

Internal Audit Report

September 5, 2024

Drug Free Schools & Communities Act Compliance

Audit Objectives:	RISK MITIGATION			
	Adequate Controls & Practices	Opportunity for Minor Improvement	Opportunity for Moderate Improvement	Opportunity for Significant Improvement
Evaluate the processes and procedures for providing annual written notification to all students and employees about the drug and alcohol prevention program				
Assess the content of the annual notification for compliance with the Drug-Free Schools and Campuses Regulations				
Verify the University has conducted biennial reviews of its drug and alcohol prevention program				

Drug Free Schools & Communities Act Compliance Observations and Responses

- **Observation 1:** There is not a notification document for students and employees that contains all five of the notification elements required by the regulations.
- **Response:** The Dean of Students and Assistant Director of Human Resources will work with the Substance Abuse Committee to identify and develop the official notifications by July 1, 2024, to include all required notification elements.

Drug Free Schools & Communities Act Compliance Observations and Responses

- **Observation 2:** The University's methods for notifying students and employees about the drug and alcohol abuse prevention program may not meet the distribution requirements cited in the regulations.
- **Response:** The Dean of Students and Assistant Director of Human Resources worked with the Substance Abuse Committee to evaluate the methods of distribution and will distribute the notification to all students and employees via email in September 2024.

Drug Free Schools & Communities Act Compliance Observations and Responses

- **Observation 3:** The University's biennial review report does not contain a conclusion regarding the effectiveness of the drug and alcohol abuse prevention program and consistency of enforcement.
- **Response:** The Substance Abuse Committee will incorporate conclusions in the next biennial review report to be issued in December 2024.

Drug Free Schools & Communities Act Compliance Observations and Responses

- **Observation 4:** The Substance Abuse Committee has not been active for several years, there is no documentation of annual reporting to the president, nor has the president signed the biennial review report.
- **Response:** The Substance Abuse Committee will reconvene by July 1, 2024, provide annual reports to the president, and provide the biennial review report to the president for review and signature by May 15, 2025.

Administrative Appeals

Audit Objectives:	RISK MITIGATION			
	Adequate Controls & Practices	Opportunity for Minor Improvement	Opportunity for Moderate Improvement	Opportunity for Significant Improvement
Evaluate the adequacy of the Administrative Appeals Committee description and purpose				
Determine whether appeals reviewed by the committee are within the scope of its duties and decisions are consistent				
Review the efficiency and effectiveness of the appeals process				

Administrative Appeals Observations and Responses

- **Observation 1:** The Administrative Appeals Committee purpose and scope are not clearly and consistently defined.
- **Response:** The purpose and scope of the Administrative Appeals Committee will be clarified and updated in both the University Handbook and on the University website, and the committee membership will be clarified and documented by September 30, 2024.

Administrative Appeals Observations and Responses

- **Observation 2:** The current workflow requires the appeals administrator to forward appeals approved by the committee to the Office of the Provost for review and approval of grade changes.
- **Response:** The committee will work with the Office of the Provost to implement modifications to the grade change approval process by September 30, 2024.

Administrative Appeals Observations and Responses

- **Observation 3:** The current process for submission and review of appeals involves manual submission of a PDF and manual intake by the Committee.
- **Response:** The Appeals Administrator has created a draft of a new appeals form in the Slate CRM system with a target date for implementation of December 31, 2024.

Administrative Appeals Observations and Responses

- **Observation 4:** Develop a process to identify students who never attended their courses and automatically withdraw them for non-attendance before they become delinquent and receive failing grades.
- **Response:** The Bursar will work with the Provost, Registrar, and Information Technology to develop a procedure by December 1, 2024.

Advisory Services

Uncollectible Student Accounts Analysis

Issue: Management was seeking additional information to better understand the nature and type of accounts contributing to increases in delinquent account balances and student account write-offs.

Advisory Service Objectives:

- Analyze uncollectible student accounts for common themes and trends
- Utilize student data available across multiple Banner modules and databases to create a more complete analysis of write-off accounts
- Identify attributes or characteristics associated with write-off accounts that may be helpful in preventing or detecting potential delinquency and write-offs

Advisory Services

Uncollectible Student Accounts Analysis

Project Results:

- 770 Accounts that went delinquent in FY 2022 and 2023 were written off
- Those accounts equated to \$708,700 in write-offs
- 74% (568 accounts) had balances less than \$1,000 and only generated 12% (\$82,100) of the amount written off
- 26% (202 accounts) had balances greater than \$1,000 and generated 88% (\$626,600) of the amount written off

Advisory Services

Uncollectible Student Accounts Analysis

Project Results:

- Write-off balances greater than \$1,000 by class level
 - 41% (\$255,685) were Freshmen
 - 16% (\$104,445) were Sophomores
 - 11% (\$69,930) were Juniors
 - 13% (\$77,295) were Seniors
 - 15% (\$91,754) were Graduate students
- 52% of these balances were associated with a GPA below 2.0
- 27% had no GPA for the term the account went delinquent

