

June 20, 2024

24-118

APPROVAL OF THE FY 2025 INTERNAL AUDIT PLAN

PREPARED BY: Christine Croskey, Internal Auditor, Office of the Internal Auditor

APPROVED BY: Dr. Adrien L. Bennings, President

STRATEGIC THEME: Enterprise: Cultivate a long-term sustainable college enterprise

REPORT: The International Standards for the Professional Practice of Internal Auditing require that a risk-based audit plan be established to determine the priorities of the internal audit function, consistent with the organization's goals. The accompanying FY 2025 Internal Audit Plan summarizes the annual risk assessment and outlines the projects that the Internal Auditor and contracted internal audit support plan to perform in FY 2025. The plan was reviewed with the Board Audit Committee members in June 2024. Completion of the plan will be monitored at Audit Committee meetings.

RECOMMENDATION: That the Board of Directors approve the FY 2025 Internal Audit Plan as presented in Exhibit B.

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Exhibit B on Next Page

## EXHIBIT B

# Internal Audit Plan

## Fiscal Year 2025

Approved by the PCC Board of Directors on **xxxxx**

## Executive Summary

The purpose of the annual Internal Audit Plan (Plan) is to outline risk assessment, consulting, assurance and other activities the Portland Community College (PCC) Office of Internal Audit (OIA) will conduct during fiscal year 2025. The Plan's development and approval are intended to satisfy requirements of the Audit Committee and Internal Audit Charter and the International Professional Practices Framework of the Institute of Internal Auditors (Standards).

## Methodology

Risk assessment procedures identify key risks by interviewing stakeholders, financial analysis, scanning relevant industry risks, and benchmark with peers. Once identified, OIA risks are scored based on their likelihood of occurrence and their impact to the college. OIA then identifies projects that address the highest risk areas.

## Description of Service Areas

**Assurance Services:** Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding a process, system, or other subject matter. Assurance services include performance audits, financial audits, compliance audits, and information technology (IT) audits.

**Advisory Services:** Advisory and related client service activities, the nature and scope of which are agreed to with management, are intended to add value and improve an organization's governance, risk management, and control processes without the internal auditor assuming management responsibility. Examples include counsel, advice, facilitation, and training.

**Investigative Services:** OIA manages the fraud, waste, and abuse hotline and may receive reports through that hotline relating to ethics, accounting and financial issues, information technology, or safety and security. Reports may also be reported directly to the Internal Auditor. OIA will follow up on reports received and coordinate as appropriate with the affected department and People Strategy, Equity, and Culture (PSEC). OIA will develop and execute an investigative plan where appropriate.

**Follow Up:** OIA maintains a list of unresolved recommendations made during previous assurance engagements. OIA will coordinate with departments to ensure management is addressing identified risks.

**Internal Audit Management:** Management of the audit function includes planning and quality control activities, outreach and communication with internal stakeholders as is required by Standards.

## FY 2025 Internal Audit Plan

Service Area	Project	Description	Strategic Focus Area
Assurance	ADA Accommodation Request Process	Performance audit of the process staff go through to request accommodations.	Belonging
	Physical Access Audit	Audit to assess physical access card controls.	Delivery
	On-Boarding – I-9 Compliance	Compliance audit of On-Boarding	Delivery
	Parking & Transportation	Financial Audit of Parking & Transportation Department	Enterprise
	Accounts Receivable Review	Review of College Wide Accounts Receivable	Enterprise
Advisory	Gramm-Leach-Bliley Act Independent Validation		Delivery
	Miscellaneous Advisory Services		TBD
Investigative	Administer the PCC fraud, waste, and abuse reporting system.		Enterprise
Internal Audit Management (Indirect Hours)	Perform activities required to manage the internal audit function, including the annual risk assessment, audit plan, and final progress report, quality assurance and improvement program, Audit Committee coordination, outreach and communications, benchmarking and metrics.		NA

## FY 2025 Internal Audit Project Timeline

Audit Project	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Dining Services												
I-9 Compliance												
ADA Accommodation												
Physical Access												
Parking & Transportation												
AR Review												

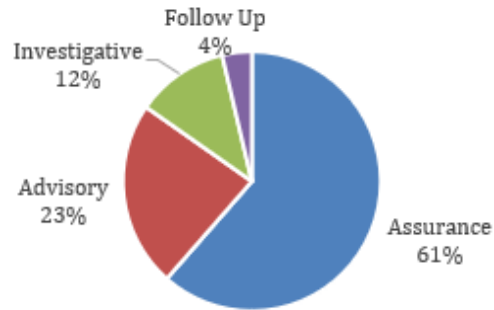
Project performed by PCC OIA  
 Project performed by PSU

## FY2025 Internal Audit Plan Hours

Total PCC Internal Audit Hours	2080
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Less: Indirect Hours (Administrative responsibilities, professional development, leave, and various meetings)	(625)
Plus: PSU Support Contract Hours	700
<b>Total Hours Available for Audits &amp; Other Projects</b>	<b>2,155</b>

Service Area	Hours
Assurance	1405
Advisory	500
Investigative	250
<b>Total</b>	<b>2,155</b>



## FY 2025 Internal Audit Tier II Projects

OIA has identified the following list of projects that can be undertaken in FY 2025 in the event the scheduled projects are completed early or are stopped. Projects in this category are often listed as planned projects the following fiscal year.

Service Area	Project	Description	Strategic Focus Area
Assurance	Bookstore	Financial Audit of Bookstore	Enterprise
	Electronic User Access	Audit to assess controls over user access to electronic assets.	Delivery
	Behavioral Intervention Team (BIT) audit	Performance audit of PCC's Behavioral Intervention program.	Belonging
	Dental Clinic Operations	Audit to assess Dental Clinic Operations.	Enterprise
	Sylvania Child Care Center Operations	Audit of Sylvania Child Care Center Operations.	Enterprise