFORMED							WORK SCHEDULED			
	Audit Rpt. No./Special Project Rpt. No.										
	X = Work In-Progress/Scheduled										
	FY 2006	FY 2007	FY 2008	FY2009	2010	2011	2012	FY 2013	FY 2014	FY 2015	LATER
Support Organizations (N/A)											
Travel and Entertainment Expenditures						11-23					X
University Advancement											X
COLLEGES											
Business				09-03 SP09-04				X			
Humanities and Social Sciences			08-22					X			
Public Service	06-26	07-05					12-37				X
Sciences and Technology				09-17	10-15	SP11-02			X		
University College						11-15					X
DIVISIONS											
Academic Affairs & Provost						11-16					X
Administration & Finance	06-20, 06-26						X				X
Advancement & External Affairs							12-34				X
Employment Services & Operations	06-20						12-39				X
President's Office		07-20					12-35				X
Student Services & Enrollment Management	06-26	07-03					X				X
OTHER AUDITS											
Cash Handling Reviews		07-18		09-24							
Contracts and Grants - JAMP		07-11		09-04		11-07					

UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
FREQUENCY OF AUDIT ACTIVITY
INTERNAL AUDIT PLAN, FY 2013-2015

UNIVERSITY OF HOUSTON-VICTORIA

Auditable Area	WORK PERFORMED Audit Rpt. No./Special Project Rpt. No. X = Work In-Progress/Scheduled							WORK SCHEDULED			LATER
	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	
ANNUAL ASSISTANCE / MANDATES											
SAO Liaison - State-wide and Other Audits											X
SAO - Regional Accreditation Reviews (SACS)									X		
SYSTEM-WIDE AUDITS											
Academic Fees											X
Accounts Payable										X	
Athletics											X
Auxiliary Contract Administration							X				X
Budgeting											X
College/Division (See School & Division Audits below)										X	
Continuing Education (N/A)											
Contract and Grants Administration							X				X
Endowments									X		
Facilities Management									X		
Facilities Planning & Construction									X		
Financial Aid	06-11	07-32	08-20			11-17	X	X	X	X	
Financial Reporting							12-36				X
Formula Funding								X			X
General Accounting								X			X
Human Resources										X	
Information Security Standards/TAC 202	06-19			09-19			12-20		X		
Information Technology (Computing Services)											X
Institutional Compliance Programs											X
Investment Management (N/A)											
IT - Review and Monitor Systems								X	X	X	
Library											X
Parking											X
Payroll									X		
Police Department											X
Privacy/Information Security						11-30					X
Procurement Cards/Travel Cards											X
Property Management (Fixed Assets)									X		
Purchasing/Contract Administration										X	
Student Accounting & Receivables							X				X
Student Admissions & Registration											X
Student Services											X

UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
FREQUENCY OF AUDIT ACTIVITY
INTERNAL AUDIT PLAN, FY 2013-2015

UNIVERSITY OF HOUSTON-VICTORIA

Auditable Area	WORK PERFORMED Audit Rpt. No./Special Project Rpt. No. X = Work In-Progress/Scheduled							WORK SCHEDULED			LATER
	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	
Support Organizations (N/A)											
Travel and Entertainment Expenditures						11-23					X
University Advancement											X
SCHOOLS											
College/Division - Arts & Sciences		07-21					12-26				X
College/Division - Business Administration		07-21				SP11-01 SP11-07	12-28 SP12-11				X
College/Division - Education		07-21					12-27 SP12-08				X
College/Division - Nursing						11-14					X
DIVISIONS											
College/Division - Administration & Finance						11-12				X	
College/Division - President's Office	06-26	07-04					12-22				X
College/Division - Provost		07-14, 07-15				11-13				X	

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
FREQUENCY OF AUDIT ACTIVITY
INTERNAL AUDIT PLAN, FY 2013-2015**

UNIVERSITY OF HOUSTON-SYSTEM

Auditable Area	WORK PERFORMED							WORK SCHEDULED				LATER
	Audit Rpt. No./Special Project Rpt. No. X = Work In-Progress/Scheduled											
	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015		
Board of Regents' Travel	06-07	07-07	08-06	09-10	10-05	11-03	12-05, X	X	X	X		
Chancellor/President's Travel	06-08	07-06	08-07	09-09	10-04	11-04	12-06, X	X	X	X		
Construction Procurement Process						11-28	12-02, 12-10 12-16, 12-31	X	X	X		
Consumable/Resale Inventory	06-06			09-06								
Follow-up Audit Procedures	06-09, 06-14 06-23, 06-24	07-01, 07-10 07-22, 07-27	08-01, 08-09, 08-15, 08-21	09-01, 09-11, 09-15, 09-21	10-01, 10-08 10-16, 10-23	11-01, 11-09 11-21, 11-27	12-01, 12-09 12-15, 12-30	X	X	X		
Internal Auditing Quality Assurance/Peer Review				09-08			12-29			X		
Management of External Fund Managers												
Non-Compliance Report	06-10	07-02	08-03	09-07	10-06	11-06	12-08	X	X	X		
SAO Liaison								X	X	X		
Wortham House - Fixed Asset Inventory			08-04, 08-11								X	

