



WILLIAM & MARY

CHARTERED 1693

INTERNAL AUDIT

Committee on Audit, Risk and Compliance

September 26, 2024

FACILITIES AUDIT

- W&M Facilities is a complex operation
 - Maintains 220 buildings and over 1,100 acres
 - Expertise includes electrical, plumbing, HVAC, carpentry, housekeeping, and grounds/turf management
 - Employs 300+ personnel and uses 3rd parties to supplement workforce
 - \$47 million annual spend

FACILITIES AUDIT SCOPE

- Work project oversight and monitoring
 - Tested work order close out for compliance with Facilities guidelines
 - Evaluated time reporting processes
 - Assessed effectiveness of management tools
- Use of 3rd parties
 - Reviewed process for engaging 3rd parties
 - Evaluated opportunities to bring work in-house
- Assessed methodology to set Facilities billing rates

FACILITIES OBSERVATIONS

- Enhance management oversight
 - Establish standards for basic work tasks
 - Provide management dashboard tools and exception reports to aid in oversight
 - Monitor asset repairs and establish longer term maintenance program
 - Implement a timekeeping system
 - Establish robust policies to support Facilities work
- Consider moving some activity in-house to achieve most effective use of 3rd party dollars

FACILITIES NEXT STEPS

- Business Affairs management focused on using data to drive greater accountability
- Motivation to move Facilities forward
 - Talent in place to promote change

A&S AUDIT

- Focused on Dean's Office budget management/oversight
 - Earlier A&S audit focused on department level activity
- A&S is allocated \$100 million E&G budget and \$40 million restricted budget
 - In FY24, A&S spent 40% of available restricted funds
- Assuming donor restrictions are met, restricted funds should be fully deployed first
 - Donors expect their gifts to be utilized
 - Free up E&G funding
 - Allows for the highest and best use of E&G funds

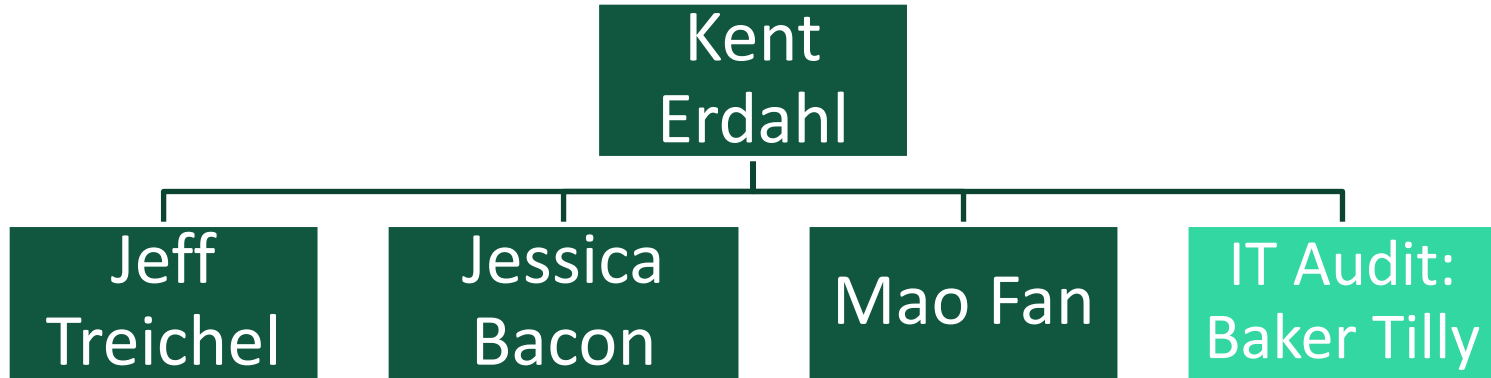
A&S ACTION PLANS

- A&S will develop spending guidelines
- A&S will implement robust monitoring tools to ensure all spending (E&G and restricted) is effectively controlled
- Second phase of a two-part A&S audit
 - Thanks to Dean Raitt and Tarikul Islam!

RBC FINANCIAL REPORTING

- From the 2019 accreditation review RBC received a Warning related to two financial attributes
 - The Warning was removed in 2020
- RBC requested an independent review of the two attributes prior to SACSCOC 5-year review
- Internal Audit:
 - Reviewed SACSCOC guidance against RBC material
 - Traced out RBC documents to external audit reports
 - Provided feedback on the RBC SACSCOC report

DEPARTMENT ORG CHART



WORKPLAN STATUS

Completed:

- Facilities Cost Allocation Methodology and Work Order Management audit
- Arts & Sciences Internal Control review
- Arts & Sciences assessment of Dean's Office support of academic dept's
- W&M Police Department Internal Control review
- Richard Bland College Financial Reporting review

In-Process:

- Registrar Office Internal Control review
- Gift Administration Internal Control assessment

Planned:

- Human Resources audit
- Athletics Title IX Compliance review

Deferred:

- Richard Bland College IT Security audit

Additions to 2024 Workplan:

- Workday Testing
- IIA Standards Framework Project

NEXT STEPS

- Baker Tilly engaged to perform Workday assessments
 - Three point in time milestone measurements
 - Readiness and Plan phase (scheduled for early October)
 - Architect and Configure phase (December/January)
 - Test and Train phase (Spring 2025)
- Develop 2025 Internal Audit workplan
- Workday testing review/facilitation
- HR and Athletics Title IX Audits
- Map department practices to IIA standards; address gaps

FOLLOW-UP SCORECARD

<u>Audit/Date</u>	<u>Follow-up</u>	<u>Status</u>
Donor Compliance (3/17)	Dec	(A)
Financial Aid (4/19)	Oct	(A)
Sponsored Programs (1/20)	Oct	(A)
RBC IT Security (12/21)	Nov	(A)
RBC IT Department (12/21)		Fully remediated
Admissions (12/21)		Fully remediated
RBC Internal Control (7/22)	Nov	(A)
Procurement (11/22)		Fully remediated
Student Organizations (11/22)	Jan	(A)
VIMS Control Review (12/22)	Oct	(A)

(A): Corrective action noted with some action items remaining.

FOLLOW-UP SCORECARD

<u>Audit/Date</u>	<u>Follow-up</u>	<u>Status</u>
Business School (4/23)	Nov	(A)
Health Center (8/23)	Nov	(A)
RBC Procurement (8/23)		Fully remediated
Athletics (10/23)	Nov	(A)
VIMS OSP (1/24)	Nov	(A)
Minors on Campus (1/24)		Fully remediated
WMPD (3/24)	Oct	
A&S Department (4/24)	Jan	
Facilities (7/24)	Jan	
A&S Internal Control (9/24)	Feb	

(A): Corrective action noted with some action steps remaining.

QUESTIONS