



University of Colorado
Boulder | Colorado Springs | Denver | Anschutz
INTERNAL AUDIT

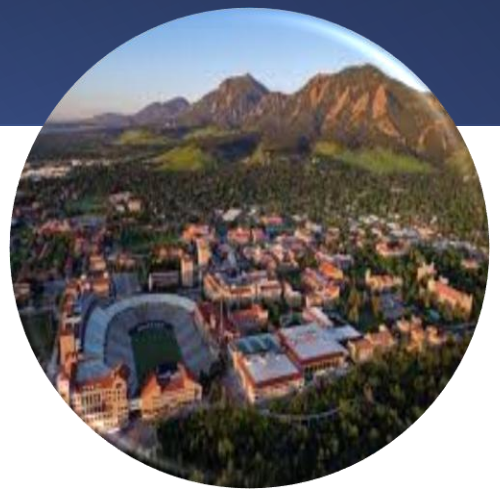
Fiscal Year 2027 Internal Audit Plan

June 17, 2026





CU Internal Audit Plan Objective: Promote a Culture of Accountability & Continuous Process Improvement






- Meet the Institute of Internal Auditors' Global Internal Audit Standards and the department purpose and vision
- Support CU strategic objectives and campus priorities
- Effectively pivot to address emerging priorities in addition to ongoing institutional risks
- Create a plan that is risk-based, flexible, and right-sized for our team's capacity and capabilities
- Deliver *Insight with Impact*



Our Purpose

Our purpose is to strengthen the university's ability to create, protect, and sustain value by providing the Board of Regents and university management with independent, risk-based, and objective assurance, advice, insight, and foresight.

We carry out our mandate by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of governance, risk management, and control processes across the university system.

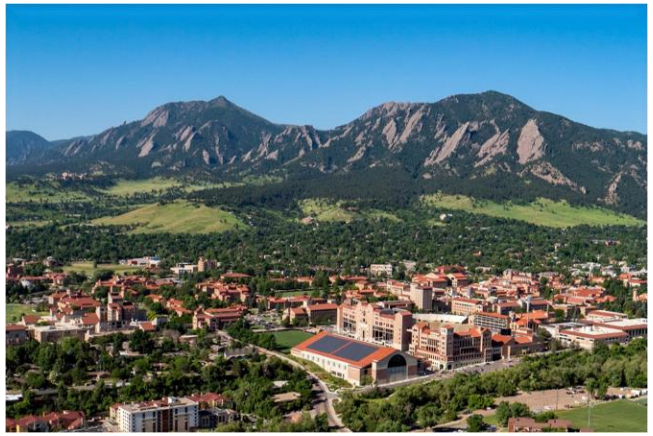
We strive to enhance CU's:

- successful achievement of objectives;
- governance, risk management, and control processes;
- decision-making and oversight;
- reputation and credibility with its stakeholders; and
- ability to serve the public interest.

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Our Vision: Insight with Impact





We are trusted partners.

We deliver timely and relevant perspective on risks and opportunities.

We are committed to our core values, intellectual curiosity, and alignment with our stakeholders.





Global Internal Audit Standards

- Create a plan that enhances the achievement of the organization's objectives
- Base the plan on a documented assessment of the organization's strategies, objectives, and risks
- Support the evaluation and improvement of the organization's governance, risk management, and control processes
- Consider coverage of information technology governance, fraud risk, the effectiveness of the organization's compliance and ethics programs, and other high-risk areas
- Discuss planned services and resource requirements with leadership and the Board
- Be **dynamic, insightful, proactive, and future-focused** in response to emerging risks and changes in organization's operations, controls, and culture

Source: The Institute of Internal Auditors

Internal Audit Plan Development Process



Learn more about our process by watching this short video:
Our Audit Plan | University of Colorado (cu.edu)

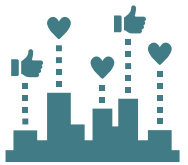
Higher Education Risk Hotspots

A “crossroads” of financial uncertainty, rapid technological disruption, and shifting federal policies



