

**Texas Southern University**  
Revised Fiscal Year 2026 Internal Audit Plan  
March 2026

Audit Area	Activity Type	Summary of Procedures	Timing
<b>FY 2026 Planned Internal Audits</b>			
Procurement Process and Compliance	Internal Audit	Internal audit will include an evaluation of the processes and internal controls in place related to the University's Procurement processes and compliance with Texas Education Code (TEC) § 51.9337. Activities to be evaluated will include Purchase Orders, Bidding Process and Award, Interlocal and Cooperative Agreement Purchasing, Contract Negotiation and Approval, Vendor Management - Selection, and Vendor Acceptance and Set-up.	February - March 2026
Purchasing Cards	Internal Audit	Internal audit will include an evaluation of the processes and internal controls in place related to the University's P-Card processes. Activities to be included in the evaluation will include, program administration, new card issuance, expense reporting, approvals and reconciliations.	March - April 2026
Asset Management	Internal Audit	Internal audit will include an evaluation of the processes and internal controls utilized to maintain the University's capital and controlled assets. Activities to be included in the evaluation will include new acquisitions, cataloging, asset tagging/tracking, inventory, dispositions, depreciation and reporting. This audit will not include compliance with federal grant requirements for retirement and disposition of assets purchased with grant funding.	March - April 2026
Invoice Prompt Payment	Internal Audit	Internal audit will include an evaluation of the processes and internal controls to ensure prompt payment of vendor invoices. Activities to be included in the evaluation will include invoice receipt and intake, invoice validation, approval workflow, and payment scheduling and execution.	March - April 2026
Financial Close and Reporting	Internal Audit	Internal audit will include an evaluation of the processes and internal controls executed for the University's financial close and reporting processes. Activities to be included in the evaluation will include monthly reconciliations, audit preparation, financial close procedures, and journal entries.	April - May 2026
Internal Audit Follow-Up	Internal Audit Follow-Up	Internal Audit will include follow-up procedures to verify that corrective action has been performed on the outstanding open findings.	February - August 2026
Network Access Testing	Internal Audit	Network access testing of user access rights within key modules of the Banner system and other key University systems.	Quarterly
Fraud, Waste, and Abuse Investigations	Compliance	Conduct investigations of fraud, waste, and abuse reports as well as monitoring of the Ethics Point hotline system.	Ongoing
Special Projects	TBD	Special projects as requested by University administration.	TBD
<b>FY 2026 Annual Requirements</b>			
Risk Assessment	Policy Compliance	Internal audit will facilitate a University-wide risk assessment to develop a strategic, multi-year internal audit plan to evaluate and monitor processes for significant financial, operational, and compliance activities of the University.	February - April 2026
Annual Internal Audit Report	Policy Compliance	Prepare and submit required annual reports over internal audit activities.	August 2026

Note: At the presentation of each internal audit report to the Audit Committee and the Board, reports will be submitted to the State Auditor's Office according to the guidance published in their annual requirements.