

# Internal Audit and Advisory Services Update

September 1, 2022

# Athletics Ticketing System Controls Review

Audit Objectives:	RISK MITIGATION			
	Adequate Controls & Practices	Opportunity for Minor Improvement	Opportunity for Moderate Improvement	Opportunity for Significant Improvement
Determine the adequacy of written ticketing procedures				
Evaluate the adequacy of user access controls and segregation of duties within the AudienceView ticketing system				
Evaluate the adequacy of controls over ticket sales and cash handling at events using the AudienceView system				

# Athletics Ticketing System Control Issues and Responses

- **Issue 1:** Detailed procedures have not been documented for setting up events in the ticketing system, processing cash and payment card sales, and for preparing the ticket sales report and deposit.
- **Response:** The senior administrative associate for athletics will prepare a manual by July 1, 2022, with instructions on how to utilize the ticketing system, how to report ticket sales, and deposit procedures.

# Athletics Ticketing System Control Issues and Responses

- **Issue 2:** Athletics personnel had to overcome several issues with the ticketing system during the first few weeks of basketball season, including: issues with point-of-sale card swipe devices, malfunctioning ticket scanners, and an issue with game information in barcodes on season tickets.
- **Response:** The senior administrative associate for athletics will incorporate testing steps into the ticketing procedures manual to include pre-season testing of ticket scanning equipment, barcode information on season tickets, and testing the point-of-sale card swipe devices.

# Athletics Ticketing System Control Issues and Responses

- **Issue 3:** Individuals with responsibility for overseeing most ticketing transactions were also responsible for the creation and administration of user accounts.
- **Response:** Athletics personnel removed the ability to add and delete users from the system profile of the senior administrative associate of athletics and from the profile of the interim director of special events. The senior associate athletic director, who is not involved in tickets sales, is now responsible for creating new users and removing users.

# Athletics Ticketing System Control Issues and Responses

- **Issue 4:** The verification of printed season tickets to the count in the AudienceView system is not formally documented by the staff accountant and the associated season-ticket revenue is not reconciled to Banner until the conclusion of the basketball season.
- **Response:** Effective for the 2022-2023 basketball season, the staff accountant will document the verification of the pre-printed season ticket count and will also reconcile sales revenue in Banner to sales reports from AudienceView as of September 30, December 31, and March 31.

# Payment Card Industry (PCI) Compliance Assessment

Audit Objectives:	<i>RISK MITIGATION</i>			
	Adequate Controls & Practices	Opportunity for Minor Improvement	Opportunity for Moderate Improvement	Opportunity for Significant Improvement
Determine the adequacy of written procedures for acceptance of credit and debit cards				
Assess the knowledge of personnel regarding the secure processing, storage, and disposal of cardholder data				
Evaluate compliance with PCI Self-Assessment criteria				

# PCI Compliance Assessment Control Issues and Responses

- **Issue 1:** Departments responsible for payment processing did not have a formal written policy regarding handling debit and credit card information.
- **Response:** The Chief Information Security Officer (CISO) will draft an institutional PCI compliance policy for distribution and dissemination to all departments with responsibility for handling credit and debit card information. The policy will be finalized and distributed by September 30, 2022.



# PCI Compliance Assessment Control Issues and Responses

- **Issue 2:** The University does not have formal documented payment acceptance procedures and training for personnel processing payments.
- **Response:** The Bursar will develop payment acceptance procedures for dissemination to University personnel responsible for handling payments and work with the CISO to coordinate and provide training on the PCI security policy and payment acceptance procedures by September 30, 2022.

# PCI Compliance Assessment Control Issues and Responses

- **Issue 3:** There is currently not a formal annual review of card payment processing vendors' PCI compliance status.
- **Response:** The CISO will work with the Bursar to coordinate obtaining the PCI compliance status of card processing vendors on an annual basis. The first review of vendor PCI compliance will be completed by September 30, 2022.

# PCI Compliance Assessment Control Issues and Responses

- **Issue 4:** The University has not completed a self-assessment questionnaire and attestation of compliance annually as required by PCI Data Security Standards.
- **Response:** The CISO will work with the University Controller and Bursar to address the items noted by Internal Audit during the compliance assessment with a target to complete the required self-assessments and attestation of compliance by November 1, 2022.

