



**Date:** January 21, 2025

**To:** H. Neil Matkin, Ed.D., District President  
Members of the Board of Trustees

**From:** Ali Subhani, CFE, CIA, CISA, GSNA, CDPSE  
Executive Director, Office of Internal Audit

**Subject:** Fiscal Year 2025 - Audit Plan Revision

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The Internal Audit Charter requires that the Board of Trustees approves the annual Audit Plan. The following projects are recommended for approval:

Project	Objectives	Tentative Start Date
Directory Services	To evaluate the effectiveness of Active Directory (AD) and Azure management processes with Texas Administrative Code (TAC) 202 standards and to assess adherence to technology best practices. (Satisfies the Texas Administrative Code 202 - Information Security Standards Audit Requirement)	First Quarter
Key Shop	To evaluate the adequacy of key-related processes to ensure safety Districtwide	First Quarter
External Peer Review	Effort related to the ongoing external review of the Office of Internal Audit that is required every 5 years by professional auditing standards	First Quarter
Technical Campus Academic Programs Consumable Review	To evaluate internal controls over inventory and consumables for the Automotive, Construction, and Welding academic programs and to determine if lab fees are aligned with program costs	Second Quarter

Project	Objectives	Tentative Start Date
Accounts Payable	To assess the adequacy and effectiveness of internal controls over the accounts payable process and ensure adherence to applicable requirements	Second Quarter
Sick Bank Balance	To assess the adequacy and effectiveness of internal controls governing the management and use of sick bank balances, with the goal of identifying potential abuse or misuse	Second Quarter
Job Order Contracting	To evaluate compliance with applicable policies and regulations for Job Order Contracts	Third Quarter
Contract and Grants	To determine whether internal controls over grant and contract management are sufficient to ensure compliance with selected agreements and applicable regulations	Fourth Quarter
Copier Leasing Contract Review	To review the leasing contract for multifunctional devices (printers/copiers), identifying opportunities for cost savings, improved efficiency, and effective use of district resources	Fourth Quarter
Administrative Requirements	Effort devoted to various administrative requirements such as publishing the required Annual Internal Audit report, development of the audit plan, serving on institutional committees, fulfilling requests for speaking engagements, and attendance at professional training events	Ongoing
Investigations / Special Requests	Perform investigations of fraud incidents reported through the District's hotline or others, and any special requests	Ongoing
Follow Up Activities	Follow up on implementation of pending management action plans in response to audit observations	Ongoing

**The plan was based on the utilization of the Director and one full-time Senior Auditor.** Additionally, the District President is supportive of plans to utilize student interns. The planned audit of scholarships previously approved for inclusion in the fiscal year 2025 audit plan, will be reevaluated at a future date.