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
AUDIT REPORTS ISSUED**

REGULAR REPORTS

REPORT #	TITLE
AR2012-01	Follow-up Status Report - Actions Scheduled for Implementation from 7/1/11 to 9/30/11
AR2012-02	Construction Awards
AR2012-03	UH College of Engineering, Endowments
AR2012-04	UH College of Hotel & Restaurant Management, Departmental Review
AR2012-05	Board of Regents' Travel, FY 2011
AR2012-06	Chancellor/President's Travel, FY 2011
AR2012-07	UH Graduate College of Social Work, Departmental Review
AR2012-08	Annual Non-Compliance Report, FY 2011
AR2012-09	Follow-up Status Report - Actions Scheduled for Implementation from 10/1/11 to 12/31/11
AR2012-10	Construction Awards
AR2012-11	UHD Information Security Standards
AR2012-12	UH Provost Office, Endowments
AR2012-13	UH Athletics, Football Attendance - 2011 Season
AR2012-14	UH Office of Academic Affairs and Provost, Departmental Reviews
AR2012-15	Follow-up Status Report - Actions Scheduled for Implementation from 1/1/12 to 3/31/12
AR2012-16	Construction Awards
AR2012-17	UH Texas Learning and Computation Center
AR2012-18	UH Non-College, Specific Endowments
AR2012-19	UH Hilton Hotel
AR2012-20	UHV Information Security Standards
AR2012-21	UHCL Information Security Standards
AR2012-22	UHV President's Office, Departmental Reviews
AR2012-23	UH System Administration, Endowments
AR2012-24	UH National Research University Fund
AR2012-25	UH Athletics, NCAA Rules-Compliance
AR2012-26	UHV School of Arts and Sciences, Departmental Review
AR2012-27	UHV School of Education and Human Development, Departmental Review
AR2012-28	UHV School of Business Administration, Departmental Review
AR2012-29	Internal Quality Assurance Review of Internal Auditing
AR2012-30	Follow-up Status Report - Actions Scheduled for Implementation from 4/1/12 to 6/30/12
AR2012-31	Construction Awards
AR2012-32	UH Texas Institute for Measurement, Evaluation, and Statistics
AR2012-33	UH Texas Center for Superconductivity, Endowments
AR2012-34	UHD Advancement & External Relations, Departmental Review
AR2012-35	UHD President's Office, Departmental Review
AR2012-36	UHS Financial Reporting
AR2012-37	UHD College of Public Service, Departmental Review
AR2012-38	Information Technology Audit Activity Report, FY 2012

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
AUDIT REPORTS ISSUED**

REGULAR REPORTS

REPORT #	TITLE
AR2012-39	UHD Employment Services and Operations, Departmental Review
2011-01	Follow-up Status Report - Actions Scheduled for Implementation from 7/1/10 to 9/30/10
2011-02	UH Athletics, Departmental Review
2011-03	Board of Regents Travel, FY 2010
2011-04	Chancellor/President's Travel, FY 2010
2011-05	UH Division of Student Affairs, Departmental Reviews
2011-06	Annual Non-Compliance Report
2011-07	UHD JAMP, FY 2009 - FY 2010
2011-08	UH JAMP, FY 2009 - FY 2010
2011-09	Follow-up Status Report - Actions Scheduled for Implementation from 10/1/10 to 12/31/10
2011-10	UH Athletics, Football Attendance - 2010 Season
2011-11	UH College of Optometry, Departmental Review
2011-12	UHV Administration & Finance, Departmental Reviews
2011-13	UHV Office of the Provost, Departmental Reviews
2011-14	UHV School of Nursing, Departmental Review
2011-15	UHD University College, Departmental Reviews
2011-16	UHD Office of Academic Affairs & Provost, Departmental Reviews
2011-17	UHV Financial Aid, Pell Grants
2011-18	UHCL Financial Aid, Pell Grants
2011-19	UHD Financial Aid, Pell Grants
2011-20	UH Financial Aid, Scholarships
2011-21	Follow-up Status Report - Actions Scheduled for Implementation from 1/1/11 to 3/31/11
2011-22	UHCL Office of Academic Affairs & Provost, Departmental Reviews
2011-23	Executive and Foreign Travel, All Components
2011-24	UH Research Administration
2011-25	UH Athletics, Endowments
2011-26	UH College of Education, Endowments
2011-27	Follow-up Status Report - Actions Scheduled for Implementation from 4/1/11 to 6/30/11
2011-28	Construction Award Status Report
2011-29	UH Library, Endowments
2011-30	UHS Privacy
2011-31	UH College of Education, Departmental Reviews
2011-32	UH College of Optometry, Endowments
2011-33	Information Technology Audit Activity Report, FY 2011
2011-34	UH College of Natural Sciences & Mathematics, Endowments
2010-01	Follow-up Status Report - Actions Scheduled for Implementation from 7/1/09 to 9/30/09

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
AUDIT REPORTS ISSUED**

REGULAR REPORTS

REPORT #	TITLE
2010-02	UHCL Information Security Standards
2010-03	UH Information Security Standards
2010-04	Chancellor/President Travel, FY 2009
2010-05	Board of Regents Travel, FY 2009
2010-06	Annual Non-Compliance Report, FY 2009
2010-07	UH CLASS, Departmental Reviews
2010-08	Follow-up Status Report - Actions Scheduled for Implementation from 10/1/09 to 12/31/09
2010-09	UH Honors College, Departmental Review
2010-10	UH Foundation Review
2010-11	UH Alumni Association Review
2010-12	UH Athletics, Football Attendance - 2009 Season
2010-13	UHCL School of Business, Departmental Review
2010-14	UHCL School of Science and Computer Engineering, Departmental Review
2010-15	UHD S&T, Engineering Technology, DR - Follow-up
2010-16	Follow-up Status Report - Actions Scheduled for Implementation from 1/1/10 to 3/31/10
2010-17	UH Law Center, Departmental Reviews
2010-18	UH College of Architecture, Departmental Review
2010-19	UH/UHCL ARP Grants, 2006 Awards
2010-20	UHS Cash Handling Reviews, FY 2010
2010-21	UHCL School of Human Sciences & Humanities, Departmental Review
2010-22	UH Medical Billings
2010-23	Follow-up Status Report - Actions Scheduled for Implementation from 4/1/10 to 6/30/10
2010-24	Information Technology Audit Activity Report, FY 2010
2010-25	UHCL Administration & Finance, Departmental Reviews
2010-26	UH Athletics, NCAA Rules-Compliance
2010-27	UHS/UH Office of the Chancellor/President, Departmental Review
2010-28	UH/UHD ARP Grants, 2007 Awards
2009-01	Follow-up Status Report - Actions Scheduled for Implementation from 7/1/08 to 9/30/08
2009-02	UH College of Technology, Departmental Reviews
2009-03	UHD College of Business, Departmental Reviews
2009-04	UHD JAMP, FY 2007 - 2008
2009-05	UH JAMP, FY 2007 - 2008
2009-06	Consumable/Resale Inventory Observation, FY 2008
2009-07	Annual Non-Compliance Report, FY 2008
2009-08	UHS Internal Quality Assurance Review of Internal Auditing
2009-09	Chancellor/President's Travel, FY 2008
2009-10	Board of Regents' Travel, FY 2008