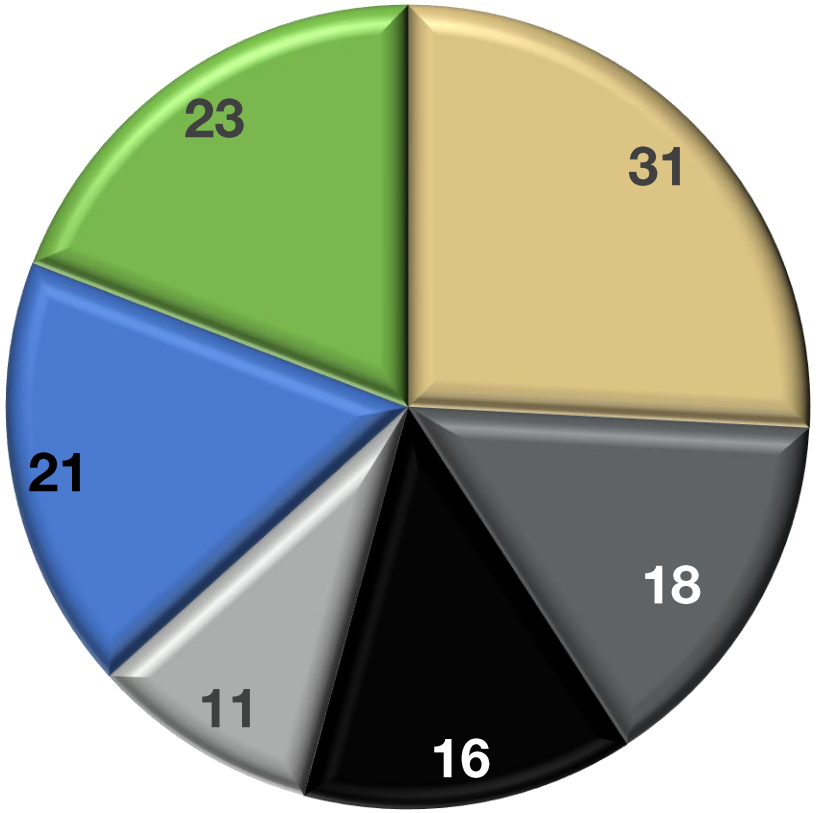






Financial Sustainability & Revenue Model Pressure	Enrollment, Demographics & Market Positioning	Cybersecurity, Data Protection & Technology	Artificial Intelligence (AI), Data & Digital Transformation	Workforce, Talent & Culture Challenges	Regulatory, Political & Compliance Environment	Operational Resilience & Infrastructure

CU Management Interviews



CU Boulder
CU Anschutz
CU Denver
CU Anschutz | Denver
UCCS
System Administration

- Interviewed 120 individuals with varied levels of responsibility and oversight for university operations across all four campuses and system administration
- Discussed priorities, challenges, success indicators and enablers, data needs, and ways Internal Audit can support achievement of objectives and emerging risks
- **Key themes noted:**

opportunities to align or optimize governance | decentralization vs. standardization tension | financial pressure | data integrity | AI governance | technology and systems complexity | compliance and regulatory pressures | workforce challenges and morale

