

Reflection on Strengthening Internal Audit in Universities in the New Era

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Abstract: In the new era, how to improve the quality of internal audit work, fully leverage the regulatory function of internal audit, establish standardized internal management mechanisms, and improve the internal governance system has become an important issue for universities to make scientific economic decisions and walk the path of sustainable development. This article briefly analyzes the functions of internal audit work, starting from the healthy development of universities, the construction of clean governance, and the improvement of governance mechanisms. It elaborates on the necessity of strengthening internal audit in universities, and analyzes the difficulties faced by internal audit work in universities by combining audit team building, information construction, result application, and independence. Starting from four aspects: strengthening audit team building, upgrading internal audit platform, strengthening the application of audit results, and ensuring the independence of internal audit, it explores the path for universities to promote the high-quality development of internal audit work.

Keywords: New Era; Universities; Internal auditing

Introduction

In the governance system of universities, internal auditing plays a role in preventing financial risks. In the new era, the internal design of universities has multiple functions, firstly, financial supervision function. In the financial accounting work of universities, internal audit is a supervisory means. Auditors review whether the financial work meets the requirements in accordance with national regulations, supervise financial income and expenditure, and analyze the compliance and legality of external economic transactions; Secondly, evaluate the rectification function. In the external business dealings of universities, internal auditors evaluate all economic activity information, focus on evaluating the direction and situation of budget fund utilization in each department, objectively evaluate project implementation, and provide rectification opinions based on actual problems; Thirdly, the consulting management function. In the economic decision-making of universities, internal auditors use professional tools, integrate and analyze information from a professional perspective, and provide scientific and rational suggestions for universities to make decisions.

I. The necessity of strengthening internal auditing in universities

1. The demand for healthy development of universities

Strengthening internal auditing is a requirement for universities to achieve healthy and sustainable development. With the expansion of the scale of education and the increase in foreign economic transactions, universities have increased their investment in various projects, which has put forward higher requirements for the scope and quality of internal auditing. In addition, the requirements of the Audit Law require universities to strengthen internal auditing work as a whole. In the process of reforming the teaching system, management system, enrollment system, and investment system, universities should carry out management auditing, performance auditing, and risk auditing, coordinate the relationship between scientific research and teaching reform work, and promote the healthy development of higher education.

2. The requirements for the construction of clean governance in universities

Strengthening internal auditing is an inevitable requirement for universities to build a clean campus. Internal audit plays an important role in preventing and punishing corruption. With the trend of expanding the scale of education, the scope of authority of university management personnel is constantly expanding. It is necessary for universities to highlight the position of internal audit "economic police", comprehensively supervise various business processes, timely audit financial income and expenditure, term economic responsibility, and business operation, discover actual problems in a timely manner, consolidate the bottom line of clean and honest work, and deepen the construction of a clean government.

3. Requirements for a sound governance mechanism in universities

Strengthening internal auditing is a requirement for universities to improve their modern governance system. In the governance system of universities, internal audit plays a coordinating and promoting role, urging all powers to be effectively executed. It is necessary for universities to attach importance to the construction of internal audit departments and systems, improve internal control mechanisms, fully leverage the functions of internal audit prevention, supervision, and consulting services, better avoid and prevent educational risks, ensure asset integrity and safety, assist leaders in formulating scientific top-level strategic decisions, and establish more comprehensive governance mechanisms.

II. The Dilemmas Faced by Internal Audit Work in Universities in the New Era

1. The construction of the audit team needs to be strengthened

The professional ability and literacy of university auditors are not high. On the one hand, some auditors have insufficient understanding

of policies. In 2022, China revised the Audit Law. However, in the internal audit teams of universities, some auditors have not thoroughly studied the content and requirements of the laws and regulations, making it difficult to carry out their work in accordance with the latest requirements. They still adopt traditional auditing methods. On the other hand, auditors lack strong awareness of informatization and big data. In the era of informatization and digital empowerment, due to limitations in work and learning energy, some auditors have failed to keep up with the development trend of the times, have limited understanding of informatization and big data applications, and are difficult to use big data to innovate internal audit work forms. Their professional abilities need to be improved.

2. Information technology construction is relatively backward

The construction and application level of internal audit information systems in universities is not high. Currently, internal auditing in universities focuses on reviewing traditional materials and has not established an information-based auditing method system, which cannot fully track and supervise economic business activities. This is mainly due to the lack of an information-based system. In internal audit work, some universities use relatively outdated information systems with insufficient compatibility and sharing, making it difficult to communicate information with various departments, and insufficient information resource sharing with research, asset, and human resources departments.

3. The audit application is not reasonable enough

The rationality of the application of internal audit results in universities is insufficient. Currently, in the performance evaluation system, some universities have not fully utilized internal audit results, resulting in a lack of attention from management to audit work. After obtaining the audit results, some universities failed to establish a problem rectification mechanism based on the actual situation, resulting in audit work being superficial and difficult to play a role in university governance.

4. Insufficient independence of audit institutions

Internal audit institutions in universities lack independence. The higher the leadership level of internal audit work, the less pressure it often puts on the work. However, currently, some universities have not established independent audit departments, and audit institutions are often merged with finance and disciplinary inspection departments. The independence of audit work is insufficient, making it easy to face numerous obstacles in work, and the authority of audit results is not strong.