# Federal Enrollment Reporting Compliance Assessment

Audit Objectives:	<i>RISK MITIGATION</i>			
	Adequate Controls & Practices	Opportunity for Minor Improvement	Opportunity for Moderate Improvement	Opportunity for Significant Improvement
Evaluate the adequacy of the enrollment reporting process based on guidance from the National Student Clearinghouse (NSC)				
Evaluate the accuracy of student enrollment information submitted to NSC and the National Student Loan Data System (NSLDS)				

# Federal Enrollment Reporting Compliance Control Issues and Responses

- **Issue 1:** The University reports students with a “graduated” status to the National Student Clearinghouse (NSC) through a Degree Verify file. NSC recommends schools submit a graduates-only file in addition to a Degree Verify file.
- **Response:** The Associate Registrar will investigate the potential benefits of submitting a graduates-only file to NSC after each academic term. The review will be completed by October 1, 2022.

# Federal Enrollment Reporting Compliance Control Issues and Responses

- **Issue 2:** The Associate Registrar reviews the Reject Detail (School Review) report, which contains all errors that are required to be corrected. However, NSC recommends that institutions also review the Reject Detail (All Records) report for specific SSN or SID errors.
- **Response:** The Associate Registrar will implement a review of the Reject Detail (All Records) report for Errors 30, 211, and 212 by October 1, 2022.

# Federal Enrollment Reporting Compliance Control Issues and Responses

- **Issue 3:** During our review of enrollment data reported to the National Student Loan Data System (NSLDS) for a sample of students, Internal Audit noted students whose program begin date pre-dated the students' enrollment.
- **Response:** The Associate Registrar will develop an exception report by October 1, 2022, to show students who were accepted but not enrolled and which will be used to update the students' records.

# Federal Enrollment Reporting Compliance Control Issues and Responses

- **Issue 4:** The University is currently not utilizing the privacy block setting when reporting to NSC.
- **Response:** The Associate Registrar will inquire with NSC support personnel by October 1, 2022, regarding the appropriate use of the privacy block setting.



# Federal Enrollment Reporting Compliance Control Issues and Responses

- **Issue 5:** The Clearinghouse training suggests institutions should request and review the SCHE10 report from NSLDS, which compares data reported to the Common Origination and Disbursement system to data in NSLDS.
- **Response:** The Associate Registrar will inquire with NSC support personnel by October 1, 2022, regarding how to work the SCHE10 report.

# Federal Enrollment Reporting Compliance Control Issues and Responses

- **Issue 6:** There is currently no one at the University assigned the responsibility to monitor the University's NSLDS Statistics Score.
- **Response:** Student financial assistance personnel will implement a monthly review of the NSLDS statistics score by August 31, 2022.