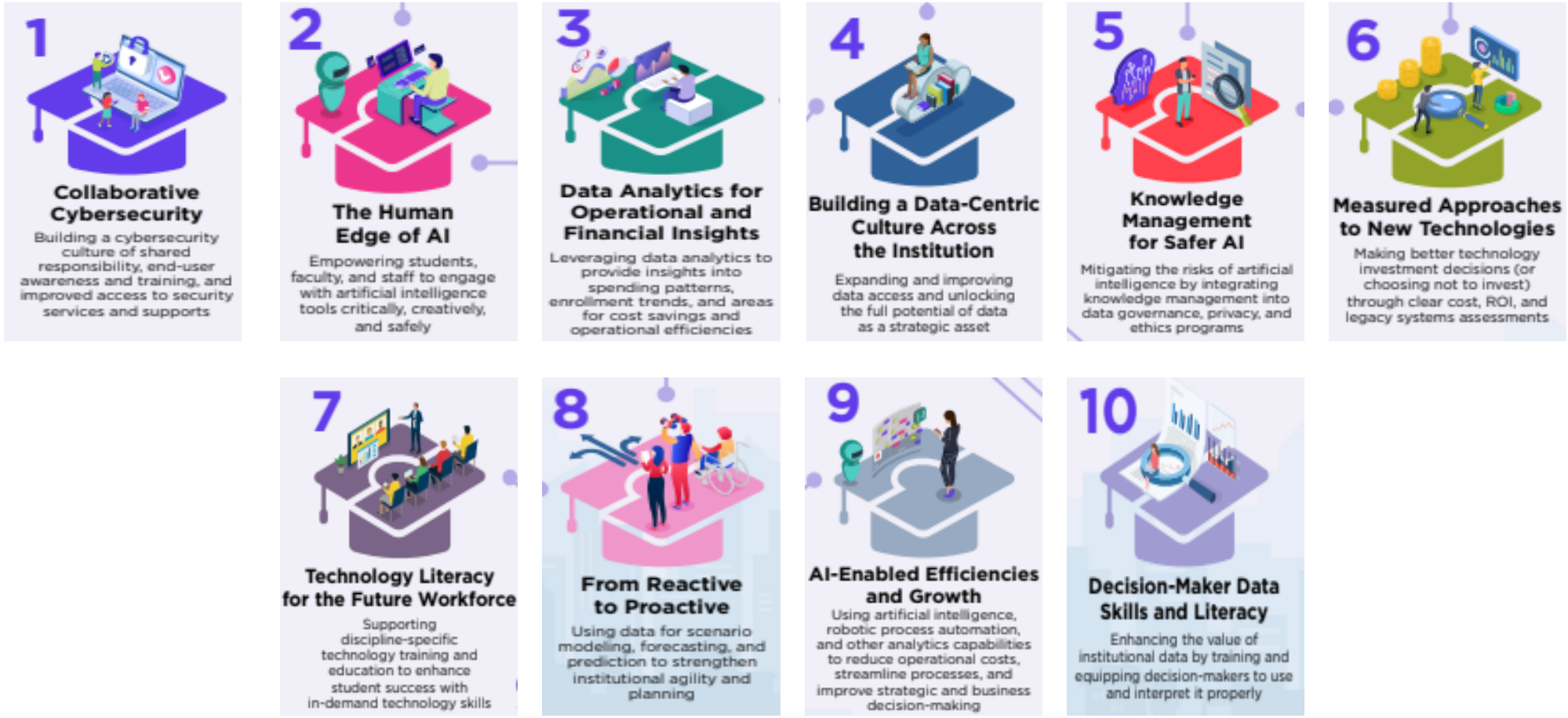
NACUBO Top 5
Higher Education Business Issues



Source: NACUBO.org

NACUBO
National Association of College and University Business Officers

2026 EDUCAUSE Top 10: Making Connections



Source: 2026 EDUCAUSE Top 10: Making Connections

Protiviti
Top 10 Near-Term Risks for Higher Education

1. **Cyber threats**, including Cybersecurity Maturity Model Certification (CMMC) risks especially pertaining to research

2. Ability to **attract, develop and retain top talent**, manage shifts in labor expectations, and address succession challenges

3. **Economic conditions**, including inflationary pressures specific to enrollment concerns

4. **Talent and labor** availability

5. Impact of expected **demographic changes**

6. Emergence of **new risks** from implementing AI

7. Heightened **regulatory change**, uncertainty, and scrutiny

8. Increases in **labor costs**

9. **Organization's culture** not sufficiently encouraging timely identification and escalation of emerging risk issues

New!

10. Operations and legacy IT infrastructure unable to meet **performance expectations**

Source: Protiviti Executive Perspectives on Top Risks for the Near- and Long-Term

United Educators
Top Risks Report: Insights for Higher Education

1. Admissions and Retention:
new student admission and retention of current students

2. Data Security/ Cybersecurity:
data breaches, phishing, accidental disclosure of personal data, ransomware, and hacking

3. Compliance:
noncompliance with federal, state, and local regulations and other elective accountability authorities

4. Operational Pressures:
financial stability, the institution's business model, and constraints on the institution's processes

5. Facilities and Deferred Maintenance:
outdated facilities and new construction, including inadequate facilities to achieve the institution's mission

6. Funding/Financial Stability:
risks to core revenue streams

7. Student Mental Health:
mental and emotional well-being, including mental conditions and suicide

8. Recruitment and Hiring:
maintaining a talented staff and faculty workforce

9. Public Safety:
ongoing security and safety of communities and guests and emergency preparedness

New!
10. Athletics:
Name, Image, and Likeness (NIL) policy complexities, financial and operational stability

