

SECTION C-14

EDP AUDIT FUNCTION

Under Construction

The EDP audit function requires the Senior EDP Auditor to provide computer assisted auditing techniques to the financial auditors. The Senior EDP Auditor is also required to assess the EDP audit risk and plan for EDP general and application reviews. The general and application controls are primarily concerned with the following:

1. Physical Security
2. Backup and Tape Archival
3. Disaster Recover
4. Access Security
5. System Development Life Cycle
6. Operations
7. Production Control
8. Organization (segregation of duties)

The EDP audit planning and reporting process is as follows:

1. Obtain listing of all university computer applications and corresponding modules.
2. Obtain an assessment of risks and priorities from Information Technology management.
3. Assess the risks in the audit universe and assign priorities to upcoming audit projects.
4. Develop audit work programs for all general control projects and application reviews.
5. Define audit objectives and scope of audit work for projects. Obtain management's input on audit objectives, scope of work, and audit procedures.
6. Develop a time budget and work schedule for projects.
7. Assign audit personnel to execute work program under supervision.
8. Report results of work.

The Senior EDP Auditor is also responsible for the monitoring of new system development activity.

One of the responsibilities of the Internal Auditing Department is to participate in the design, development implementation, and operation of major computer based systems to ensure that: a)

adequate controls are incorporated into the system, b) thorough system testing is performed at appropriate stages and, c) system documentation is complete and accurate. In order to achieve this objective, the Internal Auditing Department representatives will actively monitor all major computer based system development activity. To accomplish this objective, internal auditors will attend design/implementation/status meetings of both technical and user groups involved in the development activity. The chief information officer of each component will notify (E-Mail, if possible) the Internal Auditing Department before any new computer applications and placed into production. In addition, the auditors will review system test plans, system documentation, and monitor the activity testing of systems. During application development or implementation of purchased applications, control weaknesses, inadequate testing plan, insufficient testing volume, or inadequate system documentation may be noted by the auditors. In order to adequately document and track all such weaknesses in the development or implementation phase of the systems, the auditors will complete a standardized form entitled, "EDP Control Report". The Director or Manager will be responsible for ensuring that management is aware of each deficiency in the implementation or development of applications.

Prior to implementation of a purchased or in-house developed applications, the auditors will prepare a report summarizing all control weaknesses or other concerns coming to their attention related to the implementation of the new system.