# **Annual Audit Plan**

# Office of Internal Audit and Management Advisory Services



## **Annual Audit Planning Process – Why?**

- Required to comply with IIA Standard 2010
- Required to submit to UNC System Office/BOG
- Determine the priorities of the Internal Audit team based on assessment of risks that may affect ECU's ability to accomplish its objectives
- Coordinate with all compliance and risk units to avoid duplication and ensure key risks are covered



## **Annual Audit Planning Process – How?**

#### Continuously Assess and Monitor Risk / Update Audit Universe and Plan

### Define/Update Audit Universe

Conduct Bottom-Up Risk Assessment Conduct Top-Down Risk Assessment

## Other Items Develop Audit Assessed Plan

**Finalize Plan** 

- Ensures completeness of risk coverage
- Vision, mission, and strategic plan
- Latest financial statement
- Financial balances
- Organization charts, chart of accounts
- Recent internal and external audits completed and results

- Ratings based on objective guidance; judgment applied
- Criticality of unit
- Internal Control
- Public or political sensitivity
- Legal and regulatory requirements
- Changes in management
- Financial Impact
- Fraud and Abuse

- Facilitated by ERM
- Uncovers issues impacting University at an enterprise level
- Links to strategic objectives
- Identifies most critical risk (strategic, operational, compliance, reputational, financial)
- Review other ECU compliance and assurance providers' plans & reviews
- Review latest findings from State Audit reports
- Review UNC KPIs and Internal Control Assessments
- Discuss with VCs and key management personnel
- Review industry literature for emerging risks and hot topics

- Based on prioritized audit universe, topdown assessment
- Include management requests
- Determine if pending audits from previous plan need to be brought forward
- Determine followup reviews
- Determine available auditor hours

- Share with Vice
- Approval by Chancellor

Chancellors

- Approval by ECU BOT Audit Committee
- Submit to UNC SO.
- Submit to NC Council of Internal Auditing



## **Annual Audit Planning Process – Result**

- A work plan/list of priorities for the IA team
- Includes hours for unplanned consultations and investigative audits – based on historical trends
- Flexible; can and will change as new priorities emerge
- Changes will be brought to the Chancellor and BOT/Audit Committee for approval

