



## Texas Facilities Commission Office of Internal Audit Approved FY25 Annual Audit Plan

### Projects for the period 9/1/2024-8/31/2025

#### **Why do we develop an Annual Audit Plan?**

Texas Government Code, Sec. 2102.005: A state agency shall conduct a program of internal auditing that includes an annual audit plan that is prepared using risk assessment techniques and that identifies the individual audits to be conducted during the year and periodic audits of the agency's major systems and controls, including: accounting systems and controls; administrative systems and controls; and electronic data processing systems and controls.

#### **Why do we obtain approval from the Commission for the Annual Audit Plan?**

Texas Government Code, Sec. 2102.008 states that the annual audit plan developed by the internal auditor must be approved by the state agency's governing board or by the administrator of a state agency if the state agency does not have a governing board.

#### **How is the Annual Audit Plan distributed?**

Within 30 days after approval, Texas Government Code, Sec. 2102.015 requires state agencies to post approved audit plans on the agency's public website.

#### **Are any audit services contracted externally?**

Yes. Internal Audit has received a Delegation of Authority for Construction Audit Services to have expenses reviewed. Reports are provided to the Commission and the State Auditor's Office.

- A. Construction Audit Services – Review select construction activities and expenses for compliance.
- B. Procurement and Contract Management Audits – Determine if high-risk contracts comply with the State of Texas Procurement and Contract Management Guide.
- C. Information Technology Reviews – Determine if standards and methodologies are utilized to control the implementation of software, hardware, and systems and to secure associated data and access.
- D. Business Process Audits – Determine if business processes and workflows have controls in place to manage resources and streamline activities to achieve organizational objectives.
- E. Border Wall Program – *Carry-over project from FY24.*
- F. Implementation Status of Recommendations – Report on the implementation of prior audit findings.
- G. Internal Quality Assurance and Improvement Program (QAIP) Assessment – Conduct a self-evaluation of Internal Audit's conformance with auditing standards.
- H. Complaints, Hot Line Calls, and Investigations – Conduct procedures as required by the Texas Internal Auditing Act.
- I. Consulting Engagements and Non-Audit Services – Address requests and inquiries by management regarding governance, risk management, and control processes.
- J. Liaison Activities – Respond to external requests for information or action and perform tasks as required.
- K. Risk Assessment – Provide an annual risk assessment to the Commission as required by the Texas Internal Auditing Act.