Source: United Educators 2026 Top Risks Report: Insights for Higher Education

Deloitte 2026 Higher Education Trends

Erosion of the **revenue model** through reduction of sponsored research, limits on student loans, new taxes, and the arrival of the demographic cliff

Shifting the conversation from the 'cost of college' to the **'value on credential'**

A reset for **sponsored research**

Increased reliance on **mergers and partnerships** to preserve core missions amid demographic and financial pressures

A changing global higher education landscape necessitates **strategic shifts** by American universities

Source: Deloitte Insights "2026 Higher Education Trends"

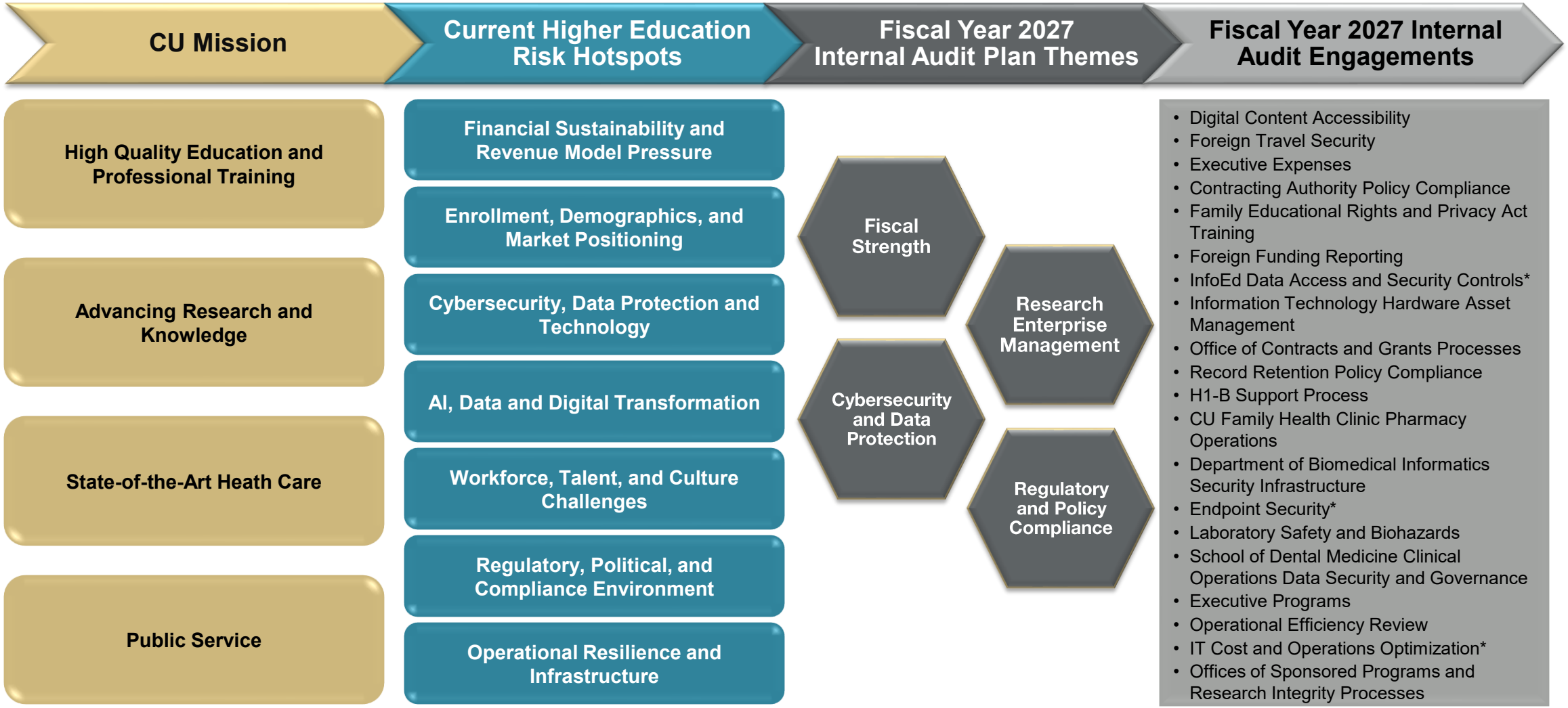
Gartner's 2026 Audit Plan Hot Spots

Hot Spot	2026 Drivers
Cybersecurity Vulnerabilities	• Strained capacities for vulnerability and threat management • Rise of disinformation threats
IT Governance	• Rising motivation and opportunity for insider threats • IT skills and process degradation
Digital Transformation	• Cost and efficiency pressures • Risk management and controls integration challenges
AI Governance	• Deployment of AI agents • Visibility gaps in AI usage
Data Governance	• Governance challenges over AI-generated outputs • Data sovereignty restrictions
Regulatory Compliance	• Regulatory and policy uncertainty • Weakening ethical culture

