



SOUTH DAKOTA STATE UNIVERSITY

Internal Audit Plan
Fiscal Year 2025



March 28, 2024

Dear University Community,

The Office of Internal Audit has prepared the FY 2025 internal audit plan using a risk-based approach. Various resources were used to guide the risk assessment process, including the South Dakota Board of Internal Controls Risk Control Matrix assessment, discussions with University leaders from various operating areas on campus, as well as guidance from the Association of College and University Auditors (ACUA).

Business processes included in the Fiscal Year 2025 internal audit plan were not selected due to perceived issues within these areas. Rather, they were selected based on an assessment of inherent risk factors, including financial, operational, compliance, and public perception risks.

The goal of this internal audit plan is to provide the University community with an overview of the planned activities for the Office of Internal Audit during Fiscal Year 2025. The goal of each audit is to provide University Management with an assessment of the efficiency and effectiveness of operations and the design and operating effectiveness of internal controls within each of these functions.

I appreciate the support that leadership and the University community has provided me in the performance of my responsibilities at South Dakota State University.

Best Regards,

A handwritten signature in black ink that reads 'James Westcott'.

James Westcott, MBA
Internal Auditor



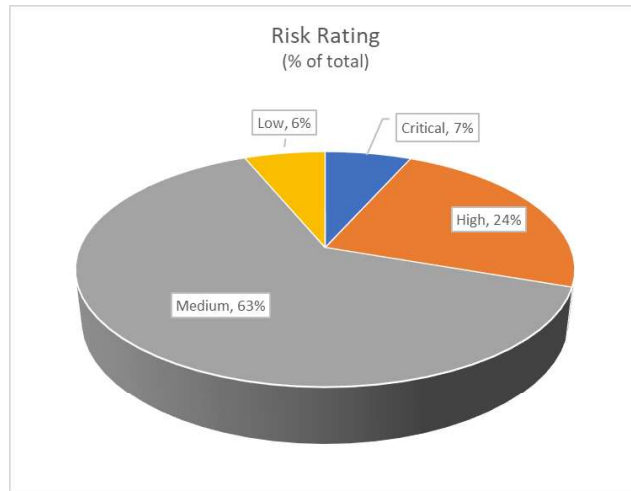
Audit Universe and Methodology

The Fiscal Year 2025 Internal Audit Plan (page 5) outlines the areas that will be reviewed by the Office of Internal Audit during Fiscal Year 2025. The audit activities will be guided by the principles identified in the International Standards for the Professional Practice of Internal Auditing, which was established by the Institute of Internal Auditors’ (IIA).

A recent Board of Regents risk assessment process identified 511 potential University risks that will be reviewed on an annual basis. Of these 511 risks, 34 risks were prioritized as Critical and 121 risks were prioritized as High. These risks were identified across ten campus work groups:

University Work Groups				
Student Affairs	Academic Affairs	Human Resources	Marketing	Finance and Budget
Information Technology and Security	Research	Facilities Management	Athletics	Foundation

Each of the 511 potential risks were ranked according to the likelihood (i.e. almost certain, likely, possible, or unlikely) and impact (i.e. critical, high, medium, or low) of potential risk events that could occur within each of the ten work groups. An overall risk rating was assigned to each of the risks (i.e. critical, high, medium, low), based on a combination of these two metrics. This risk assessment methodology was adopted to ensure alignment with the South Dakota Board of Internal Controls’ (SBIC) Statewide Internal Control Framework. Below is a table summarizing the percentage of risk rating that was assigned to each risk category:





Allocation of Time




The FY 2025 internal audit plan budget was based on available staff hours for one full time professional, i.e. 2,080 available hours. The internal audit plan includes time allocated for risk-based audits (as outlined in the internal audit plan on page 5), special management requests, and administrative time (such as professional development, holidays, and annual leave time).

FY 2025 Internal Audit Plan

College/ Department	Unit/ Business Process
Finance	Sponsor Billing Process Review (Spring FY24)
Academic Affairs	School of Performing Arts Ticket Office (Spring FY24)
Finance	Hobo Dough Review
Student Affairs	Scholarship Process Review
Student Affairs	Financial Aid Compliance - Follow up to July 2021 audit
Athletics	Athletic Ticket Office Audit – Follow up to April 2019 audit
Grants	USDA Partnerships for Climate-Smart Commodities Initiative Grant
Other Areas	Flexible Projects – as determined*

*Although the Office of Internal Audit’s intent is to complete the FY 2025 internal audit plan as outlined above, the Office of Internal Audit and University Senior Management reserve the right to make adjustments to this plan if unforeseen events occur, or changing risks are identified, during the fiscal year. Any significant changes to this plan will be reviewed and approved by the President, the Vice President – Finance and Budget and acknowledged by the VP & General Counsel.

Approvals/Acknowledgement:

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<p>DocuSigned by:  <small>FBDE798142C5434...</small></p> <hr/> <p>Approved By: Mike Holbeck, VP – Finance & Budget/UBOC Co-Chair</p>	<p>4/2/2024 11:07 PDT</p> <hr/> <p>Date</p>
<p>DocuSigned by:  <small>54A7001F8F90421...</small></p> <hr/> <p>Acknowledged By: Tracy Greene, VP & General Counsel</p>	<p>4/3/2024 11:45 PDT</p> <hr/> <p>Date</p>