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
AUDIT REPORTS ISSUED**

REGULAR REPORTS

REPORT #	TITLE
2009-11	Follow-up Status Report - Actions Scheduled for Implementation from 10/1/08 to 12/31/08
2009-12	UH NSM, Departmental Reviews
2009-13	UH Athletics, Football Attendance - 2008 Season
2009-14	Review of Expenditures of Endowment Income, FY 2008
2009-15	Follow-up Status Report - Actions Scheduled for Implementation from 1/1/09 to 2/28/09
2009-16	UH/UHCL TWD Grants, 2002, 2003, 2005 and 2006 Awards
2009-17	UHD College of Sciences & Technology, Departmental Reviews
2009-18	UH Division of Administration & Finance, Departmental Reviews
2009-19	UHV TAC 202
2009-20	UHD TAC 202
2009-21	Follow-up Status Report - Action Scheduled for Implementation from 3/1/09 to 6/30/09
2009-22	UHS Facilities Development Projects
2009-23	UH College of Pharmacy, Departmental Reviews
2009-24	UHS Cash Handling Reviews, FY 2009
2009-25	UH Athletics - NCAA Rules-Compliance
2009-26	IT Audit Activity Report, FY 2009
2008-01	Follow-up Status Report - Actions Scheduled for Implementation from 7/1/07 to 9/30/07
2008-02	UH Athletics, NCAA Rules-Compliance
2008-03	Annual Non-Compliance Report, FY 2007
2008-04	Wortham House Inventory Observation
2008-05	Foundations - HAF
2008-06	Board of Regents' Travel, FY 2007
2008-07	Chancellor/President's Travel, FY 2007
2008-08	UH Residential Life & Housing
2008-09	Follow-up Status Report - Actions Scheduled for Implementation from 10/1/07 to 12/31/07
2008-10	UH Athletics, Football Attendance - 2007 Season
2008-11	Wortham House Inventory Observation
2008-12	PeopleSoft - Student Academic & Administration System, Data Conversion
2008-13	UHCL Financial Aid, Scholarships
2008-14	UHD Financial Aid, Scholarships
2008-15	Follow-up Status Report - Actions Scheduled for Implementation from 1/1/08 to 3/31/08
2008-16	Review of Expenditures of Endowment Income, FY 2007
2008-17	UH College of Engineering, Departmental Reviews
2008-18	UH College of Business, Departmental Reviews
2008-19	Education Technology & University Outreach
2008-20	UHV Financial Aid, Scholarships
2008-21	Follow-up Status Report - Actions Scheduled for Implementation from 4/1/08 to 6/30/08

UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
AUDIT REPORTS ISSUED

REGULAR REPORTS

<u>REPORT #</u>	<u>TITLE</u>
2008-22	UHD College of Humanities and Social Sciences, Departmental Reviews
2008-23	UHS Cash Handling Reviews, FY 2008
2008-24	Information Technology Audit Activity Report, FY 2008

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
AUDIT REPORTS ISSUED**

SPECIAL PROJECT REPORTS

REPORT #	TITLE
SP2012-01	UHD Financial Aid - SAO Hotline Compliant
SP2012-02	UH Pharmacy, Graduate Assertions
SP2012-03	UH VC/VP Credentials - SAO Hotline Compliant
SP2012-04	UHV Jaquar Hall - SAO Hotline Compliant
SP2012-05	UHCL Personal Information - SAO Hotline Compliant
SP2012-06	UHS Bond Issue Proceeds - SAO Hotline Compliant
SP2012-07	UH Moving Expenses - SAO Hotline Compliant
SP2012-08	UHV Teacher Certifications - SAO Hotline Compliant
SP2012-09	Student Asserts Unauthorized Financial Aid
SP2012-10	UH Researchers / Laboratories - SAO Hotline Compliant
SP2012-11	UHV School of Business - SAO Hotline Compliant
SP2012-12	UH Texas Learning & Computation Center, Travel Reimbursements
SP2012-13	Texas Tech Peer Review
SP2011-01	UHV School of Business - SAO Hotline Complaint
SP2011-02	UHD College of Sciences and Technology - MySafeCampus Report
SP2011-03	UH Student Enrollment Issue - SAO Hotline Complaint
SP2011-04	UH Cougar Village/Capital One Bank - SAO Hotline Complaint
SP2100-05	UTEP Peer Review
SP2011-06	UH Facilities, Planning & Construction - MySafeCampus Report
SP2011-07	UHV School of Business - SAO Hotline Complaint
SP2011-08	UH College of Optometry - SAO Hotline Complaint
SP2010-01	UHD Facilities Management Department - Employee Allegations
SP2009-01	UH Library Timekeeping Practices
SP2009-02	UH IT Employee Assertions
SP2009-03	UH Mead Group
SP2009-04	UHD MBA Program
SP2009-05	UH Job Order Contracts
SP2008-01	Education Technology & University Outreach

INTERNAL AUDIT RISK ANALYSIS

8-1 Risk Analysis Methodology

8-2 Risk Analysis

8-3 Audit Coverage Matrices

Section 8

RISK ANALYSIS METHODOLOGY

Section 8-1

UNIVERSITY OF HOUSTON SYSTEM INTERNAL AUDITING DEPARTMENT

RISK ANALYSIS METHODOLOGY

Each year, the Internal Auditing Department prepares a risk analysis, as required by The International Standards for the Professional Practice of Internal Auditing which states that its plan of engagements should be based on a risk assessment, undertaken at least annually, and that the input of senior management and the board should be considered in this process. Risk is defined as the probability that an event or action may adversely affect the organization or activity under audit.

The purpose of our risk analysis is to develop an audit plan for performing audit projects in risk areas over a specified time to minimize the risk of losses to the University; to prioritize audit projects by the level of risk; to use our audit staff and time in an effective and efficient manner; and to determine the nature, timing, and extent of audit steps and procedures in direct relation to the amount and nature of the risk.

The risk methodology we use consists of three phases: (1) identification of auditable areas; (2) input from management; and (3) a risk analysis. We also considered an auditable area's impact on the accomplishment of the University's goals and objectives during our risk analysis. Matters that we consider in establishing audit work schedule priorities include: (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.

The auditable areas audit cycle is as follows: SACS Accreditation Reviews every 10 years (see 8-3-1); and NCAA Rules-Compliance (see 8-3-2), Financial Aid (see 8-3-3 and 8-3-4), College/Division, Departmental Reviews (see 8-3-5), UH Information Technology (see 8-3-6), Research Centers (see 8-2-7), and Endowments (8-3-8) receive an annual audit for a portion of the coverage areas.

