



o he chief audit executive must report periodically to senior management and performance

Confirmation of Organizational Independence

The Office of Audit and Compliance Services (A&CS) confirms its organizational independence to the Board of Regents Audit and Finance Committee.

The chief audit executive (CAE) direct and unrestricted access to senior management. The CAE and staff performed their work objectively, quality compromises were made and judgment on audit matters was not subordinated to any others in the organization. The CAE and staff had no conflict of interest situations and did not perform operational duties or make management decisions external to A&CS. A&CS had no impairments to organizational independence such as scope limitations; restrictions on access to records, personnel, properties resource limitations.

Institute of Internal Auditors Standards for Independence:

The internal audit activity must be independent, and internal auditors must be objective in performing their work.

The chief audit executive must report to a level within the organization that allows the internal audit activity to fulfill its responsibilities. The chief audit executive must confirm to the board, at least annually, the organizational independence of the internal audit activity.

The chief audit executive must communicate and interact directly with the board.

Internal auditors must have an impartial, unbiased attitude and no conflict of interest.

If independence or objectivity is impaired in fact or appearance, the details of the impairment must be disclosed to the appropriate parties. The nature of the impairment must be disclosed upon the impairment.

Audit and Compliance Staff Profile

Five professional audit staff and one professional institutional compliance serve all locations within the UA system. Two of the five audit staff are relatively new as they were hired during the fiscal year. The information systems auditor position was vacant throughout FY23 despite multiple recruitment attempts.

The internal audit and compliance staff have a variety of specialized subject matter expertise:

- 1 Certified Information Systems Auditor (CISA)
- 4 Master of Business Administration (MBA)
- 1 Certified Public Accountant (CPA)
- 2 Certified Internal Auditors (CIA)
- 1 Certified Management Accountant (CMA)
- 2 Certified Fraud Examiners (CFE)
- 1 Certified Compliance and Ethics Professional (CCEP)

Achievement of professional certifications supports A&CS in the overall achievement of its focus, and A&CS serves to their organizations

Audits and Projects Completed FY23

During the period from July 2022 to June 2023 the following engagements were completed

<i>Institution</i>	<i>Engagement Title</i>	<i>Procedures Performed</i>	<i>Outcome</i>
UAF	Sponsored Programs Accounts Receivable	Reviewed a selection of sponsored program billing and collections for timeliness and accuracy. Selected OGCA pran	

	Bookstore Inventory	inventory. This included counting a selection of inventory records to shelf and from shelf to records.	
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UAF

Final Status of the 2023 Audit Plan

The following outlines the status of planned activities for fiscal year 2023. These activities were presented and approved by the Board of Regents Audit and Finance Committee in May 2022.

<i>Status of FY Activities</i>	
Scheduled Projects Completed	<p>FYE22 External Audit</p> <ul style="list-style-type: none"> o Search for Unrecorded Liabilities o Plant, Property and Equipment <p>FYE23 External Audit</p> <ul style="list-style-type: none"> o Payroll o Disbursements o Tuition and Fees o Procurement Card <p>State of Alaska Executive Travel and Compensation Report for CY2022</p> <p>Yearend Inventory Instructions</p> <p>Training Internal Audit Process Compliance and Control</p> <p>Hotline Statistics Reporting</p> <p>Open Audit Recommendations Reporting</p>
Added Projects Completed	<p>1 Confidential and Privileged Review</p> <p>1 Advisory Engagement</p>
Projects Completed from Prior Years	<p>Systemwide Financial Aid / GI (BA22)</p> <p>UAF Adjunct Hiring (FY22)</p>
Projects Deferred or Paused	<p>FY23, but time allocated in FY24 for completion</p> <ul style="list-style-type: none"> o Sponsored Programs Journal Vouchers o Gifts o Multifactor Authentication <p>Business Continuity / Disaster Recovery</p> <p>Email Controls</p> <p>System Development Life Cycle (FY23, time was not reallocated)</p>
Other Activities	<p>Followup Auditing</p> <p>Continuous Controls Auditing</p> <p>Tracked 22 external audits with some carried over from FY22 and some that are in progress</p> <p>UA Confidential Hotline Systemwide administration</p> <p>Facilitation of Enterprise Risk Management</p> <p>Participated in committees and work groups</p>

- UAF Compliance Alliance
- EH&S
- Title IX
- External Audit RFP

Advisory:

- Small Business Subcontracting
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2023 Fiscal Year Goals and Accomplishments

Audit and Compliance Services Mission Statement

The mission of the audit and compliance department is to assist the board and management in the effective discharge of their fiduciary, compliance oversight, and administrative responsibilities by providing analysis, appraisals, counsel, information and recommendations concerning activities reviewed and by promoting effective controls for the recording and reporting of operational activities and for the safeguarding of assets, and for addressing significant federal and state laws, regulations, university policy and other requirements impacting the university.

The International Institute of Internal Auditors (IIA) defines internal auditing as an independent, objective assurance and consulting activity designed to add value and improve an

	<p>‡ regarding meetings and tentative findings to regularly scheduled</p> <p>Initiated collaboration w/vmm0o Human Resources to incorporate awareness of compliance risks, mitigation, training, monitoring, and reporting into the successful touchpoints throughout an employee's tenure at the university.</p>
<p>6. Institutional Compliance</p>	<p>Implemented the fundamental components of an institutional compliance program aimed at facilitating coordination w/vh federal and state laws, regulations, contractual mandates.</p> <p>This initiative also seeks to bolster effective compliance endeavors, maintain a consistent institutional compliance perspective across university activities, and evaluate compliance programs while offering recommendations for enhancement.</p>

Building Knowledge Depth

Goal: Employ highly effective personnel to assess vmm0oe technical and effective

All audit and compliance staff participated in professional organizations to remain current on industry and technical trends as well as facilitate networking opportunities from our peers at other institutions