Hot Spot	2026 Drivers
Third Parties	• Expanding third-party cybersecurity vulnerabilities • Geopolitical disruptions affecting third-party relationships
Talent Management	• Uncertain effects of AI on talent strategies • Decreasing productively due to employee resentment
Organizational Resilience	• Insufficient attention to risk in organizational strategy • Heightened risk independence
Environmental, Social, Governance (ESG) Strategies	• Globally divergent regulatory and policy mandates on ESG reporting • Fraught ESG communications landscape
Supply Chain Distortions	• Tariff volatility • Supply chain compliance challenges
Macroeconomic Uncertainty	• Declining consumer demand • Effect of policy uncertainty on investment and growth

Source: Gartner 2026 Audit Plan Hot Spots; prioritized by importance and for Government/Public Sector

Internal Audit Coverage Alignment



Fiscal Year 2027 Audit Plan

CU System Administration	CU Boulder	CU Anschutz	CU Denver	UCCS
Digital Content Accessibility				
Foreign Travel Security		H-1B Support Process		Information Technology Cost and Operations Optimization *
Executive Expenses	Contracting Authority Policy Compliance	CU Family Health Clinic Pharmacy Operations ‡	Executive Programs	Offices of Sponsored Programs and Research Integrity Processes
	Family Educational Rights and Privacy Act Training	Department of Biomedical Informatics Security Infrastructure		
	Foreign Funding Reporting	Endpoint Security * ‡		
	InfoEd Data Access and Security Controls * ‡	Foreign Funding Reporting		
	Information Technology Hardware Asset Management	Laboratory Safety and Biohazards		
	Office of Contracts and Grants Processes	School of Dental Medicine Clinical Operations Data Security and Governance ‡		
	Record Retention Policy Compliance			

‡ Rolled forward from Fiscal Year 2026 Audit Plan

*** Advisory**

Additional Projects in Progress

The following projects from the Fiscal Year 2026 Audit Plan are in progress as of May 31, 2026, and most are anticipated to be completed by August 31, 2026, with the exception of the Athletics Transition Review, which will continue in Fiscal Year 2027:

CU System Administration	CU Boulder	CU Anschutz	CU Denver	UCCS
Gramm-Leach Bliley Act Safeguards Rule Compliance				
Payment Card Industry Data Security Standard Compliance				
	Athletics Camps and Clinics	Acquisition of Non-Centrally Provisioned Software and IT Service		Operational Efficiency Review (Finance) *
	Athletics Transition Review	IT Equipment Decommissioning		
	Construction Project Closeout Process			

* Advisory

Project descriptions are available at cu.edu/internalaudit



Fiscal Year 2027 Engagement Descriptions

Please Note…

- The following descriptions provide a high-level, preliminary sense of planned engagements. They are not meant to definitively represent the nature, extent, and timing of procedures to be performed.
  - For **audit/assurance engagements**, objectives and scope of each project will be refined during planning procedures and presented to the stakeholders at the entrance meeting.
  - For **advisory engagements**, objectives, scope, and deliverables will be agreed upon with the stakeholders and documented in an engagement letter.
  - Where anticipated, we incorporated the preliminary engagement timing.

- Engagements have not yet been aligned to the CU strategic plan as it is in the process of being updated.