The College/Division, Departmental Reviews are scheduled at least once every 5 years. These reviews test compliance with the universities' policies and procedures for the following 15 areas noted below.

- management oversight
- operational activities
- policies, procedures, required training, and reporting
- cost center management
- payroll
- human resources
- change funds and cash receipts
- procurement and travel cards
- departmental expenses
- contract administration
- property management
- departmental computing
- scholarships
- incidental and lab fees
- research

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT**

RISK ANALYSIS METHODOLOGY

RISK ANALYSIS:

In the attached Risk Analysis, we assigned levels of risk by use of a number rating system. The first step was to define the risk factors. We decided on the following risk factors: (1) reason for the audit, (2) administrative oversight, and (3) date last audited. These risk factors were assessed as follows:

- (1) Reason for the Audit: Each auditable area was assigned a value of 5 for one of the following reasons: auditor preference (the complexity of information systems, the impact of compliance issues, knowledge of management practices, results of last audit, and public relations exposure) or management request.
- (2) Administrative Oversight: We decided on the following factors to assess oversight risk: (1) budgeted sources of funds, (2) budgeted uses of funds, (3) total expenditures, (4) total income, and (5) total asset values. Values were assigned from 0 to 10 (0 - < \$10,000,000; 1 to 9 – increments of \$10,000,000; 10 - > \$100,000,000).
- (3) Date Last Audited: Values assigned for date last audited were from 0 to 10. A value of 10 was assigned for an auditable area that has not been audited or was audited 10 or more years ago. Values below 10 were assigned based on how many years since the last audit.

All risk factors for each auditable area were combined resulting in a total risk factor.

RISK ANALYSIS

Section 8-2

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

**UNIVERSITY OF HOUSTON SYSTEM
SYSTEM-WIDE AUDITS
RISK ASSESSMENT**

<u>Auditable Area</u>	<u>Total Risk Rank</u>	<u>Reason For Audit</u>		<u>FY2013-2015 Administrative Oversight Risk Level</u>	<u>Administrative Oversight Dollars</u>	<u>Years Since Last Audit</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Later</u>
		<u>Auditor Preference</u>	<u>Management Request</u>							
Payroll	25	5		10	527,167,329	10		X		
Formula Funding	25	5		10	174,350,138	10	X			
General Accounting	20			10	2,610,044,027	10	X			
Property Management (Fixed Assets)	20			10	627,340,203	10		X		
Accounts Payable	20			10	254,567,106	10			X	
Purchasing / Contract Administration	20			10	254,567,106	10			X	
Human Resources	20			10	123,356,288	10			X	
Budgeting	18			10	1,494,500,000	8				X
Academic Fees	17			7	73,903,675	10			X	
Student Admissions & Registration	16			10	479,956,470	6				X
Parking	16	5		1	14,750,898	10				X
Financial Aid	15	5		10	378,335,643	0	X	X	X	
Facilities Planning & Construction	15		5	10	207,380,000	0	X	X	X	
Facilities Management	14			4	40,629,902	10		X		
Student Services	13			3	30,810,080	10				X
Investment Management	12			3	34,793,388	9				X
University Advancement	11			1	17,395,039	10				X
Institutional Compliance Programs	10			0	N/A	10				X
Financial Reporting	10			10	1,315,995,481	0				X
Colleges/Divisions	10			10	993,931,049	0	X	X	X	
Student Accounting & Receivables	10			10	479,956,470	0				X
Contract & Grants Administration	10			10	103,616,554	0				X
Police Departments	10			0	8,802,062	10				X
Information Technology	9	5		4	43,219,103	0	X	X	X	
Library	8			2	27,053,497	6				X
Procurement Cards / Travel Cards	8			2	21,269,125	6		X		
Auxiliary Contract Administration	5	5		0	6,572,736	0				X
Continuing Education	5			0	2,269,410	5				X
Athletics	3			3	30,916,728	0	X	X	X	
Information Security Standards/TAC 202	2			0	N/A	2		X	X	
Support Organizations	2			0	N/A	2				X
Privacy / Information Security	1			0	N/A	1				X
Endowments	1			1	13,685,467	0	X	X	X	
Travel and Entertainment Expenditures	1			0	5,867,268	1	X	X	X	
IT - Review and Monitor Systems	0			0	N/A	0	X	X	X	

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

**UNIVERSITY OF HOUSTON
SYSTEM-WIDE AUDITS
RISK ASSESSMENT**

<u>Auditable Area</u>	<u>Total Risk Rank</u>	<u>Reason For Audit</u>		<u>FY2013-2015 Administrative Oversight Risk Level</u>	<u>Total Administrative Oversight Dollars</u>	<u>UHS Administrative Oversight Dollars</u>	<u>UH Administrative Oversight Dollars</u>	<u>Years Since Last Audit</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Later</u>
		<u>Auditor Preference</u>	<u>Management Request</u>									
Payroll	25	5		10	392,464,533	6,548,825	385,915,708	10		X		
Formula Funding	25	5		10	118,926,789	1,425,000	117,501,789	10	X			
General Accounting	20			10	2,153,265,688	1,225,727,244	927,538,444	10	X			
Property Management (Fixed Assets)	20			10	472,426,498	38,258,513	434,167,985	10		X		
Accounts Payable	20			10	203,150,681	1,946,500	201,204,181	10			X	
Purchasing / Contract Administration	20			10	203,150,681	1,946,500	201,204,181	10			X	
Budgeting	18			10	1,159,300,000	33,500,000	1,125,800,000	8				X
Human Resources	17			8	88,603,506	1,425,000	87,178,506	9			X	
Academic Fees	17		2	5	55,474,663	0	55,474,663	10			X	
Student Admissions & Registration	16			10	348,304,191	0	348,304,191	6				X
Financial Aid	16	5		10	233,312,910	0	233,312,910	1	X	X	X	
Parking	16	5		1	12,266,751	0	12,266,751	10				X
Facilities Planning & Construction	15		5	10	186,970,000	0	186,970,000	0	X	X	X	
Investment Management	12			3	30,456,322	6,907,262	23,549,060	9				X
Student Services	12			2	20,534,231	0	20,534,231	10				X
Facilities Management	11			1	17,352,468	0	17,352,468	10		X		
University Advancement	11			1	15,944,339	16,000	15,928,339	10				X
Financial Reporting	10			10	1,101,613,594	168,549,039	933,064,555	0				X
Colleges/Divisions	10			10	783,688,697	0	783,688,697	0	X	X	X	
Student Accounting & Receivables	10			10	348,304,191	0	348,304,191	0				X
Contract & Grants Administration	10			9	97,470,224	0	97,470,224	1				X
Police Departments	10			0	5,866,056	0	5,866,056	10				X
Institutional Compliance Programs	10			0	0	0	0	10				X
Procurement Cards / Travel Cards	9		2	1	17,527,791	336,700	17,191,091	6		X		
Information Technology	7	5		2	27,206,146	0	27,206,146	0	X	X	X	
Library	7			1	17,595,198	0	17,595,198	6				X
Auxiliary Contract Administration	5	5		0	4,050,813	0	4,050,813	0				X
Continuing Education	5			0	1,401,096	0	1,401,096	5				X
Athletics	2			2	29,904,914	0	29,904,914	0	X	X	X	
Information Security Standards/TAC 202	2			0	0	0	0	2			X	
Support Organizations	2			0	0	0	0	2				X
Endowments	1			1	12,882,346	990,252	11,892,094	0		X	X	
Travel and Entertainment Expenditures	1			0	4,709,486	38,022	4,671,464	1	X	X	X	
Privacy / Information Security	1			0	0	0	0	1				X
IT - Review and Monitor Systems	0			0	0	0	0	0	X	X	X	

