

# *The College of New Jersey*

## Board of Trustees Meeting

FY 2012 Internal Audit Update

July 10, 2012



# FY2012 Internal Audit Plan Status

**Risk Type: F – Financial   O – Operational   C – Compliance   S – Strategic   IT – Information Technology**

Risk Area	Risk Type	Scope of Review	Status
Enterprise-Wide Risk Assessment	F, O, C, R	<ul style="list-style-type: none"> <li>• Compile a comprehensive listing of inherent and emerging risk events impacting TCNJ based upon:               <ul style="list-style-type: none"> <li>– Review of all relevant strategic and operating plans for TCNJ</li> <li>– Mapping of all business critical operating processes and operating (IT) systems to TCNJ financial statements</li> <li>– Interviews of key stakeholders representing the various schools, functional areas and leadership positions</li> </ul> </li> <li>• Identify qualitative and quantitative risk factors to differentiate risk profile</li> <li>• Develop risk-ranked internal audit universe to prioritize risks, serving as the foundation for the annual Internal Audit Plan</li> </ul>	In-process
IT – Network and System Application Security	IT	<ul style="list-style-type: none"> <li>• Effectiveness and efficiency of internal controls, policies/procedures and adequacy of skill sets related to selected IT function(s), including:               <ul style="list-style-type: none"> <li>– Review of wireless environment, data privacy and security (i.e. social security number, credit card information, identities and confidential data on students, employees, and other third parties)</li> <li>– External threat assessment, such as denial of service attacks, website proliferation, and e-mail spam, and</li> <li>– Internal threat assessment, such as the need for timely changes to access privileges upon employee transfers / terminations.</li> </ul> </li> </ul>	Complete

# ***FY2012 Internal Audit Plan Status (continued)***

**Risk Type: F – Financial    O – Operational    C – Compliance    S – Strategic    IT – Information Technology**

<b>Risk Area</b>	<b>Risk Type</b>	<b>Scope of Review</b>	<b>Status</b>
Construction /Facilities Management	F, O	<ul style="list-style-type: none"> <li>• Adequacy of processes and controls governing large scale construction projects, including project management , change order management and budget-to-actual cost management. Procedures performed would include:               <ul style="list-style-type: none"> <li>– Review of contracts between TCNJ and contractor, architect/engineer and other consultants to understand the role and responsibilities of each party.</li> <li>– Review project plans and documents to gain an understanding of existing construction process and controls, including relevant policies and procedures, bid files (bid, evaluation and award documents), job cost reports and cost accounting systems, project schedules, management reports, change orders, pay applications and other project specific documents.</li> <li>– Assess the level of compliance of each contracting party with contractual agreements and existing policies and procedures .</li> </ul> </li> </ul>	Complete

# ***FY2012 Internal Audit Plan Status (continued)***

**Risk Type: F – Financial    O – Operational    C – Compliance    S – Strategic    IT – Information Technology**

<b>Risk Area</b>	<b>Risk Type</b>	<b>Scope of Review</b>	<b>Status</b>
Procure-to-Pay Review (Financial Services Office)	F, O	<ul style="list-style-type: none"> <li>Assess the adequacy of control design and operating effectiveness of internal controls governing procurement, accounts payable processing and cash disbursements.</li> <li>Evaluate adequacy of, and compliance with relevant policies and procedures governing the procure-to-pay process.</li> </ul>	In -Process
Student Revenue	F, O	<ul style="list-style-type: none"> <li>Assess the adequacy of internal controls design and operating effectiveness and efficiency of internal controls governing student tuition, including student registration, billing, collection and payment services and the accuracy of associated enrollment tracking (admitted/registered students, student retention, etc.).</li> <li>Evaluate adequacy of, and compliance with relevant policies and procedures governing the student revenue process.</li> </ul>	In-process
General & Admin.		<ul style="list-style-type: none"> <li>On-going communication and periodic reporting to TCNJ management, the Audit Committee and Board of Trustees., as required.</li> </ul>	Continuous