

Internal Audit and Advisory Services Update

September 2, 2021

Advisory Services

Banner User Access Reports

- **Issue:** The University needed to formalize Banner system user access reviews.
- **Advisory Service Objectives:**
 - Evaluate user access information provided in existing reports
 - Determine requirements to make review more efficient and effective
 - Develop reports and suggest process for documenting review

Advisory Services Banner User Access Reports

Project Results:

- Developed Cognos reports that can be set to auto-generate monthly and indicate the access assigned to different user groups and individual users.
 - Addition of other data, including full employee name, department, and position, to help improve the efficiency of the review.
 - System owners provided feedback resulting in creation of additional reports.
- IT Security will oversee the annual review and approval of user access.

Advisory Services

Data Accessibility

- **Issue:** Management had requested assistance in evaluating the accessibility of recruitment and enrollment data for analysis and reporting.
- **Advisory Service Objectives:**
 - Understand management's data reporting needs
 - Identify existing data sources and reports
 - Identify additional data that could enhance existing reporting
 - Modify existing reports or develop new reports

Advisory Services Data Accessibility

Project Results:

- IT created daily data tables that Internal Audit used to develop a Cognos report for daily delivery to management via email.
- Developed a recruitment and enrollment projection model.
- Recommend consolidating prospect and recruitment data from disparate systems into a centralized location.
- Recommend engaging an enrollment management consultant to evaluate the University's recruitment/retention strategy and infrastructure.

Higher Education Emergency Relief Funds (HEERF) II Student Award Compliance

| Audit Objectives: | RISK MITIGATION | | | |
|--|-------------------------------|-----------------------------------|--------------------------------------|---|
| | Adequate Controls & Practices | Opportunity for Minor Improvement | Opportunity for Moderate Improvement | Opportunity for Significant Improvement |
| Policies and procedures for HEERF II student awards comply with federal law and Department of Education terms and conditions | | | | |
| Recipients of HEERF II student awards met eligibility criteria | | | | |
| Award amounts correspond to student need and were paid out or posted to the account as directed by the student | | | | |
| | | | | |

Capital Project Budgeting and Budget to Actual Analysis

| Audit Objectives: | <i>RISK MITIGATION</i> | | | |
|--|-------------------------------|-----------------------------------|--------------------------------------|---|
| | Adequate Controls & Practices | Opportunity for Minor Improvement | Opportunity for Moderate Improvement | Opportunity for Significant Improvement |
| Evaluate the adequacy and completeness of capital project budgets developed in conjunction with state capital appropriations requests and preliminary design | | | | |
| Evaluate the adequacy of capital project budget to actual analyses prepared throughout the construction cycle | | | | |

Capital Project Budgeting Control Issues and Responses

- **Issue 1:** Past requests for capital appropriations were limited to the costs associated with design and construction of the building. The cost of furniture, fixtures, and equipment were excluded from both the appropriations request and the budget provided to the Business Office.
- **Response:** Effective immediately, new capital appropriations requests will include budget estimates for furniture, fixtures, and equipment and Facility Operations and Planning intends to leverage professional architectural and engineering resources in the planning stages to ensure budgets are as accurate as possible.

Capital Project Budgeting Control Issues and Responses

- **Issue 2:** There was not a formal process to ensure that the estimated financial impact of changes in project scope or cost estimates occurring after submission of the original budget was communicated timely to accounting and budget personnel.
- **Response:** Finance and Administration will form a committee to enhance communication regarding capital project budgets and changes in project scope. The target date for convening the committee is March 31, 2022.