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

**UNIVERSITY OF HOUSTON-CLEAR LAKE
SYSTEM-WIDE AUDITS
RISK ASSESSMENT**

<u>Auditable Area</u>	<u>Total Risk Rank</u>	<u>Reason For Audit</u>		<u>FY2013-2015 Administrative Oversight Risk Level</u>	<u>Administrative Oversight Dollars</u>	<u>Years Since Last Audit</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Later</u>
		<u>Auditor Preference</u>	<u>Management Request</u>							
General Accounting	20			10	178,078,915	10	X			
Payroll	20	5		5	51,260,243	10		X		
Budgeting	18			10	104,400,000	8				X
Formula Funding	17	5		2	22,797,866	10	X			
Information Technology	15	5		0	5,687,279	10				X
Parking	15	5		0	807,297	10				X
Property Management (Fixed Assets)	14			4	48,988,261	10		X		
Student Admissions & Registration	14			4	46,199,915	10				X
Facilities Management	11			1	16,371,502	10		X		
Accounts Payable	11			1	15,526,844	10			X	
Purchasing / Contract Administration	11			1	15,526,844	10			X	
Human Resources	11			1	13,958,113	10			X	
Institutional Compliance Programs	10			0	N/A	10				X
Continuing Education	10			0	N/A	10				X
Academic Fees	10			0	5,171,192	10				X
Student Services	10			0	3,828,740	10				X
Library	10			0	3,482,670	10				X
Investment Management	10			0	1,707,498	10				X
Police Departments	10			0	958,551	10				X
University Advancement	10			0	218,700	10				X
Endowments	10			0	185,063	10	X			
Procurement Cards / Travel Cards	10			0	167,543	10				X
Financial Aid	9	5		4	42,941,889	0	X	X	X	
Financial Reporting	8			8	87,192,297	0				X
Colleges/Divisions	8			8	86,393,796	0		X	X	
Facilities Planning & Construction	5		5	0	1,100,000	0	X	X	X	
Auxiliary Contract Administration	5	5		0	404,276	0				X
Student Accounting & Receivables	4			4	46,199,915	0				X
Privacy / Information Security	1			0	N/A	1				X
Travel and Entertainment Expenditures	1			0	483,146	1				X
Athletics	0			0	N/A	0				
Information Security Standards/TAC 202	0			0	N/A	0		X		
IT - Review and Monitor Systems	0			0	N/A	0	X	X	X	
Support Organizations	0			0	N/A	0				
Contract & Grants Administration	0			0	2,231,300	0				X

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

**UNIVERSITY OF HOUSTON-DOWNTOWN
SYSTEM-WIDE AUDITS
RISK ASSESSMENT**

<u>Auditable Area</u>	<u>Total Risk Rank</u>	<u>Reason For Audit</u>		<u>FY2013-2015 Administrative Oversight Risk Level</u>	<u>Administrative Oversight Dollars</u>	<u>Years Since Last Audit</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Later</u>
		<u>Auditor Preference</u>	<u>Management Request</u>							
General Accounting	20			10	263,603,259	10	X			
Payroll	20	5		5	59,108,045	10		X		
Budgeting	18			10	152,400,000	8				X
Property Management (Fixed Assets)	18			8	84,339,506	10		X		
Student Admissions & Registration	16			6	62,875,930	10				X
Formula Funding	16	5		1	19,555,858	10	X			
Information Technology	15	5		0	8,342,961	10				X
Parking	15	5		0	1,676,850	10				X
Financial Aid	12	5		7	77,906,297	0	X	X	X	
Accounts Payable	12			2	23,462,168	10			X	
Purchasing / Contract Administration	12			2	23,462,168	10			X	
Human Resources	11			1	15,051,526	10			X	
Academic Fees	11			1	11,465,905	10				X
Institutional Compliance Programs	10			0	N/A	10				X
Financial Reporting	10			10	102,750,681	0				X
Facilities Management	10			0	5,602,782	10		X		
Library	10			0	4,592,972	10				X
Student Services	10			0	4,419,026	10				X
Procurement Cards / Travel Cards	10			0	2,476,394	10				X
Police Departments	10			0	1,977,455	10				X
Investment Management	10			0	1,924,613	10				X
University Advancement	10			0	1,232,000	10				X
Continuing Education	10			0	868,314	10				X
Endowments	10			0	431,601	10	X			
Colleges/Divisions	9			9	92,166,123	0	X	X		
Student Accounting & Receivables	6			6	62,875,930	0				X
Auxiliary Contract Administration	5	5		0	729,412	0				X
Facilities Planning & Construction	5		5	0	0	0	X	X	X	
Privacy / Information Security	1			0	N/A	1				X
Travel and Entertainment Expenditures	1			0	298,958	1				X
Information Security Standards/TAC 202	0			0	N/A	0		X		
Athletics	0			0	N/A	0				
IT - Review and Monitor Systems	0			0	N/A	0	X	X	X	
Support Organizations	0			0	N/A	0				
Contract & Grants Administration	0			0	3,450,664	0				X