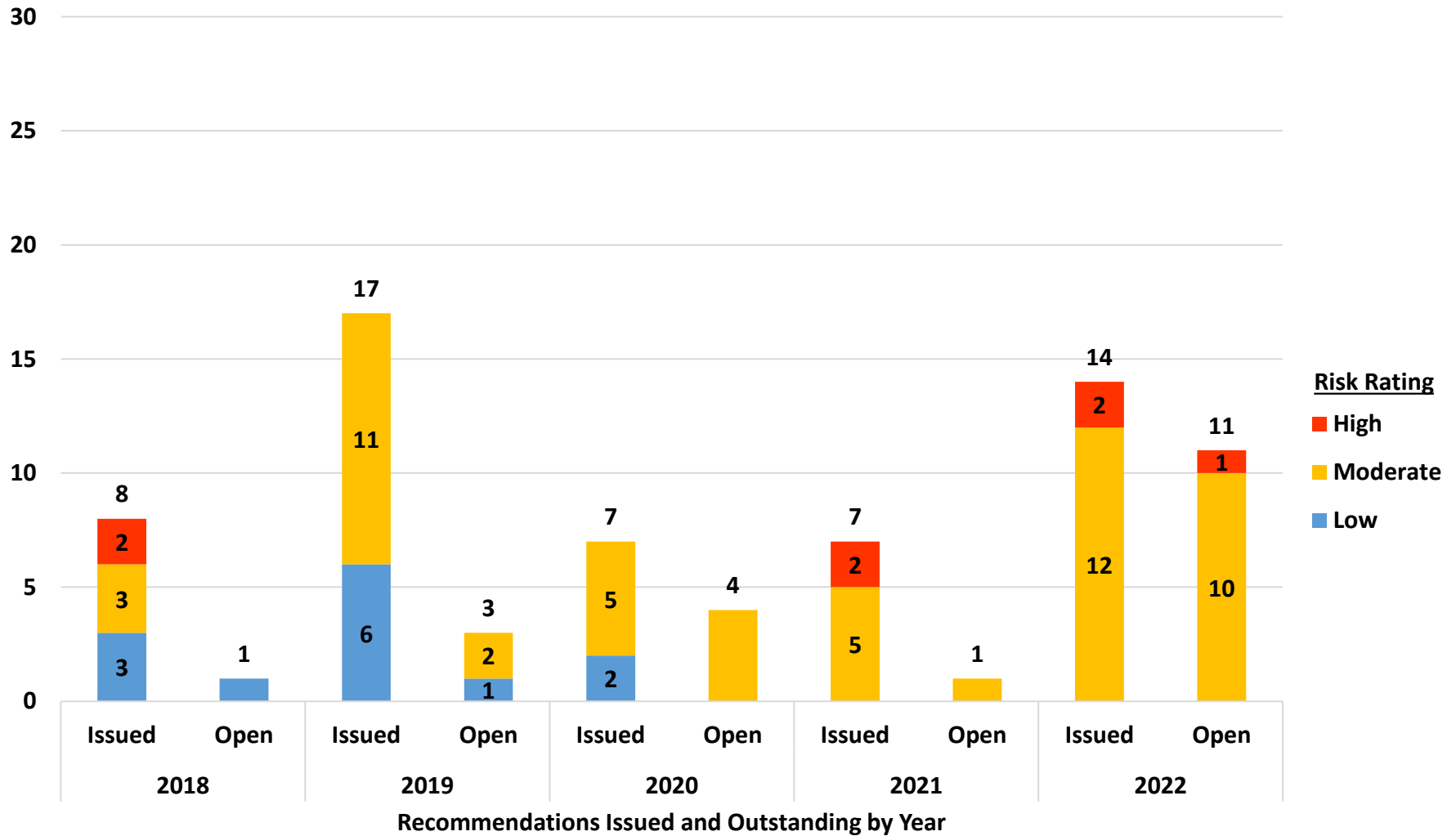
# Other Audit and Advisory Activities

- Audits in progress
  - Institutional Scholarship and Fee Waiver Risk Assessment
- Update of internal control documents for state auditors
- Facilitation of University Risk Management activities
- 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



# 2022 Internal Audit and Advisory Services Plan

QUARTER BEGINNING	AUDIT AREA	DESCRIPTION	HOURS
January 2022	Payment Card Industry (PCI) Compliance	Evaluate compliance with data security standard using self-assessment questionnaires	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 2022	Enrollment Reporting	Review federal enrollment reporting requirements and processes and procedures to ensure compliance	220
	University Risk Management Committee	Facilitation of University Risk Management Committee activities	150
	Investments	Review investment management agreements and compliance with policy	200
	Facility Operations Storeroom	Physical inventory observation	50
July 2022	Institutional Scholarship and Fee Waivers Risk Assessment	Review risks and controls associated with institutional scholarships and fee waivers	220
	Athletics Eligibility	Review of student athlete eligibility	200
	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	200
October 2022	External Audit Support	Support for external auditors performing federal financial aid audit and state aid agreed upon procedures	120
	Housing & Residence Life	Review new residential management software user access and controls over billing and residence contracts	200
	Enrollment Deposits	Review controls over the assessment, collection, and accounting of enrollment deposits	220

Items in yellow are substantially complete

<b>Total Hours</b>	<b>2,495</b>
Hours Available	2,527
Hours available for unscheduled audits	32

