2019 Risk & Compliance Conference

Office of Internal Audit
Objectives

- Introduce Internal Auditing
- Identify One Control Enhancement “Take-away”
- Avoid Being Boring
Internal Audit

• What Is Internal Audit
• What Internal Audit *Does*
• What Internal Audit *Covers*
• Who Is UAS Internal Audit
What Is Internal Audit

*Independent, objective* assurance and consulting activity designed to add value and improve the System’s operations.
What Internal Audit Does

• Helps the System accomplish its objectives by bringing a systematic, disciplined approach to *evaluate and improve the effectiveness of risk management, control and governance processes.*

• Promotes and supports a control-conscious, proactive risk management environment
What Internal Audit Covers

*Compliance* – laws, regulations, policies, procedures and contractual agreements

*Financial* – transactions and the systems/procedures used to process them

*Information Security/Technology* – data confidentiality, integrity, availability and reliability

*Operations* – performance and efficiency
Who Is UAS Internal Auditing

Chief Audit Officer
Chip Bivins

Audit Coordinator
TiKeisha Lang

UA Director
John McDaniel

Senior Auditor
Amy Price
Auditor
Angie January

UAB Director
Greg Lemley

Asst Director
Meg Roberts
Senior Auditor
Ginger McGinnis
Auditors
Diluni Rupasinghe
Emily Boeckmann
Danny Panos

UAH Director
Tharanee Ravindran

Auditor
Bradley Fondren
Student Intern

IT Director
Muriel Foster

Senior IT Auditor
Karly Gowins
IT Auditor
Dave Shaw

Data Analyst
Trent Russell
Internal Control
Internal Controls Defined (For Professionals Only *)

A process, effected by an entity’s board, management and personnel designed to provide reasonable assurance regarding the achievement of objectives in: effectiveness/efficient operations, reliable reporting, compliance

* Don’t try using this at home
Terminology (almost in English)

- **Objectives** – whatever it is we want to “do”
- **Success** – whatever it “looks like” if we achieve our objectives
- **Risk** – anything that can get in the way of us achieving our objectives and being successful
- **Internal Controls** – the things we do to increase the chances that we will achieve our objectives successfully and reduce the risks that can derail us
Personal Internal Control System (That you didn’t know that you had)

- Home- Locking Doors, Security System, Maintenance
- Debit/Credit Cards- PINS, reconcile purchases
- Bank and Investment Accounts- Reconcile activity
- Car- Preventive maintenance, insurance, check fuel level
- Your self – Seat belts, exercise, annual physical, sunscreen
- Your research and coursework- peer review, control access to test questions and answers, access to test data, etc
Audit Lessons for the Rest of You – 10-1-10

• 10 Things to Enhance Your Control Environment
• 1 (and only 1) Control Chosen to Implement
• 10 Days to Implement
Ten Control Enhancements

1. Never sign anything you don’t understand
2. Don’t authorize someone else to sign your name
3. If something does not make sense – ask until you are comfortable
4. Be familiar with policies and procedures
5. Consider unique risk for your area – ensure appropriate level of controls
6. Ensure timely reconciliations and investigate unusual transactions
7. Don’t allow one employee complete control in a process
8. Lock offices and labs appropriately
9. Ensure appropriate use of assets
10. Set a strong example in your department
Conclusion

The world has changed with respect to compliance, risk, and accountability.

You play a key role in controls which ensure success in the above items.

See something, say something is the new normal.

Saying nothing can lead to major problems.