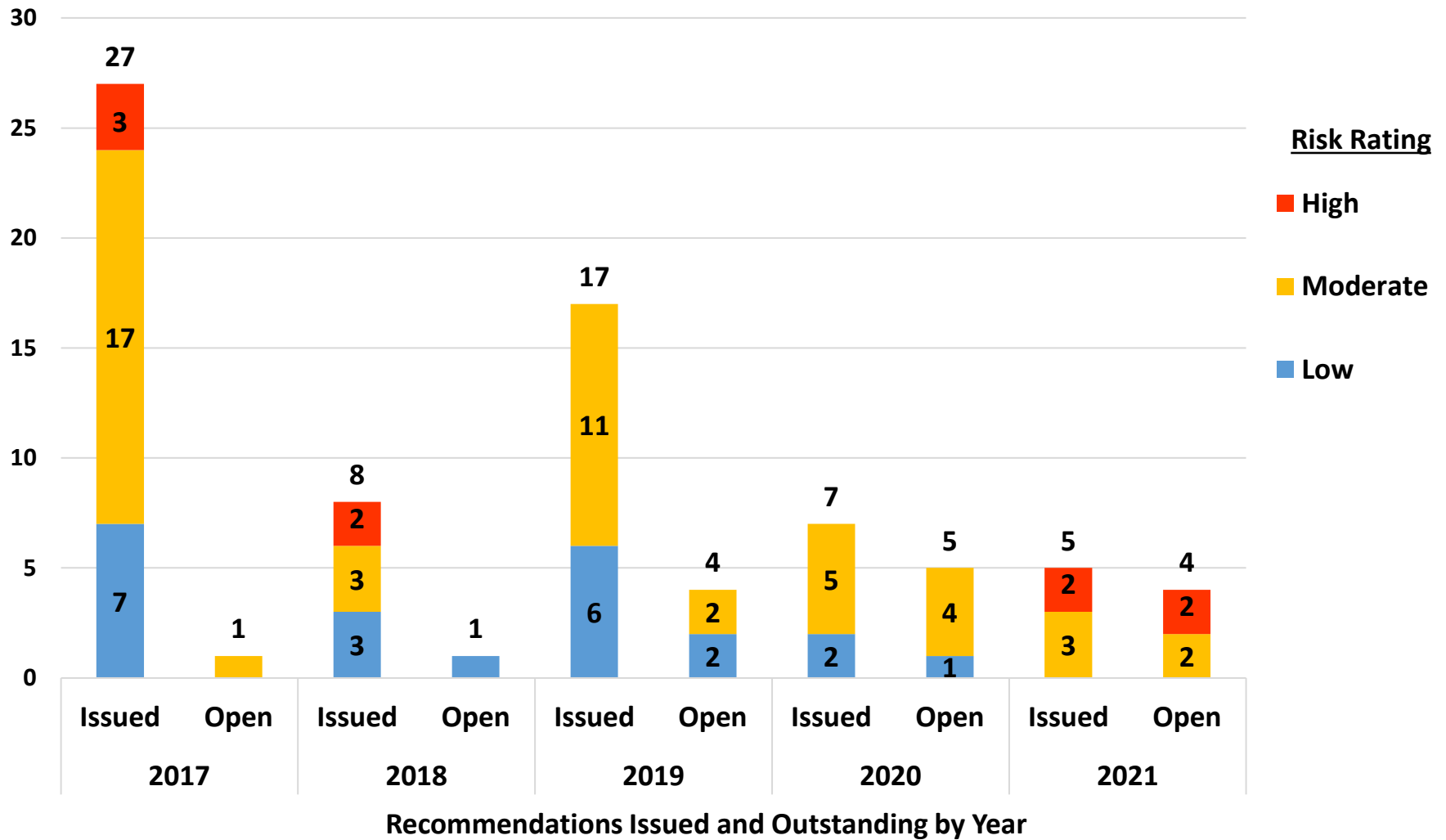
Other Audit and Advisory Activities

- Audits in progress with fieldwork nearly complete
 - Campus Store Management Agreement
- Update of internal control documents for state auditors
- Monitoring and advising on CARES Act funding compliance
- Monitoring and advising on IT security initiatives

Audit Recommendation Matrices

- Rating definitions
 - **Low** – Minor issue; characterized by insignificant financial impact or minimal impact on ability to meet goals and objectives
 - **Moderate** – Medium-priority internal control or risk management issue; characterized by modest financial losses, reputation damage, or delayed achievement of goals and objectives
 - **High** – Significant internal control or risk management issue; characterized by high susceptibility to fraud or misappropriation, material financial impact, considerable damage to reputation, or inability to achieve goals and objectives

Audit Recommendation Status Update



2021 Internal Audit and Advisory Services Plan

| QUARTER BEGINNING | AUDIT AREA | DESCRIPTION | HOURS |
|-------------------|--|--|-------|
| January 2021 | Banner User Access | Facilitate development of Cognos reports for use by management to complete Banner user access reviews | 240 |
| | Higher Education Emergency Relief Funds | Monitor regulatory guidance and advise management of compliance issues related to use of funds | 100 |
| | Internal Control Documents for financial statement audit | Documentation of accounting and financial reporting controls for state auditors | 125 |
| April 2021 | Data Accessibility for Analysis and Reporting | Review accessibility of key data to facilitate delivery of timely analytics for management related to recruitment and retention strategies | 240 |
| | Strategic Plan Support | Provide support to management related to implementation of the strategic plan | 150 |
| | Student Account Adjustments | Review controls over student account adjustments initiated by University personnel or service providers | 150 |
| | Facility Operations Storeroom | Physical inventory observation | 50 |
| July 2021 | Capital Projects | Review recent capital projects and evaluate budgeted costs to actual costs incurred | 200 |
| | Campus Store | Review campus store agreement and controls over revenue and commission payments | 150 |
| | Federal Student Financial Aid | Review administration of federal student aid for compliance with federal requirements governing Title IV student aid programs | 250 |
| | IT Security Initiatives | Monitor progress on security findings from prior IT security and privacy audits & coordinating follow-up to past external audit reviews | 220 |
| October 2021 | External Audit Support | Support for external auditors performing federal financial aid audit and state aid agreed upon procedures | 120 |
| | Athletics Ticketing | Review ticketing processes associated with new ticketing system | 225 |
| | Payment and cash handling | Review controls within areas that regularly accept payments and handle cash | 220 |

Items in yellow are substantially complete

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|--|---------------------|
| Total Hours | <u>2,440</u> |
| Hours Available | 2,500 |
| Hours available for unscheduled audits | 60 |

