Risk Based Audit Plan - Objectives

- Compliance with IIA Standard 2010 – Planning
- Identify the priorities of Internal Audit based on the assessment of risk and potential exposures that may affect ECU’s ability to accomplish its objectives
- To share and coordinate activities w/other internal and external providers of relevant assurance services to ensure proper coverage and minimize duplication of efforts
- To present the Internal Audit plan and resource requirements to the Audit Committee and Chancellor for review and approval
Audit Planning Process

Continuously Assess and Monitor Risk/Update Audit Plan Accordingly

Define/Update Audit Universe
- Ensures completeness of risk coverage
- Vision, mission, and strategic plan
- Latest financial statement
- Financial balances
- Organization chart, chart of accounts
- Last audit completed and results of audit

Conduct Bottom-Up Risk Assessment
- Ratings based on objective guidance; judgment applied
- Criticality of unit
- Internal Control
- Public or political sensitivity
- Legal and Governance
- Change in management
- Financial Impact
- Fraud and Abuse

Conduct Top-Down Risk Assessment
- Facilitated by ERM
- Uncovers issues impacting University at an enterprise level
- Links to strategic objectives
- Identifies most critical risk (strategic, operational, compliance, reputational, financial)

Other Items Assessed
- Review other assurance providers plans and results of reviews
- Review latest findings from State Audit reports
- Review ECU BOT Minutes and ECU-P Board Minutes
- Review UNC FIT and Internal Control Assessment

Develop Audit Plan
- Based on prioritized audit universe, top-down assessment
- Management requested reviews
- Determine if pending audits from previous plan need to be brought forward
- Determine follow-up reviews
- Determine available auditor hours

Finalize Plan
- Present to Executive Council for Discussion
- Approval by Chancellor
- Approval by ECU BOT Audit Committee
- Remit to UNC GA
- Remit to Council of Internal Auditing