

Audit Division

The [MIT Audit Division](#) serves the MIT Corporation Risk and Audit Committee and Institute managers by providing assurance and advice over the processes that achieve the Institute's mission and identifying improvements.

The Audit Division delivers audit and advisory services to provide confidence that MIT is:

- Following processes that are compliant with policies, laws, regulations, and contracts
- Presenting information that is accurate and reliable
- Keeping assets safe
- Managing resources efficiently and economically
- Adhering to ethical practices

These services evaluate academic, research, and administrative processes.

Accomplishments and Highlights

In addition to successfully completing the FY2018 plan of audit and advisory engagements, the Audit Division focused on maintaining and improving the comprehensive Quality Assurance Improvement Program; This ensures quality throughout the audit process, which is fundamental to credibility and confidence in the internal audit activity. In parallel, several notable investments were made in line with the 2017 multiyear departmental strategic development plan, which capitalized on opportunities presented following a 2016 external quality assessment review.

Quality Assurance Improvement Program

The defined program includes post-engagement quality reviews, final report reviews, customer satisfaction surveys, periodic self-assessments, an annual staff meeting update highlighting changes in industry standards, and annual reporting of results to the MIT Corporation Risk and Audit Committee. This program covers all types of internal audit activities and is overseen by the manager of audit quality, who regularly shares learnings and identifies areas for improvement across the department with the staff.

Strategic Development Plan

Efforts continued throughout the year toward accomplishments supporting the six pillars of the strategic development plan: culture, relationship building, Institute engagement, vision and strategy, technical orientation, and communication and information sharing. Notably, the Audit Division launched a new website to simplify messaging about how the Audit Division optimally serves customers on campus and at Lincoln Laboratory. Management also invested in identifying, researching, and trialing audit management solutions for more effective and efficient cloud-based audit planning and reporting. An upgrade is planned for fall 2018. A recently completed space renewal project in Building NE49-3021 encourages more collaborative project planning and execution at all levels. A tour of Lincoln Laboratory was organized to familiarize staff

with the mission, organization, and operational environment of the Institute's federally-funded research and development center. Professor Emeritus Samuel Jay Keyser was invited to join the staff for a discussion about Institute governance, roles, and process, based on his book, *Mens et Mania*, published by MIT Press.

Departmental and Staff Transitions

Brigitte Tersek, senior administrative assistant, left the Audit Division for an internal opportunity as financial coordinator for Open Learning in January 2018. Tersek had been with the Audit Division for two years.

Robin Irvin, senior internal auditor for the Lincoln Laboratory audit services team, left the Audit Division to focus on family obligations in April 2018. Irvin had been with the Audit Division for just under a year.

Robert Monteith, senior internal auditor for the campus team, joined the Audit Division in July 2017 with more than 25 years of audit and risk management experience in several industries, including financial services, health care, telecommunications, hardware and software manufacturing, and retail. Monteith holds a bachelor of science in accounting and a master's certificate in financial services. Monteith also maintains professional certification as a certified information systems auditor.

Emma Bagshaw, senior administrative assistant, joined the Audit Division in March 2018 with 10 years of operations experience in the nonprofit sector. Bagshaw holds a general business studies certificate from the Isenberg School of Management, University of Massachusetts at Amherst.

Professional Development and Certification

Professional standards required a continuous level of professional development to ensure competence and enhance proficiency. Management worked with each staff member to ascertain individual needs for growth and development and planned training accordingly; staff attended various conferences, seminars, and webinars.

Professional certification for staff members was held out as a goal and maintained through a personal program for professional development. The Audit Division held 20 certifications collectively.

One way internal auditors stayed informed about improvements and current developments in internal audit standards, procedures, and techniques was by volunteering in professional organizations and presenting at conferences and seminars. Kallie Firestone, senior compliance specialist, served on the Annual Meeting and Pre-Award Research Administration program committees for the National Council of University Research Administrators. Antwon Ward, senior internal auditor, served board communications activities as well as the Educational Liaison Committee for The International Information System Security Certification Consortium, or (ISC)², an international nonprofit membership association focused on promoting cybersecurity. Michael Moody, Institute auditor, served on the Association of College and University Auditors Membership Committee.

Presentations by Michael Moody included:

- “Internal Audit at MIT” at the September 2017 Executive Vice President and Treasurer Leadership Team meeting
- “Partnering with the Risk Office to Identify Risk and Allocate Resources” and was a panelist for “Opportunities and Challenges of the Chief Audit Executive in 2018” at the November 2017 MIS Training Institute Chief Audit Executive Leadership Summit
- Panelist for “Managing Risk at MIT” at the January 2018 Administrative Officer Networking Breakfast sponsored by MIT’s Administrative Advisory Council II

For the second time since 2003, the Audit Division hosted the annual Ivy+ (Audit) Direct Reports Conference in October at which Michael Moody presented “Internal Audit at MIT,” Kim Ahern, manager of audit quality, presented “MIT Quality Assessment Review,” and Michael Bowers, associate audit director, Kallie Firestone, and Vesna Zaccheo, audit services manager, presented “Site Visits: Research Compliance in a Decentralized Environment.” Michael Moody moderated and the Audit Division also hosted the Ivy+ Data Analytics Conference in October as a first-ever discussion and sharing of current data analytics practices in higher education internal audit. Bowers, Firestone, and Moody presented “The Auditors are Coming!” at the March 2018 Vice President for Research’s Topics in Research Administration to more than 100 research administrators and other members of the MIT research community. Attendees learned the Audit Division’s role in the Institute’s governance structure and gained insight into what to expect when selected for an audit. John Dvorak, audit services manager, Robert Monteith, and Carter Stubbs, senior internal auditor, gave a presentation on data governance and security at the 2018 MIT IT Partners Conference.

Institute Activities

MIT’s governance structure was supported by a strong system of committees and councils. The Audit Division’s participation in these groups presented another opportunity to engage internal control expertise. It provided access to venues where information and opinions were shared openly and promoted trusting relationships built with administrators at all levels.

Michael Moody served on the following Institute standing committees: Advisory Committee on Research Administration; Budget and Finance Steering Group; the Data Classification Working Group; Payment Card Industry Sponsors; Policy and Procedures Coordinating Group of the International Coordinating Committee; Research Administration Coordinating Council; Risk and Compliance Advisory Team; Risk Council; and was a standing guest of the Information Technology Governance Committee.

Martha Jane Gagnon, associate audit director, served as coach during one session of Human Resources’ Managing for Excellence track. Vesna Zaccheo was a member of MIT’s Community Emergency Response Team, and volunteered at the 2018 Commencement in this role. Zaccheo assisted during Boston’s Logan Emergency Action Plan overnight full-scale Active Shooter Hostile Event exercise in September 2017 and earned a National

Weather Preparedness for Campuses Certificate after an all-day training hosted by the Federal Emergency Management Agency and the National Disaster Preparedness Training Center. Nichole Valois, senior internal auditor, volunteered for the Institute's English as a Second Language Program for Service Employees. The Audit Division prepared a poster for the annual poster session sponsored by the Executive Vice President and Treasurer with the theme "Collaborating for MIT's Future," and sponsored a table at Careers Across MIT hosted by Human Resources.

Michael J. Moody
Institute Auditor