HOUSTON COMMUNITY COLLEGE

Internal Audit Plan

Fiscal Year 2019

Approved by Board of Trustees August 1, 2018

Internal Audit Plan
Fiscal Year 2019

Executive Summary

The purpose of the Internal Audit Plan (Plan) is to outline audits and other activities the Houston Community College (HCC) Internal Audit Department (the Department) will conduct during fiscal year 2019. The Plan's development and approval are intended to satisfy requirements under Board Bylaws, Board Policy CDC (LOCAL), HCC's Internal Audit Charter, International Standards for the Professional Practice of Internal Auditing, and Texas Internal Auditing Act.

A significant amount of time will be devoted to the following two activities in FY 2019:

1) Maintaining and improving the use of the internal audit management system software (TeamMate); and
2) Collaborating with Risk Management and other control monitoring functions within HCC to further refine the Enterprise Risk Management (ERM) Assessment Program.

Plan Development Methodology

The HCC audit universe is being developed through the ERM Assessment Program. The High Risk Audit Candidates have been updated in Attachment I based on the ERM Assessment interviews conducted with Executive Cabinet members and other executive managers, and reviewing HCC's current major activities, KPMG's 16 Key Risks for Internal Audit to Consider in 2018, and Global Internal Audit Common Body of Knowledge Top 10 Technology Risks.

Internal Audit Available Time

Description	Hours	Percentage
Total Hours (7 Staff * 52 Weeks *40 hours)	14,560	100%
Less: Staff Vacancies	320	2%
Estimated Vacation, Holiday, & Sick	2,392	16%
Training	800	6%
Various Meeting & Departmental Administration	2,660	18%
Total Hours Available for Audits & Other Projects	8,388	58%

Description of Project Types

Operational: These are projects in which some activity or other management assertion is evaluated so that improvements to operating efficiency and effectiveness can be made. These can also be projects in which the object is to develop new information on an activity so that management can use that information in their decision making process.

Compliance: Reviews focused on ensuring compliance with regulations and HCC policies.

Advisory Services: Consulting projects that improve management of risks, add value, and improve the organization's operations.

Administrative: These include fraud investigations, special projects requested by the Board or management, and administrative projects within the department such as performing risk assessments, preparing the next fiscal year's audit plan, performing quality assurance, and preparing the Annual Audit Report.

Observation action plan follow-ups: These are on-going status reviews on the resolution of deficiencies identified in past audits to ensure management completed action plans.

FY 2019 Internal Audit Plan

Operational Audit Projects

No.	Project	Description	Hours
18-O-1	*Accreditation - SACS	Review the management system that ensures adequate documentation for SACS accreditation	640
18-O-3	*PeopleSoft Application Controls	Review logical access controls for a chosen PeopleSoft software application to ensure data is processed accurately and as intended from input to storage to output	640
19-O-1	Student Behavioral Intervention Review	Review the program for processing student behavioral issues in Maxient and compliance with related policies and regulations	480
19-O-2	International Students Services Review	Review the processes for international student services including processing student data in SEVIS	480
19-O-3	IT Disaster Recovery/Business Continuity Plan	Evaluate processes and procedures for IT Disaster Recovery/Business Continuity including compliance with regulations and HCC policies	480

Compliance Audit Projects

No.	Project	Description	Hours
18-C-4	*Required Regulatory Reporting	Review the process for capturing required regulatory reporting and monitoring compliance	640
19-C-1	Campus Safety & Environmental Operations Management	Planning for campus safety & environmental legal policy compliance management reviews	320
19-C-1-1	Central College	Safety & environmental legal policy compliance	240
19-C-1-2	Northeast College	Safety & environmental legal policy compliance	240
19-C-1-3	Coleman College	Safety & environmental legal policy compliance	240
19-C-2	Web Content Accessibility Guidelines Review	Review the implementation of CRB (REGULATION) to ensure that qualified individuals with disabilities have access to the College District's technology resources	480

Advisory Services Projects

No.	Project	Description	Hours
17-1-2	*Procurement - Contracting Advisory Services	Control framework advice on Procurement Operations implementing JAGGAER source-to-pay suite	360
19-S-1	Committees & Task Forces	Participate on committees and task forces providing risk management and control advice	120
19-S-2	Continuous Auditing	Create automated extracts of data and reports to analyze specific business risks	360
19-S-3	Campus Security	Work with the Risk Management Department to evaluate Campus security programs	240
19-S-4	Special Projects & Examinations	Responsive to provide services as required	468

Administrative Projects

No.	Project	Description	Hours
19-A-1	FY 2020 Audit Planning & ERM Assessment	Collaborate with HCC Risk Management continuously updating the Enterprise Risk Management (ERM) assessment and audit planning	800
19-A-2	TeamMate Internal Audit Management System	TeamMate software system maintenance and improvement	240
19-A-3	Internal Quality Assurance Review	Perform a formal internal quality assurance review	320
19-A-4	FY 2019 Annual Audit Report	Compile and prepare State required audit report	120
19-A-5	External Audits Monitoring	Monitor external audit activities on HCC and related observation action plans	120

Observation Action Plan Follow-ups

Project	Description	Hours
Observation Action Plan Follow-ups	Follow-up on completion of previous audit observations action plans	360

* Carry-over projects from FY 2018 Internal Audit Plan

Attachment I
FY 2019
High Risk Audit Candidates

Accreditation – Southern Association of Colleges and Schools (SACS) – 18-O-1
Accreditation – Third Party Programs – 17-6

Regulatory Compliance

- Title IX, Violence Against Women, and Clery Acts – 17-4
- Safety and environmental – 17-5; 18-C-1; 19-C-1
- Campus security – 19-S-4
- Data security and handling – 17-3
- Web Content Accessibility Guidelines 2.0 – 19-C-2
- Contracting Process – 17-1-1 and 17-1-2
- Student Financial Aid (audited by Grant Thornton & Texas Higher Education Coordinating Board (THECB) in FY 2017)
- Contact hours reporting (THECB audited in FY 2017)
- Required regulatory reporting – 18-C-4
- Required regulatory training
- Government funding formula changes - monitoring and preparedness
- Taxation rule changes - monitoring and preparedness

IT

- Cybersecurity – intrusion prevention/detection system – 17-3
- Network infrastructure and security – 17-3
- Applications management – 18-O-3
- Server environment – 17-3
- Customer/Technical support

Third Party Relationships/Vendor Management – 17-2

Bond Construction Management (Jacobs - management & R L Townsend - auditing)

Grant Portfolio Management (consider that funders usually audit grants)

Asset Management (consider coverage in external auditor financial audit)

Business Continuity Plans (Risk Management maintains plans) – 19-O-3

Emergency Response Plans – 19-O-3

Student Customer Service
Student Behavioral Intervention – 19-O-1
International Student Services – 19-O-2
Veteran Affairs – 19-A-5
Student Enrollment

Website Management – 17-15

Ethics Program – 18-O-2

Trustees, Chancellor and Executive expenditures – 18-C-3

Fraud