Fiscal Year 2027 Engagement Descriptions

Campus	Engagement
CU-Wide	**Digital Content Accessibility** *The Americans with Disabilities Act Title II prohibits discrimination on the basis of disability by public entities, ensuring equal access to all programs, services, and activities. It covers public education and by April 26, 2027, requires all web/mobile digital content to meet the Web Content Accessibility Guidelines (WCAG) 2.1 Level AA standards. As reliance on digital platforms for instruction, services, and communication continues to expand, ensuring equitable access for individuals with disabilities is both a legal obligation and a critical component of institutional mission and reputation. Internal Audit will evaluate whether the university has established effective governance, processes, and controls to support compliance with digital accessibility requirements across web content, instructional technologies, and administrative systems. The review will assess alignment with applicable standards (e.g., WCAG, Colorado HB 21-1110 "Digital Accessibility Law"), accessibility practices within decentralized units, and monitoring mechanisms to identify and remediate accessibility gaps.*
CU System Administration	**Executive Expenses** *Annually, Internal Audit reviews expenses submitted by the CU President, Chancellors, Vice Presidents, and their support staff. The scope will include transactions submitted in Fiscal Year 2026.*
CU System Administration | CU Boulder	**Foreign Travel Security** *Federal export control laws and regulations have been established to protect and restrict access to information and technology developed within the United States. The National Security Presidential Memorandum (NSPM)-33 requires all federal research funding agencies to strengthen and standardize disclosure requirements for universities and researchers receiving federally funded awards. NSPM-33 also mandates the establishment of research security programs, such as cybersecurity, foreign travel security, and training at research institutions receiving federal funds. The CU Boulder Office of Export Control (OEC) has primary responsibility for ensuring compliance with export control regulations. Internal Audit will evaluate the sufficiency and effectiveness of controls within OEC and the programs OEC is responsible for managing, specifically focusing on international travel. As part of this audit, Internal Audit will validate the set up of Concur reporting, notifications, and approval of foreign travel.*

Fiscal Year 2027 Engagement Descriptions

Campus	Engagement
CU Boulder	**Contracting Authority Policy Compliance** Administrative Policy Statement (APS) 2005: Contracting Authority *and CU Boulder Signature Authority Policy set forth the contracting authority of the university and apply whenever the university is party to a contract, and the provisions and routing described below apply to each individual type of contract. Internal Audit will evaluate the design and effectiveness of processes and controls implemented by the campus to comply with APS requirements and any additional relevant campus policies. Preliminary timing: Q3-Q4 FY27.*
CU Boulder	**Family Educational Rights and Privacy Act (FERPA) Training** *FERPA is a federal law that protects the privacy of student education records and establishes a student's right to inspect, review and correct errors in these records. It forbids any educational agency, institution, or school from disclosing or releasing personally identifiable information from a student's education records to any non-school official — even governmental agencies — without student (or parental if the student is a minor) notification or consent. Non-compliance with FERPA may result in loss of federal funding, loss of reputation and trust, inability of employees to perform work due to suspension of access, or disciplinary actions for employees. Internal Audit will evaluate the design and effectiveness of controls implemented to support FERPA compliance, such as documented policies and procedures, training oversight and monitoring. Preliminary timing: Q4 FY27.*
CU Boulder	**Foreign Funding Reporting** *Section 117 of the Higher Education Act of 1965 establishes foreign gift and contract reporting requirements for U.S. colleges and universities that receive federal financial assistance. Institutions must report each foreign gift or contract that alone, or in combination with all other gifts and contracts from a single foreign source, total $250,000 or more in a calendar year. Furthermore, a 2021 CU Regent resolution requires the Regent Audit Committee to annually review a report summarizing all gifts, contracts, or grants with a foreign government or non-governmental foreign source with a value of at least $100,000, and a specific disclosure of any transaction with a foreign country subject to restrictions through the Office of Foreign Assets Control. Internal Audit will evaluate processes established by the campus to support completeness and accuracy of the required reporting.*
CU Boulder	**InfoEd Data Access and Security Controls *** *The Cybersecurity Maturity Model Certification (CMMC) is a Department of Defense program designed to ensure that defense contractors implement adequate cybersecurity controls and processes to protect Federal Contract Information (FCI) and Controlled Unclassified Information (CUI) stored on their systems and networks. CMMC requires contractors to demonstrate compliance with specific cybersecurity standards based on the type and sensitivity of the information they handle. Throughout their research activities, principal investigators are often in possession of CUI. Developed by InfoEd Global for electronic research administration, Boulder eRA serves as the comprehensive and official repository for sponsored project proposals and awards. The InfoEd application is supported by the OIT eRA Team. Internal Audit will review InfoEd data access and security controls designed to comply with CMMC Level 2 requirements. Preliminary timing: Q4 FY27.*

