

SELF-ASSESSMENT CORRECTIVE ACTION PLAN

Audit Committee Charter

Review the audit committee charter and division charter to assure (1) they align with the University's mission statement and (2) the responsibilities and reporting lines in the charters are consistent

Corrective Action Plan: Response: The charters will be reviewed to assure (1) they align with the University's mission statement, and (2) the responsibilities and reporting lines in the charters are consistent. Revised charters will be submitted to the audit committee for approval at the next audit committee meeting.

Responsible Employee: Rick Givens, CAE

Expected Implementation Date: May 2015

Training Needs Analysis

Continue to address training needs by conducting a training needs analysis and establishing a formal training plan

Corrective Action Plan: We will conduct a training needs analysis and establish a formal training plan. We will develop a training plan that continues to meet the training requirements for standards and certifications and provides training that establishes staff specializations in the areas of construction, NCAA compliance, financial aid, contracts and grants compliance, and taxation.

Responsible Employee: Rick Givens, CAE

Expected Implementation Date: July 2015

Long-Range Audit Plan

Establish a long-range audit plan that addresses university high risk areas

Corrective Action Plan: A long-range strategic plan has been developed and will be used in developing a long-range audit plan that addresses university high risk areas. The risk assessments for the 2013-14 and 2014-15 years identified risks to be addressed in the current and subsequent year, but reported audits to be conducted on an annual basis. We will expand the audit plan to include the audits needed to address the risks for the both the current and subsequent year. The two-year plan will be developed for the audit plan for the 2015-16 year.

Responsible Employee: Rick Givens, CAE

Expected Implementation Date: August 2015

Risk Identification and Reporting

Continuously identify and report new risks to management as well as evaluating and mitigating existing risks

Corrective Action Plan: Risks are continuously identified through the annual risk assessments and risk assessments conducted for specific audits and reviews. Risks are also identified through conducting investigations and consulting activities throughout the year. We will

SELF-ASSESSMENT CORRECTIVE ACTION PLAN

formalize the process of documenting the risks identified in the various activities and reporting these risks to the audit committee. Risks will be communicated, as necessary, to the senior management team during its regularly scheduled meetings. In addition, the risk assessment tool used to conduct the annual risk assessment will be reviewed and revised as necessary to ensure that appropriate inquiries for risks relevant to the current operations of the university are considered.

Responsible Employee: Rick Givens, CAE

Expected Implementation Date: Ongoing

Continuous Identification and Reporting

Continue to identify improvements in ethics, performance management and accountability, and risk control

Corrective Action Plan: We will identify these improvements through our reviews of operations, investigations, and consulting and communicate needed improvements to the senior management team and the audit committee.

Responsible Employee: Rick Givens, CAE

Expected Implementation Date: Ongoing

Audit Follow Up

Continue to augment the audit finding follow up process to assess if management corrective actions have been effectively implemented

Corrective Action Plan: We will continue efforts to formalize and augment the audit finding follow up process to assess if management corrective actions have been effectively implemented and report the assessment to senior management and the audit committee. Implementation of audit software that includes a reporting component will enhance our follow up efforts.

Responsible Employee: Rick Givens, CAE

Expected Implementation Date: Ongoing

Use of Computer Assisted Audit Tools

Utilize more computer assisted audit tools, including automated work papers

Corrective Action Plan: We will continue our efforts to utilize more computer assisted audit tools. A data analytics software application has been purchased and staff have received training. Use of the software is to be incorporated into audits and investigations as practicable.

We reviewed and compared the capabilities of nine audit software packages, and conducted product reviews using demos provided by each software company. We also inquired of other SUS universities to determine which software products are being used and their satisfaction with the product. Our review disclosed that the product that meets our requirements is Auto

SELF-ASSESSMENT CORRECTIVE ACTION PLAN

Audit, which has a license fee of \$15,960 (\$1,596 per user) \$3,192 annual maintenance fee, for a first year cost of \$19,152.

We have also reviewed a system currently being used by 12 state audit agencies, which meets our needs. We inquired of system users as to the capability, flexibility, and satisfaction with the system.

Responsible Employee: Rick Givens, CAE

Expected Implementation Date: July 2015

Use of Performance Metrics

Establish a more robust performance metric framework to evaluate effectiveness and efficiency

Corrective Action Plan: We will continue to enhance use of performance metrics to evaluate the effectiveness of the Division. Additional performance metrics to be implemented are as follows:

Basic measures

- Number of audits scheduled and completed
- Staff utilization – direct vs. indirect time
- Audit report cycle time
 - Elapsed time from opening conference to fieldwork completion
 - Elapsed time from fieldwork completion to final report

Service to Stakeholders

- Completed vs. planned audits

Innovation

- Number of hours spent in industry or other specialized training (leading to staff specializations)

We will enhance our reporting systems to track and report these metrics. Identification and tracking of other metrics will be implemented as feasible.

Responsible Employee: Rick Givens, CAE

Expected Implementation Date: Ongoing