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
AUDIT PLAN, FY 2013-2015**

**UNIVERSITY OF HOUSTON-VICTORIA
SYSTEM-WIDE AUDITS
RISK ASSESSMENT**

<u>Auditable Area</u>	<u>Total Risk Rank</u>	<u>Reason For Audit</u>		<u>FY2013-2015 Administrative Oversight Risk Level</u>	<u>Administrative Oversight Dollars</u>	<u>Years Since Last Audit</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Later</u>
		<u>Auditor Preference</u>	<u>Management Request</u>							
Payroll	17	5		2	24,334,508	10		X		
Formula Funding	16	5		1	13,069,625	10	X			
Budgeting	15			7	78,400,000	8				X
Information Technology	15	5		0	1,982,717	10				X
Parking	15	5		0	0	10				X
Student Admissions & Registration	12			2	22,576,434	10				X
Property Management (Fixed Assets)	12			2	21,585,938	10		X		
General Accounting	11			1	15,096,165	10	X			
Accounts Payable	11			1	12,427,413	10			X	
Purchasing / Contract Administration	11			1	12,427,413	10			X	
Institutional Compliance Programs	10			0	N/A	10				X
Continuing Education	10			0	N/A	10				X
Police Departments	10			0	N/A	10				X
Human Resources	10			0	5,743,143	10			X	
Student Services	10			0	2,028,083	10				X
Academic Fees	10			0	1,791,915	10				X
Library	10			0	1,382,657	10				X
Facilities Management	10			0	1,303,150	10		X		
Procurement Cards / Travel Cards	10			0	1,097,397	10				X
Investment Management	10			0	704,955	10				X
Endowments	10			0	186,457	10		X		
University Advancement	10			0	0	10				X
Financial Aid	7	5		2	24,174,547	0	X	X	X	
Facilities Planning & Construction	6		5	1	19,310,000	0	X	X	X	
Auxiliary Contract Administration	5	5		0	1,388,235	0				X
Colleges/Divisions	3			3	31,682,433	0			X	
Financial Reporting	2			2	24,438,909	0				X
Student Accounting & Receivables	2			2	22,576,434	0				X
Privacy / Information Security	1			0	N/A	1				X
Travel and Entertainment Expenditures	1			0	375,678	1				X
Information Security Standards/TAC 202	0			0	N/A	0		X		
IT - Review and Monitor Systems	0			0	N/A	0	X	X	X	
Support Organizations	0			0	N/A	0				
Athletics	0			0	1,011,814	0				X
Contract & Grants Administration	0			0	464,366	0				X

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT**

AUDIT COVERAGE MATRICES

INDEX

1. SACS Accreditation Reviews
2. NCAA Rules-Compliance
3. Financial Aid – Schedule
4. Financial Aid – Award Amounts
5. Departmental Reviews
6. UH Information Technology
7. Research Centers
8. Endowments

Section 8-3

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

**AUDIT COVERAGE MATRIX
SACS 10 YEAR ACCREDITATION REVIEWS**

<u>Year</u>	CAMPUS			
	UH	UHCL	UHD	UHV
	<u>10 Year</u>	<u>10 Year</u>	<u>10 Year</u>	<u>10 Year</u>
2013				
2014				X
2015				
2016			X	
2017				
2018	X			
2019				
2020				
2021				
2022		X		
2023				
2024				X
2025				
2026			X	

Note: A special project report from the State Auditor's Office (SAO) is required for the 10 year reviews. The Internal Auditing Department prepares the working papers for the SAO, using the SAO's work program.

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

**AUDIT COVERAGE MATRIX
NCAA RULES-COMPLIANCE**

<u>Audit Areas</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
<u>Major Areas</u>					
Eligibility					
- Initial-Eligibility Certification			X		
- Continuing-Eligibility Certification			X		
- Transfer-Eligibility Certification			X		
Financial Aid Administration	X				X
Recruiting		X			
<u>Other Areas</u>					
Governance & Organization	X				X
Academic Performance Program			X		
Camps and Clinics		X			
Investigations and Self-Reporting Rules Violations		X			
Rules Education		X			
Extra Benefits					
- Athletic Equipment and Apparel		X			
- Complimentary Admissions	X				X
- Student-Athlete Vehicles	X				X
- Team Travel		X			
- Representatives of Athletics Interests	X				X
Playing and Practice Seasons			X		
Student-Athlete Employment	X				X
Amateurism			X		
Commitment of Personnel to Rules-Compliance Activities	X	X	X		X

Note: NCAA Bylaw 22.2.1.2.(e) - ...the institution shall demonstrate that: ... at least once every four years, its rules-compliance program is the subject of evaluation by an authority outside of the athletics department.

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

**AUDIT COVERAGE MATRIX
FINANCIAL AID**

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
<u>Title IV</u>						
Pell Grants				X		
Federal Direct Loan Program					X	
Perkins Loans						X
College Work-Study						X
Supplemental Education Opportunity Grants						X
TEACH Grant	X					
<u>Non-Title IV</u>						
Scholarships			X			
Designated Tuition (20%) - Set Aside	X					
Other Non-Title IV		X				