Fiscal Year 2027 Engagement Descriptions

Campus	Engagement
CU Boulder	**IT Hardware Asset Management (IT HAM)** *IT HAM is the process of tracking, managing, and optimizing an organization's physical IT assets throughout their lifecycle—from procurement and deployment to maintenance, relocation, and disposal. Without appropriate oversight, organizations may face higher risks of loss (financial, data, or physical equipment), inefficiency, and regulatory exposure. Internal Audit will provide assurance that the campus physical technology assets are accurately tracked, properly secured, and efficiently utilized across their lifecycle; and that risks, such as asset loss, unauthorized devices, and ineffective lifecycle controls that can lead to financial leakage or security exposure, are effectively managed. Internal Audit will also evaluate whether processes support cost optimization, regulatory compliance, and reliable financial reporting. Preliminary timing: Q2-Q3 FY27.*
CU Boulder	**Office of Contracts and Grants (OCG) Processes** *Throughout the lifecycle of an award, the OCG partners with faculty, staff, and students to obtain and manage external support for sponsored activities through their specialized regulatory and organizational expertise, supporting navigation of and compliance with complex requirements. Internal Audit will assess whether the OCG processes are effective, efficient, and consistent for ensuring that external funding is obtained, managed, and closed out in accordance with sponsor requirements, university policy, and regulatory expectations. Internal Audit will evaluate roles, responsibilities, and oversight structures; training, guidance and communication; proposal support and submission processes; award acceptance and setup; post-award management and compliance controls; and award closeout controls. The scope of the audit will exclude subrecipient and subaward management. Preliminary timing: Q3-Q4 FY27.*
CU Boulder	**Record Retention Policy Compliance** APS 2006: Retention of University Records *and CU Boulder Record Retention Schedule establish the principles and processes for the retention and disposal of university records, outlines the roles and responsibilities associated with this process and provides records retention schedules for the university. Adherence to the policy supports compliance with state law and alignment with best practices. Internal Audit will evaluate processes and controls implemented by the campus for meeting the requirements of the policy, including documentation storage and timely destruction. Preliminary timing: Q1 FY27.*

Fiscal Year 2027 Engagement Descriptions

Campus	Engagement
CU Anschutz | Denver	**H-1B Support Process** *The H-1B visa program allows the university to temporarily employ foreign workers in positions requiring the theoretical and practical application of highly specialized knowledge and a bachelor's degree or higher in a specific specialty or equivalent. Internal Audit will review the supporting H-1B processes performed by CU Anschutz and CU Denver Human Resources for effectiveness and consistency, as well as enablement and support of compliance with federal regulations.*
CU Anschutz	**CU Family Health Clinic Pharmacy Operations** *The on-site closed-network pharmacy at CU Family Health Clinic (Sheridan Health Services) fills prescriptions from clinic providers and pharmacy students work under Chronic Disease State Management protocols to manage medication therapy for patients with diabetes, hypertension, hypercholesterolemia, and obesity. Internal Audit will evaluate whether the pharmacy operations comply with applicable laws, regulations, and university policies, and assess the design and operational effectiveness of controls over prescription processing, inventory management, billing practices, and clinical services for support of safe, accurate, and ethical delivery of pharmaceutical care.*
CU Anschutz	**Department of Biomedical Informatics (DBMI) Security Infrastructure** *Institutions of higher education face an increasingly complex regulatory and technological landscape in in managing sensitive research data. The rapid acceleration of digital transformation has introduced new vulnerabilities and heightened scrutiny from external stakeholders. As a nationally recognized leader in biomedical informatics and National Institutes of Health-funded research, the DBMI operates in a high-risk environment involving sensitive human genomic and radiology data. Internal Audit will evaluate whether the department's security infrastructure and controls effectively protect this data, ensuring compliance with regulatory expectations and mitigating risks related to data privacy, integrity, and unauthorized access. Internal Audit will select lab(s) for testing during engagement planning.*
CU Anschutz	**Endpoint Security *** *Endpoint security is a strategy to protect and defend desktops, laptops, and mobile devices from malicious activity. Key contributors to proper and successful endpoint security include, but are not limited to, anti-virus software, firewalls, restrictive permissions and policies, patch management, configuration settings, and intrusion detection and prevention systems. The CU Anschutz Office of Information Security (OIS) is in the process of strengthening endpoint security controls through a set of robust policies, enhanced training, and segmentation of virtual private networks. Internal Audit will review the design of the proposed process changes to assess their effectiveness in strengthening endpoint security.*

