
SECTION B-7

ANNUAL ACTIVITY REPORT

The Texas Internal Auditing Act requires the internal auditor of a state agency to prepare an annual activity report and submit it the Governor, the Legislative Budget Board, the Sunset Advisory Commission, and the State Auditor, the state agency's governing board, and the administrator before November 1 of each year.

During October each year, the Chief Audit Executive prepares an Annual Activity Report in the format prescribed by the State Auditor. The report provides a summary of internal audit activities performed during the fiscal year, including explanations for significant deviations from the approved audit plan. The report is reviewed with the Chancellor and Board of Regents prior to being submitted to the Governor, the Legislative Budget Board, the Sunset Advisory Commission, and the State Auditor.

According to the Guidelines for the Annual Internal Audit Report provided by the State Auditor, the purpose of the Annual Internal Audit Report is to provide information on the benefits and effectiveness of the internal audit function. In addition, the annual internal audit report assists central oversight agencies in their planning and coordination efforts. Below is the prescribed Table of Contents for the Annual Internal Audit Report:

- I. Compliance with House Bill 16: Posting the Internal Audit Plan, Internal Audit Annual Report, and other Audit Information on Internet Website
- II. Internal Audit Plan for Fiscal Year (Reporting Fiscal Year)
- III. List of Consulting Engagements and Non-audit Services Completed
- IV. External Quality Assurance Review
- V. Internal Audit Plan for Fiscal Year (Current Fiscal Year)
- VI. External Audit Services
- VII. Reporting Suspected Fraud and Abuse