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

**FINANCIAL AID PROGRAMS
TOTAL AWARDS**

Entity/ Year	Federal Family Education Loan Program	Federal Direct Loan Program	Pell Grants	Perkins Loans	College Work-Study	Supplemental Education Opportunity Grants	Academic Competitiveness Grant	National SMART Grant	TEACH Grant	Total Title IV Financial Aid
	\$ Awards	\$ Awards	\$ Awards	\$ Awards	\$ Awards	\$ Awards	\$ Awards	\$ Awards		\$ Awards
<u>UH</u>										
2005	\$123,397,192	N/A	\$23,770,096	\$2,049,138	\$1,591,215	\$2,242,881	N/A	N/A	N/A	\$153,050,522
2006	\$123,065,776	N/A	\$23,725,212	\$2,940,570	\$1,448,610	\$1,575,977	N/A	N/A	N/A	\$152,756,145
2007	\$124,918,847	N/A	\$22,731,641	\$2,786,741	\$1,491,648	\$1,500,148	\$374,834	N/A	N/A	\$153,803,859
2008	\$127,525,067	N/A	\$24,341,144	\$3,687,787	\$1,535,212	\$1,280,094	\$503,526	\$453,539	N/A	\$159,326,369
2009	\$136,105,908	N/A	\$28,767,072	\$3,634,942	\$1,578,869	\$2,126,386	\$598,830	\$380,984	\$31,500	\$173,224,491
2010	\$143,760,077	\$8,244,959	\$42,684,559	\$3,353,817	\$1,797,976	\$1,650,000	\$846,978	\$628,217	\$50,000	\$203,016,583
2011	N/A	\$172,662,435	\$51,004,966	\$1,126,019	\$1,295,837	\$1,165,849	\$852,945	\$601,449	\$96,500	\$228,806,000
2012	N/A	\$175,728,325	\$54,314,239	\$619,923	\$1,572,923	\$1,000,000	N/A	N/A	\$77,500	\$233,312,910
<u>UHCL</u>										
2005	\$28,653,983	N/A	\$3,134,056	\$84,959	\$155,143	\$191,193	N/A	N/A	N/A	\$32,219,334
2006	\$31,306,120	N/A	\$3,139,316	\$77,241	\$139,945	\$209,129	N/A	N/A	N/A	\$34,871,751
2007	\$32,612,236	N/A	\$2,977,060	\$94,756	\$87,731	\$203,275	N/A	\$16,000	N/A	\$35,991,058
2008	\$32,376,828	N/A	\$3,268,117	\$84,084	\$108,689	\$197,424	N/A	\$48,000	N/A	\$36,083,142
2009	N/A	\$32,791,171	\$3,613,283	\$70,951	\$84,664	\$204,009	N/A	\$26,000	\$176,636	\$36,966,714
2010	N/A	\$35,468,523	\$5,736,855	\$57,897	\$101,697	\$197,656	N/A	\$228,658	\$287,239	\$42,078,525
2011	N/A	\$36,553,539	\$7,223,187	\$64,042	\$123,044	\$205,036	N/A	\$315,573	\$358,038	\$44,842,459
2012	N/A	\$35,033,084	\$7,324,407	\$53,111	\$88,037	\$174,450	N/A	N/A	\$268,800	\$42,941,889
<u>UHD</u>										
2005	\$22,493,468	N/A	\$10,880,793	N/A	\$376,646	\$301,852	N/A	N/A	N/A	\$34,052,759
2006	\$31,309,870	N/A	\$11,155,280	N/A	\$310,271	\$241,685	N/A	N/A	N/A	\$43,017,106
2007	\$34,060,058	N/A	\$11,414,459	N/A	\$310,271	\$426,844	\$108,950	N/A	N/A	\$46,320,582
2008	\$42,802,572	N/A	\$12,524,136	N/A	\$222,826	\$513,767	\$252,673	\$4,000	N/A	\$56,319,974
2009	\$40,766,446	N/A	\$14,767,738	N/A	\$271,371	\$522,948	\$251,462	\$11,000	N/A	\$56,590,965
2010	\$47,148,593	\$22,552	\$22,748,948	N/A	\$398,079	\$508,825	\$372,035	\$41,400	N/A	\$71,240,432
2011	N/A	\$49,650,902	\$26,792,564	N/A	\$409,926	\$420,590	\$451,165	\$155,095	N/A	\$77,880,242
2012	N/A	\$51,487,179	\$25,672,511	N/A	\$306,357	\$440,250	N/A	N/A	N/A	\$77,906,297
<u>UHV</u>										
2005	\$7,993,742	N/A	\$1,307,386	N/A	\$64,475	\$37,500	N/A	N/A	N/A	\$9,403,103
2006	\$8,620,702	N/A	\$1,324,831	N/A	\$49,173	\$75,885	N/A	N/A	N/A	\$10,070,591
2007	\$9,392,581	N/A	\$1,194,686	N/A	\$56,270	\$69,330	N/A	\$42,000	N/A	\$10,754,867
2008	\$8,935,228	N/A	\$1,345,869	N/A	\$50,025	\$72,475	N/A	\$26,522	N/A	\$10,430,119
2009	\$11,110,936	N/A	\$1,599,942	N/A	\$34,984	\$74,092	N/A	\$16,000	\$32,000	\$12,867,954
2010	N/A	\$14,876,155	\$2,936,721	N/A	\$45,397	\$61,425	N/A	\$27,500	\$29,000	\$17,976,198
2011	N/A	\$18,997,187	\$4,561,797	N/A	\$72,920	\$76,385	\$51,750	\$28,000	\$26,000	\$23,814,039
2012	N/A	\$19,512,972	\$4,498,708	N/A	\$87,117	\$51,750	N/A	N/A	\$24,000	\$24,174,547

NOTE 1: Award amounts were provided by Financial Aid Directors.

