Administration and Finance

INTERNAL AUDIT

ASSESSMENT PLAN

Internal Audit Background Info.

Internal Audit (IA) Function at CSUSB:

- ➤ Serves the campus and functions as audit liaison with the CO.

- ➤ Performs limited-scope audits, reviews and compilations for CSUSB.

- ➤ Occasionally assists other campuses with audit related work:

  - o Example: NCAA Agreed-Upon Procedures Work for CSULA & Pomona

- ➤ Assists all campus departments to resolve CO audit findings.

- ➤ Helps all departments with outside, non-CO audits and reviews:

  - o Examples: RAFFMA 3-Year Inventory Audit

    Veterans Center DoD Audit/Self-Assessment

Assessment Purpose

➢ Ascertain measurable evidence of IA project work.

➢ Get feedback from IA customers regarding service levels.

➢ Determine opportunities for improvement for both of the objectives identified above.

Assessment Methodology

➢ Based on discussions with the facilitators and VP Freer, the following methodologies were selected:

  o Maintain and improve evidence of <u>audit planning, reporting</u>, and <u>tracking</u> (facilitators' suggestions).

  o Utilize a Qualtrics survey on a sample of audit clients, to obtain feedback about IA customer service levels and related attributes (Doug Freer's suggestion).

Assessment Data

The assessment included two primary metrics:

1. Evidence showing IA planning, reporting and tracking for:

    a. *Annual Goals* for IA, in support of university priorities.

    b. *Annual IA Projects* (these are mainly client-requested projects, and some are IA-initiated).

2. Qualtrics survey and feedback information:

    a. Researched common survey questions for IA service levels.

    b. Selected 8 survey questions and sent them to 24 IA clients.

    c. Received responses from 19 clients and evaluated the feedback.

Assessment Findings

<u>Metric 1</u> Findings and Conclusions for Planning, Reporting, Tracking

a. *Planning* and *Reporting* were supported by evidence.

   o The *Annual Goals* for Internal Audit in support of university priorities are determined (planned) by Doug and Mike. Projects are planned and reported, and tracked by A&F (A&F/Dayna tracks all departmental *Goals*, midyear and year end).

   o *Annual IA Projects* have solid evidence of planning and reporting: Audit requests and scope of work are documented (usually by email). Final reports are documented and distributed to auditees.

b. *Tracking* of *IA Projects* (Not *Annual Goals*) needed improvement.

   o Tracking of audit project details was not always well documented, or records weren't always kept in the best order.

Assessment Findings

<u>Metric 2</u> Findings and Conclusions for the Qualtrics Survey

The Qualtrics survey of 8 commonly used audit survey questions showed a potential problem in one area. While the results for every question were not perfect, all but one were acceptable, or within a range of reasonableness. The problem area was found in Q#1:

Q#	Survey Question/Statement	Response Categories	Response Totals
1	The project was disruptive to your normal schedule.	Agree	5
		Somewhat agree	4
		Disagree	8
		Undecided	0
		No Response	2
		Total	19

Assessment Findings

Other questions, Q#2 - Q#8 were not seen as real problem areas:

Q#	Survey Question/Statement	Response Categories	Response Totals
2	During project work you did with the Internal Auditor, the project objectives were sufficiently communicated.	Agree	15
		Somewhat agree	2
		Disagree	0
		Undecided	0
		No Response	2
		Total	19
3	Any questions or concerns you had were addressed appropriately.	Agree	14
		Somewhat agree	4
		Disagree	0
		Undecided	0
		No Response	1
		Total	19

Assessment Findings

Q#	Survey Question/Statement	Response Categories	Survey Response Totals
4	Communications with the Auditor about project timing/status were adequate.	Agree	16
		Somewhat agree	2
		Disagree	0
		Undecided	0
		No Response	1
		Total	19
5	The project work was ultimately helpful or useful to you or your department.	Agree	13
		Somewhat Agree	5
		Disagree	0
		Undecided	0
		No Response	1
		Total	19
6	The Auditor was understanding of your time available for the audit.	Agree	18
		Somewhat agree	0
		Disagree	0
		Undecided	0
		No Response	1
		Total	19

Assessment Findings

Q#	Survey Question/Statement	Response Categories	Survey Response Totals
7	The final results of the project (whether it was an audit or advisory work, or assistance with a policy / procedure / rule / regulation project, or any internal control work) was completed to your satisfaction.	Agree	13
		Somewhat agree	2
		Disagree	1
		Undecided	1
		No Response	2
		Total	19
8	Overall, you were satisfied with the project results.	Agree	14
		Somewhat agree	3
		Disagree	0
		Undecided	1
		No Response	1
		Total	19

Assessment Outcomes

Implications for Practice

➢ Audit Planning, Reporting and Tracking

- Audit *Planning and Reporting* met minimum standards for the *Annual Goals* for Internal Audit in support of university priorities and for the *IA Projects*. No follow-up is planned at this time for these objectives.

- Tracking of *IA Projects* (not the *Annual Goals* in support of university priorities) was <u>not</u> always sufficiently documented. Consequently, I have initiated a new project to track, organize and document completed and in-process IA projects, going back to 2015. The project is still in process.

Assessment Outcomes

Implications for Practice

➢ Client Survey Results

- o Some clients saw audits as being disruptive to their operation. I reasoned that Internal Audit has a campus presence and no need for travel to do audits (other than to PDC). The CO and others do not have that luxury. Consequently, IA can allow more time for the audit projects, to make them less disruptive.

- o Starting last July, Internal Audit initiated a methodology to improve the timing of audits from the client's perspective, and an audit of SHC was the guinea pig. I/A allowed any extensions requested. The audit was lengthened by 3 months. Results of the new method are still being evaluated. More tests planned.

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Questions?