



11/16/2022

Office of Internal Auditing

Audit Committee

Fiscal Year 2023 Internal Auditing Plan Update

MINNESOTA STATE

Part 1 – Ongoing Activities

Activity Objective	Status
<p>Enterprise Risk Management (advisory): Participate in the ERM Steering Committee and assist as requested. Assist the Committee in facilitating the ERM process and conduct facilitated discussions with key stakeholders. Assist the Committee in implementing ERM across the colleges and universities.</p>	<p>Ongoing;</p> <ul style="list-style-type: none"> • Implementing ERM at all colleges and universities • Participating in ongoing risk discussions at the system office
<p>Quarterly Audits of Board Expenses and Trustee Expense Reimbursements (assurance): A review of transactions to ensure:</p> <ul style="list-style-type: none"> • Compliance with state law, rules, and regulations, and system policies • Adequate documentation • Public purpose 	<p>In Progress; FY23 quarter 1</p>
<p>External Audit Coordination:</p> <ul style="list-style-type: none"> • Annual financial statement audits • Annual federal student financial aid/HEERF compliance audit 	<p>Ongoing;</p> <ul style="list-style-type: none"> • Financial Statement work complete • Single Audit results in March
<p>Monitoring Progress on Outstanding Audit Findings</p>	<p>All follow up work done September – October 2022</p>
<p>Fraud Inquiry and Investigations</p>	<p>Ongoing</p>

Part 2 – Multi Year Projects

Project Objective	Status
<p>NextGen Project Risk Review Checkpoints (advisory/assurance): Perform checkpoints aligned with the project plan, focused on key project milestones. Participate in the ERP Steering Committee, provide professional advice, and assist as requested. Participate in status meetings with the Chancellor and Trustees.</p>	<p>Ongoing; checkpoint #9</p>
<p>NextGen Workday Implementation (advisory/assurance): Advise on key processes, risks, and controls surrounding the implementation, data governance, and other key project factors as they arise. Provide real-time recommendations and input during project meetings. Conduct finance and HCM process reviews to identify high risk areas. Collaborate with the project team and management to further refine the scope and develop specific activities to be performed by the internal audit team to advise or provide assurance on the NextGen implementation process and control development.</p>	<p>Deferred; aligned with NextGen activities/timelines</p>
<p>Financial Controls Assessment (assurance): Execute year three of the rotational plan and facilitate internal control assessments for the following four institutions: Century College, Hennepin Technical College, Minneapolis Community and Technical College, Normandale Community College. Goal is to complete in scope assessments by December 31, 2022.</p>	<p>In Progress;</p> <ul style="list-style-type: none"> • Century College; completed fieldwork • Hennepin Technical College; completed fieldwork • Minneapolis Community and Technical College; planning • Normandale Community College; planning



Part 3 – New Projects

Project Objective	Status
<p>Equity 2030 Status Assessment (advisory): Review the current status of the six strategic dimensions of Equity 2030: enhanced access, academic success, student engagement, evidenced based decision making, financial resources, and workforce and talent diversity. Review the monitoring and evaluation framework that was created to track and calibrate progress, and evaluate the activities completed relative to the timeline and plan. Advise on areas for improvement to further progress the initiative and accomplish the goal.</p>	<p>In Progress; scheduling fieldwork and requesting data</p> <p>Report presentation planned for April 2023</p>
<p>Academic Program Process Review – Transfer Pathways (assurance): Assess impacts of and needed enhancements to the transfer pathway program. Specifically, evaluate performance of the program against its original goals; review the performance metrics and data available to assess for coverage across all key categories (e.g., student success, retention, institutional performance, and academic program performance). Determine the extent to which four-year institutions are honoring transfer pathways, as well as evaluate opportunities of enhancement within the program.</p>	<p>In Progress; fieldwork planned for November and December 2022</p> <p>Report presentation planned for April 2023</p>
<p>Controlled Use of Admin Privileges (assurance): Review college and university controls and use of system administrative privileges, part of the Information Security Top 5 Security Domains, to evaluate whether appropriate processes and controls are in place to ensure system administration access and privileges are appropriately controlled in a manner that only allows the administrator to conduct the activities needed to complete assigned tasks. Previous “Top 5” audits included reviewing data classification and vulnerability management.</p>	<p>In Progress; fieldwork planned for November and December 2022</p> <p>Report presentation planned for March 2023</p>



Part 3 – New Projects

Project Objective	Status
<p>Ethics, Employee Conduct, and Fraud Review (advisory/assurance): Review Minnesota State’s Employee Code of Conduct and Fraud Policy and benchmark against similar systems to provide best practice recommendations. Advise on how to implement a proactive approach to fraud management. Review processes designed to ensure Minnesota State is complying with the state ethics requirements and internal ethics policies. Evaluate the monitoring structures in place.</p>	<p>In Progress; finalizing scope</p> <p>Report planned for June 2023</p>

Part 4 – FY23 Audit Committee Workplan

Operational	Policy Considerations	Strategic
<p>November 2022 - Review Audit Results & Approve Release of Audited Financial Statements</p> <p>November 2022 - Closed Joint Audit/Finance - IT Audit Results, IT Security Audit Update, Information Security Briefing</p> <p>January 2023 - Select External and Internal Audit Firms</p> <p>March 2023 - Project Results: Financial Internal Control Assessments</p> <p>March 2023 - Project Results: Controlled Use of Admin Privileges</p> <p>March 2023 - Federal Compliance Testing Over Student Financial Aid & HEERF Programs</p> <p>May 2023 - Risk Assessment Update</p> <p>March 2023 - Finance & Facilities Committee approve External and Internal Audit Contracts</p>	<p>June 2023 - Project Results: Ethics, Employee Conduce & Fraud</p>	<p>November 2022 - FY23 Audit Committee Workplan</p> <p>April 2023 - Project Results: Equity 2030</p> <p>April 2023 - Academic Program Process Review – Transfer Pathways</p> <p>June 2023 - Review and Approve FY24 Internal Auditing</p> <p>As needed - Committee of the Whole: Ongoing NextGen Risk Review Updates</p>





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