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

**AUDIT COVERAGE MATRIX
DEPARTMENTAL REVIEWS**

University	College/Division Name	FY 2013 BUDGET			FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
		Operations Expenditures	Restricted Expenditures	FTEs					
UH	Academic Affairs/Provost Division	78,387,213	99,417,126	500				X	
UH	Administration & Finance	73,950,512	85,434	1,293	X				
UH	Architecture	4,875,275	551,621	66			X		
UH	Athletics	29,904,914	3,174,238	99			X		
UH	Business	42,436,894	6,700,823	364	X				
UH	Chancellor/President Division	3,699,238	75,737	32			X		
UH	Education	11,803,596	5,207,570	256				X	
UH	Engineering	30,293,531	20,680,922	415	X				
UH	Graduate College of Social Work	4,173,751	3,756,000	75				X	
UH	Honors	2,475,809	706,308	45		X			
UH	Hotel & Restaurant Management	10,916,069	2,484,671	108				X	
UH	Law Center	24,565,571	574,062	297		X			
UH	Liberal Arts & Social Sciences	60,910,468	17,016,825	1,113		X			
UH	Library	17,595,198	246,260	120	X				
UH	Natural Sciences & Mathematics	48,270,703	28,671,384	506	X				
UH	Optometry	17,058,783	5,830,826	149			X		
UH	Pharmacy	11,955,659	4,682,150	88		X			
UH	Research	37,646,394	10,064,723	201	X				
UH	Student Affairs	37,049,946	660,499	336	X				
UH	Technology	12,764,973	2,890,682	124	X				
UH	University Advancement	9,271,411	204,928	123					X
		570,005,908	213,682,789	6,312					
UHCL	Administration & Finance	12,679,222	5,000	185			X		
UHCL	Business	10,431,315	4,715	137		X			
UHCL	Education	6,496,721	716,557	113					X
UHCL	Human Sciences & Humanities	8,150,320	991,290	157			X		
UHCL	President's Office	2,051,966	3,000	22					X
UHCL	Provost's Office	27,602,317	10,038,948	326				X	
UHCL	Science and Computer Engineering	6,817,034	405,391	120		X			
		74,228,895	12,164,901	1,059					
UHD	Academic Affairs & Provost	10,954,094	240,189	89				X	
UHD	Administration & Finance	25,525,858	0	255					X
UHD	Advancement & External Relations	2,124,455	0	15					X
UHD	Business	10,269,992	525,038	148	X				
UHD	Employment Svc & Operations	1,354,221	0	14					X
UHD	Humanities & Social Sciences	11,861,912	71,603	243	X				
UHD	President's Office	1,200,539	5,000	8					X
UHD	Public Service	6,019,793	659,519	94					X
UHD	Sciences & Technology	8,151,926	1,859,152	153		X			
UHD	Student Svc & Enrollment Mgmt	9,024,673	176,435	163					X
UHD	University College	1,972,724	169,000	31				X	
		88,460,187	3,705,936	1,214					
UHV	Administration & Finance	6,383,110	186,457	105			X		
UHV	Arts & Sciences	4,497,727	0	77					X
UHV	Business Administration	6,465,990	299,666	78					X
UHV	Education	2,735,991	0	35					X
UHV	President's Office	3,353,402	61,082	44					X
UHV	Provost	5,854,190	1,138	91			X		
UHV	Nursing	1,743,680	100,000	24				X	
		31,034,090	648,343	455					

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

UNIVERSITY OF HOUSTON

**AUDIT COVERAGE MATRIX
INFORMATION TECHNOLOGY REVIEWS**

		FY 2012 Expenditure Budget (as of May 31, 2012)									
<u>EDUCAUSE Program Category</u>		<u>Salary Budget</u>	<u>M&O Budget</u>	<u>Total Budget</u>	<u>FTEs</u>		<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Administration of IT Organization, Clerical Support		1,329,608	314,763	1,644,371	19						
Administrative/Enterprise Information Systems		4,253,740	2,073,728	6,327,468	50						
Desktop Computing Support, User Support Services, Training, Computer Store		2,615,304	1,850,769	4,466,073	59						
Enterprise Infrastructure and Services		1,350,024	1,676,685	3,026,709	16						
Help Desk		181,870	4,270	186,140	5						
Information Technology Policy		87,938	0	87,938	1						
Information Technology Security		747,960	507,487	1,255,447	10						
Instructional Technology, Multimedia Services, Student Computing		1,299,911	393,033	1,692,944	19						
Network Infrastructure and Services		670,203	1,451,889	2,122,092	8						
Operations, Data Center, Print Services		119,616	375,273	494,889	1						
Research Computing, Academic Computing		369,223	165,084	534,307	4						
Telephony		1,480,618	2,423,819	3,904,437	22						
Web Support Services		1,254,380	208,951	1,463,331	19						
Total		15,760,395	11,445,751	27,206,146	233						

Note: Budget and FTE information obtained from the Information Technology Business Office. The budget and FTE information is adjusted for reallocations and additional funding incurred during the fiscal year.

Note: EDUCAUSE is a nonprofit association whose mission is to advance higher education by promoting the intelligent use of information technology.

Note: An IT audit risk assessment is scheduled to be completed during FY 2013. Future IT audits will be scheduled based on the IT audit risk assessment.

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

**AUDIT COVERAGE MATRIX
RESEARCH CENTERS**

<u>Audit Areas</u>	<u>Campus</u>	<u>FY 2011 Expenditures</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Center for Advanced Materials	UH	1,328,176				X	
Environmental Institute of Houston	UHCL	1,596,552				X	
Texas Center for Superconductivity (TCSUH)	UH	7,355,833					X
Texas Institute for Measurement, Evaluation, and Statistics (TIMES)	UH	5,475,401				X	
Texas Learning & Computation Ctr (TLC ²)	UH	5,355,740			X		
Center for Neuromotor and Biomechanics Research	UH	263,109		X			

**UNIVERSITY OF HOUSTON SYSTEM
INTERNAL AUDITING DEPARTMENT
INTERNAL AUDIT PLAN, FY 2013-2015**

UNIVERSITY OF HOUSTON SYSTEM

**AUDIT COVERAGE MATRIX
ENDOWMENTS**

Endowment Category		No. of Endowments	Market Value as of 8/31/11	Income Distributed FY 2011		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
University of Houston:											
	Advancement	1	3,952,544	(228,342)							
	College of Architecture	16	8,482,242	(178,152)				X			
	Athletics	39	5,249,991	(183,494)		X					
	C. T. Bauer College of Business	94	51,855,823	(827,908)				X			
	College of Education	57	2,313,128	(48,138)		X					
	Cullen College of Engineering	68	11,984,941	(391,758)			X				
	Graduate College of Social Work	21	2,282,786	(22,577)				X			
	Honors College	49	6,686,293	(167,513)						X	
	Hilton College of Hotel Restaurant Mgmt	54	3,733,028	(98,540)				X			
	College of Liberal Arts & Social Sciences	233	64,603,006	(1,227,274)							X
	College of Law	11	1,490,074	(59,010)				X			
	Library	47	6,568,799	(150,933)			X				
	Non College Specific	133	131,058,514	(2,564,186)			X				
	College of Natural Sciences & Mathematics	48	15,521,478	(523,345)		X					
	College of Optometry	30	3,422,778	(93,456)		X					
	College of Pharmacy	80	1,808,331	(32,922)						X	
	Provost	55	3,467,850	(57,322)			X				
	TCSUH	9	13,963,574	(520,034)				X			
	College of Technology	23	1,330,654	(16,940)						X	
	Total - University of Houston	1,068	339,775,834	(7,024,856)							
University of Houston-Clear Lake		142	18,559,040	(270,470)					X		
University of Houston-Downtown		75	23,648,412	(513,443)					X		
University of Houston-Victoria		78	9,723,673	(257,646)						X	
System Administration		24	104,961,611	(4,009,602)			X				
TOTAL - UH SYSTEM ENDOWMENT FUND		1,387	496,668,570	(12,076,017)							