



DALLAS COLLEGE

INTERNAL AUDIT DEPARTMENT ANNUAL REPORT

FOR THE FISCAL YEAR ENDED
AUGUST 31, 2024

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**I. COMPLIANCE WITH TEXAS GOVERNMENT CODE, SECTION 2102.015:
POSTING THE INTERNAL AUDIT PLAN AND ANNUAL REPORT TO THE WEBSITE**

The Texas Government Code requires that the internal audit plan and the internal audit annual report be posted on the institution's website. The IAD Fiscal Year 2025 audit plan, as reviewed and discussed with the Board of Trustees, was posted to the IAD website. The IAD Fiscal Year 2024 will be posted to the website within 30 days of review.

II. INTERNAL AUDIT PLAN FISCAL YEAR 2024

FISCAL YEAR 2024 AUDITS (ENGAGEMENTS) COMPLETED		
REPORT/ AUDIT NUMBER	REPORT DATE	TITLE/DESCRIPTION
AUD-FY24.01 – Q1	February 24, 2024	Cyber Security – Cyber Insurance
AUD-FY24.01 – Q3	June 28, 2024	Cyber Security - Compliance
AUD-FY24.01 – Q4	July 30, 2024	Cyber Security – Security Awareness Training
AUD-FY24.02	September 19, 2024*	Procurement – Third Party/Vendor Management
AUD-FY24.03 – Q2	February 7, 2024	Safety & Security – Hazardous Materials Management
AUD-FY24.03 – Q3	June 28, 2024	Safety & Security – Workplace Safety
AUD-FY24.03 – Q4	July 30, 2024	Safety & Security – Building Access
AUD-FY24.04	August 1, 2024	Employee Recruitment & Retention
AUD-FY24.05	October 1, 2024	Fixed Assets
AUD-FY24.06	June 17, 2024	Workforce Planning and Staffing
AUD-FY24.07	August 26, 2024	Professional Development
AUD-FY24.08	August 7, 2024	Richland Collegiate High School Attendance
AUD-FY24.09	September 30, 2024*	Property & Asset Management
AUD-FY24.10	September 11, 2024*	Senate Bill 17 Compliance
SR-FY24.01	August 29, 2024	Outside Scholarship Process
SR-FY24.02	June 26, 2024	Student Care Network
SR-FY24.03	April 4, 2024	Emergency Relief Fund
SR-FY24.04	June 21, 2024	Construction
SR-FY24.05	May 14, 2024	Records Management & Retention
SR-FY24.06	July 30, 2024	D2L Brightspace System Controls
SR-FY24.07	September 25, 2024*	Workday Security Access
FU-FY24.01	May 1, 2024	International Student Office
FU-FY24.02	July 8, 2024	Dual Credit
FU-FY24.03	July 11, 2024	Registration & Enrollment
FU-FY24.04	August 30, 2024	Success Coach Program
FU-FY24.06	June 18, 2024	Grants & Contracts Process Review

**Note: Although the report date was after the fiscal year end, the audit (field work) was completed in FY 2024.*

Q – Quarter

FISCAL YEAR 2024 AUDIT PLAN ADJUSTMENTS		
TITLE/DESCRIPTION	ACTION	STATUS
System & Process Special Project	Removed from plan.	Review steps Incorporated into each audit.
Business Continuity	Postponed	Moved to FY2025
Data Security & Privacy	Postponed	Moved to FY2025
Performance Management	Postponed	Moved to FY2025
Chancellor's Performance Review – Data Assessment	Addition to plan	Report/Audit Number SR-FY24.08 Carry-over to FY 2025 – Completed September 2024
Property & Asset Management	Addition to plan.	Report/Audit Number AUD-FY24.09 Completed September 30, 2024
Senate Bill 17 Compliance	Addition to plan.	Report/Audit Number AUD-FY24.10 Completed September 11, 2024
Environmental Compliance and Controls Special Project	Addition to plan.	Carry-over to FY 2025 – On going

III. CONSULTING SERVICES AND NON-AUDIT SERVICES COMPLETED

FRAUD HOTLINE ADMINISTRATION & MONITORING

OBJECTIVE: Monitor hotline activity (reports) to determine instances of fraud, waste, and abuse and respond to – and investigate – reports, as necessary. Also, consult on and provide recommendations for other issues or concerns reported (not fraud, waste, or abuse related).

