Board of Trustees

Recommendation for Action

July 21, 2016

**Recommendation:** Review and approval of the FY17 Internal Audit Plan

**Summary and Applicable Policy**

As required by the *Standards* of the Institute of Internal Auditors and the Audit, Risk and Compliance Committee (ARC Committee) Charter, each year the Office of Internal Audit’s annual audit plan is presented for approval at the summer ARC Committee meeting. The audit plan is the result of a comprehensive risk assessment conducted by Internal Audit that includes:

- Compiling an audit universe of all auditable units and processes.
- Risk ranking items in the audit universe based on regulatory compliance requirements, reliance upon information technology, organizational change, audit history, fraud risk, potential for reputational risk, dollar volume of activity, and transaction volume.
- Considering other factors such as audit coverage over time, previous audit findings, external audit reports for UNCW, internal and external audit reports for other UNC institutions, UNC General Administration requirements, resource availability, and requests from UNCW management and the ARC Committee.

The audit plan is carefully compiled using the items listed above and vetted with UNCW senior leadership. It should also be noted that time is reserved for engagements, including investigations and special projects, that arise during the year.