III. The Path to Promote High Quality Development of Internal Audit in Universities in the New Era

1. Strengthen the construction of audit teams and form a big data work approach

Faced with the challenges of the new era, universities should attach importance to the construction of internal audit teams, carry out training in audit laws, policies, and technologies, and improve the professional competence and ethics of auditors. Firstly, schools should establish a strong internal audit team, adjust the proportion of engineering and financial audit professionals through talent introduction and professional training, optimize the structure of auditors, and vigorously promote and train the new Audit Law, requiring auditors to understand new policies, learn new knowledge, and improve their ability to apply new laws and implement new requirements. Secondly, schools should carry out technical training activities in accordance with digital requirements, invite big data and network experts, conduct training in the field of big data technology, improve the ability of auditors to operate big data tools, and build an information-based and data-driven audit model. To stimulate the enthusiasm of auditors for professional development, schools should set up skill written tests to assess their understanding of information technology and big data, encourage them to actively learn, research, and apply big data technology, improve their risk control capabilities, and regularly organize off campus business training to enable auditors to understand typical cases, draw experience, and improve their ability to use audit system software. In addition, schools should establish a sound incentive and assessment mechanism for internal auditors, regularly select excellent audit projects, award and honor them, and establish a system of responsibility and accountability for audit team leaders, clarifying the rights and responsibilities of auditors, and promoting the formation of a big data work approach.

2. Upgrade the audit management platform and optimize the internal audit process

Colleges and universities should apply informatization to internal audit work, use the Internet and electronic systems, innovate internal audit methods, and optimize audit processes. Firstly, schools should improve the coverage level of information technology construction, utilize information technology and big data platforms, connect various management nodes, link audit management with real estate management, fixed asset management, financial budget management, and internal control management, and authorize query functions in layers according to management levels, job responsibilities, and departmental functions to do a good job in information security risk prevention and control, and avoid data leakage issues. Secondly, the audit department should fully utilize the intelligent management platform, adopt electronic management methods, build a management mechanism for online approval throughout the entire process, complete planned audits, project scheme designs, audit reviews, and other work, control audit technology, audit implementation, and depth investigation in real time, and establish standardized and digital audit procedures. In the audit process, auditors should use and accumulate more Internet plus audit skills, and reasonably use off-site audit and on-site audit methods according to actual needs. In on-site audit work, auditors can comprehensively audit various business information to avoid omissions in the audit. They can also use big data technology to carry out off-site audit work, supervise the implementation process of various businesses, and build a dynamic audit system. In addition, the internal audit department should adhere to the problem oriented concept, establish a full process audit model, and optimize the audit process. Specifically, the audit department of universities should establish a specialized audit database to uniformly manage various audit work

materials, such as other supervisory structure achievements, internal audit cases and conclusions. In combination with the requirements of the new Audit Law, a risk supervision list should be established to clarify the requirements for audit report preparation, design indicators such as clear conclusions, appropriate in accordance with the law, and clear issues, to provide reference for subsequent work rectification.

3. Strengthen the application of audit results and establish a system for rectifying problems

To improve the quality of internal auditing, universities should pay attention to the use of internal audit results, link audit results with performance management systems, and develop audit problem rectification systems. Firstly, schools should establish a sound internal audit quality control mechanism, requiring the audit department to develop a rectification plan based on the audit results, clarify specific measures for internal audit rectification, and adopt a process supervision approach. During the audit, relevant issues should be supervised and rectified, fully utilizing the supervisory function of internal design to improve problem handling efficiency. Secondly, schools should establish a tracking and inspection system to continuously track the progress and effectiveness of internal audit problem rectification, ensuring that the project rectification process is implemented effectively. Specifically, schools should establish internal audit problem rectification standards on the basis of the existing performance management system, combining year-end performance with internal audit problem rectification performance. To accurately implement rectification and inspection work, the school has established an irregular and periodic inspection system. For departments that require rectification, the audit supervision team can review and evaluate the rectification of problems within the prescribed time, and further identify areas for improvement. According to the severity of audit issues, audit inspectors can adopt an irregular review method, without setting specific inspection times, and randomly carry out inspection work. In addition, the internal audit department should regularly summarize and summarize work results, reflect on work shortcomings, and accumulate experience. Schools can organize seminars and exchange meetings to discuss project audit experience and existing problems, provide targeted suggestions and methods, and clarify the future development direction of audit work.

4. Ensure the independence of internal audit and improve the efficiency of audit work

Firstly, universities should highlight the independent status of audit institutions. Schools can establish an audit committee system to directly report internal audit work to their immediate leaders, regularly report on their work, and enhance the authority and independence of the audit department. Secondly, the auditing department should emphasize the independence of auditors. In terms of legal policies, internal auditors should act in accordance with regulations and legal systems, fulfill their duties within the legal framework, and not be interfered by any individual or unit to ensure the independence of their work. The internal audit department should carry out training on professional ethics and ideological and political aspects, so that auditors can firm their political stance, adhere to the bottom line of professional ethics, and improve their work competence. In addition, the auditing department should enhance economic independence. For the funds required for audit training and work, universities have specially formulated laws, regulations, and rules, which are included in the unit's financial budget or departmental budget, allowing auditors to complete audit work fairly and independently without interference or influence from other units, and improving work efficiency.

IV. Conclusion

In summary, based on the new era, strengthening the quality control of internal auditing in universities is related to the construction of a normalized risk prevention and control system and a standardized internal management system in universities, which affects the scientificity of economic decision-making. Therefore, in the context of high-quality development, universities should improve their audit work systems and rules, continuously optimize internal audit procedures, utilize information technology and big data, innovate audit methods, strengthen the service and supervision functions of internal audits, and provide guarantees for the sound governance system and sustainable and healthy development of universities by strengthening the construction of audit teams, promoting audit informatization, emphasizing the application of audit results, and ensuring the independence of audit work.

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