STATUS On-going

REPORTING: Informal reporting through-out the year as needed to communicate recommendations.

WORKDAY IMPLEMENTATION SPECIAL PROJECT

OBJECTIVE: Monitor activity in the implemented Workday ERP system modules to help ensure controls operate as intended and participated in Workday Student Module implementation to provide recommendations, as necessary.

STATUS: On-going

REPORTING: Not Applicable

IV. EXTERNAL AUDIT SERVICES PROCURED

- The IAD did not procure any external audit services for fiscal year 2024.
- The College's Office of Finance (and the College's Board of Trustees) selected McConnell & Jones, LLP, to conduct the annual independent financial statement audit and the single audit starting in FY2020.

V. EXTERNAL QUALITY ASSURANCE REVIEW (PEER REVIEW)

The IAD was reorganized with the hiring of a new Chief Internal Auditor in October 2020. An external quality assurance review will be completed at a future date.

VI. INTERNAL AUDIT PLAN FOR FISCAL YEAR 2025

The IAD Engagement (Audit) Plan summary and risk assessment process outline are included below. The complete FY2025 Engagement (Audit) Plan and Risk Assessment is posted to the College's website.

RISK ASSESSMENT PROCESS	
Identify Risks	<p>The IAD researched the top risks common to higher education, from general business and industry, and those identified by peer institution internal audit activities; the IAD also researched varied College information.</p> <p>The IAD conducted workshops, meetings, and interviews with senior management, staff, and faculty to gain information to understand areas of risk or concern within the College.</p>
Measure Risks:	<p>The identification of risks resulted in thirty (30) top risk areas which were further assessed based on impact, probability, and velocity. This resulted in the eleven (11) areas identified for audits, 10 of which were included in the audit plan.</p> <p><i>(One area – Academic Compliance – was not included in the plan due to timing of department/area events and IAD resources.)</i></p>
Prioritize Risks, Select Engagements, Develop Plan	<p>The areas/functions/risks included in the FY25 engagement plan also encompassed items that met one or more of the following prioritization factors:</p> <ul style="list-style-type: none">▪ High ranked item with a risk rating of (a) catastrophic impact or (b) likely or almost certain probability.▪ Top risks common to higher education, general business and industry, peer institutions, or IAD identified items (from research of varied College information and reports).▪ Special requests or another high ranked item.▪ Regulatory, required, or on-going items.▪ Items moved from the FY24 Engagement (Audit) Plan.

IAD ENGAGEMENT (AUDIT) PLAN FY 2025	
ENGAGEMENT DESCRIPTION	Estimated Hours
Audits	
Business Continuity	160
Cyber Security	320
Human Resources Compliance	240
Payroll	240
Property Management	160
Safety & Security	240
Special Reviews and Advisory Engagements	
Artificial Intelligence	160
Chancellor's Performance Review	120
Customer Service	320
Data Governance	160
Data Security & Privacy	200
DC Public Website	120
Grant Compliance	160
Leadership Accord Review	160
Performance Management	160
Police Department Operations	200
Procurement	240
Senate Bill 17 Compliance	120
Space Management & Planning	200
Success Coaching	240
Travel (Student & Employee)	240
Workday Implementation Participation	200
Follow-up Audits	
Construction	80
Emergency Relief Fund	80
Employee Recruitment & Retention	120
Procurement (3 rd Party/Vendor Management)	80
Professional Development	120
Records Management & Retention	80
Scholarship Compliance & Processes	80
Student Care Network	80
Workforce Planning & Staffing	120
Other Services and On-going Activities	
Fraud Hotline Administration and Monitoring (On-Going)	200
Investigations (As Needed)	200

VII. REPORTING SUSPECTED FRAUD AND ABUSE

Actions taken consistent with fraud reporting requirements of Section 7.09, page IX- 40, the General Appropriations Act (88th Legislature) and Texas Government Code, Section 321.022 include:

- The College requires annual, mandatory compliance training for all employees.
- The College has a link on the main webpage to report Fraud, Waste, or Abuse on a confidential incident reporting hotline.
- The College has established Board Policy CDE-Accounting: Financial Ethics, prohibiting fraud and financial impropriety and requiring investigation.