* Advisory

Fiscal Year 2027 Engagement Descriptions

Campus	Engagement
CU Anschutz	**Foreign Funding Reporting** *Section 117 of the Higher Education Act of 1965 establishes foreign gift and contract reporting requirements for U.S. colleges and universities that receive federal financial assistance. Institutions must report each foreign gift or contract that alone, or in combination with all other gifts and contracts from a single foreign source, total $250,000 or more in a calendar year. Furthermore, a 2021 CU Regent resolution requires the Regent Audit Committee to annually review a report summarizing all gifts, contracts, or grants with a foreign government or non-governmental foreign source with a value of at least $100,000, and a specific disclosure of any transaction with a foreign country subject to restrictions through the Office of Foreign Assets Control. Internal Audit will evaluate processes established by the campus to support completeness and accuracy of the required reporting.*
CU Anschutz	**Laboratory Safety & Biohazards** *Institutions conducting biomedical research face heightened risks related to laboratory safety, biohazard management, and regulatory compliance, particularly in environments handling biological agents, hazardous materials, and human-derived specimens. At CU Anschutz, the breadth of research activity and reliance on federal funding amplify the need for strong, consistent safety controls and adherence to evolving regulatory standards. The campus Environmental Health and Safety (EH&S) department supports compliance and leading practices. Internal Audit will evaluate EH&S processes and whether laboratory safety and biohazard controls are effectively designed and operating. Internal Audit will assess compliance with applicable regulations and institutional policies, including biosafety procedures, hazardous material handling, incident reporting, and training requirements. A sample of labs may be selected for testing during engagement planning.*
CU Anschutz	**School of Dental Medicine Clinical Operations Data Security and Governance** *IT governance plays a vital role in ensuring the efficient, secure, and effective use of IT assets and resources through clear, well-defined policies and procedures. CU Anschutz operates under a federated IT management model, with certain responsibilities performed by the central Office of Information Technology (OIT)/OIS teams and others resting with individual schools and colleges. Internal Audit will assess the School of Dental Medicine's IT governance framework by reviewing applicable current policies, procedures, and practices to determine their effectiveness in safeguarding School of Dental Medicine data.*

Fiscal Year 2027 Engagement Descriptions

Campus	Engagement
CU Denver	**Executive Programs** *CU Denver offers several executive programs designed to deliver excellence, career progression, and social mobility without career interruption to professionals. In addition to providing an executive master of business administration (EMBA), the campus has two specializations of EMBA in aviation and health administration, as well as an executive doctorate in health administration. Internal Audit will review financial internal controls designed for compliance with university and campus policies of EMBA program(s) (to be selected during planning), with focus on scholarship processes, travel, and expense management.*
UCCS	**IT Cost and Operations Optimization *** *OIT delivers a broad portfolio of foundational technology and security services that enable campus operations, instruction, and collaboration. These services include identity and access management, network and infrastructure, data integration, messaging and collaboration platforms, end-user computing, and support for teaching and learning technologies. In this advisory engagement, Internal AUdit will evaluate OIT's ability to effectively deliver and sustain these core services, with a focus on key risks, service gaps, and opportunities to strengthen resilience and support current institutional priorities.*
UCCS	**Offices of Sponsored Programs and Research Integrity (OSPRI) Processes** *The mission of the OSPRI is to provide professional, comprehensive support to members of the UCCS research community engaged in the preparation and submission of proposals and the management of funded projects. OSPRI exists to help university faculty and staff to increase the number of research programs, services, and other scholarly and creative pursuits that are successful in competitive external funding opportunities from public, private, corporate, and global funding entities (Sponsors). OSPRI works with various groups across UCCS like the Office of Sponsored Programs Accounting to ensure financial, contractual, and regulatory risks are minimized. Internal Audit will evaluate roles, responsibilities, and oversight structures; training, guidance and communication; proposal support and submission processes; award acceptance and setup; post-award management and compliance controls; and award closeout controls. The audit scope will exclude subrecipient and subaward management.*

* Advisory