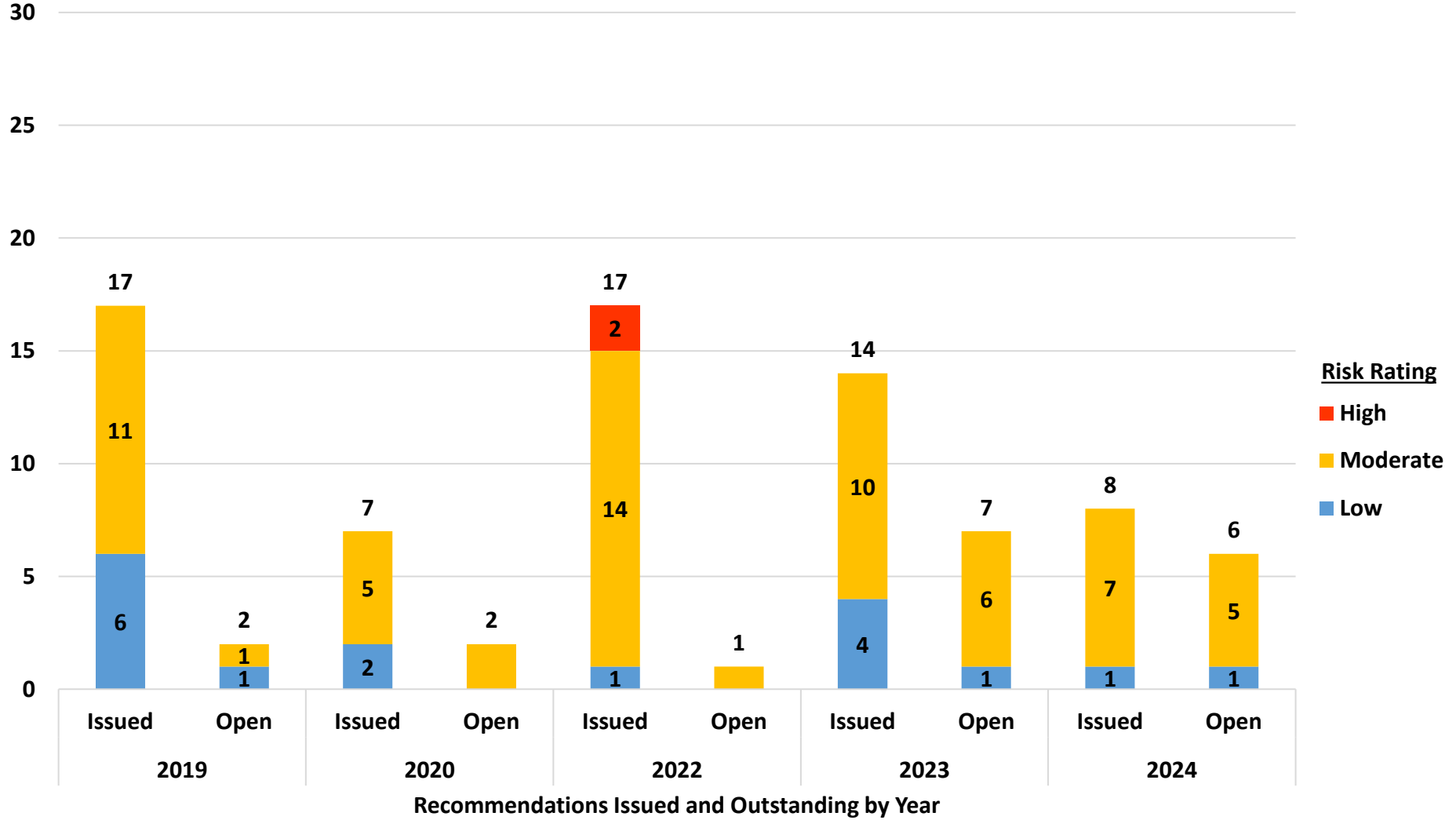
Other Audit and Advisory Activities

- Audits in progress
 - Conflict of Interest Disclosures
 - Housing & Residence Life User System Access Review
 - Federal Student Aid Compliance
- Update of internal control documents for state auditors
- 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



2024 Internal Audit and Advisory Services Plan

QUARTER BEGINNING	AUDIT AREA	DESCRIPTION	HOURS
January 2024	Uncollectible Account Analysis	Analyze uncollectible student accounts for common themes and trends	150
	Drug Free Schools and Communities Act	Review institutional policies and procedures for compliance with regulatory requirements	200
	Administrative Appeals	Review institutional policies and procedures related to student appeals and application of policy for consistency	100
	Internal Control Documents for financial statement audit	Documentation of accounting and financial reporting controls for state auditors	125
April 2024	University Risk Management Committee	Facilitation of University Risk Management Committee activities	100
	IT Security Initiatives	Monitor progress on security findings from prior IT security and privacy audits & coordinating follow-up to past external audit reviews	200
	Registrar - Degree Conferral	Review controls over academic degree conferral	220
	Conflict of Interest Disclosures	Review process for educating and obtaining Conflict of Interest disclosures to comply with state and federal requirements	150
	Facility Operations Storeroom	Physical inventory observation	50
July 2024	Housing & Residence Life	Review new residential management software user access and controls over billing and residence contracts	200
	Athletics Grant-in-Aid	Evaluate NCAA compliance	240
	Federal Student Financial Aid	Review administration of federal student aid for compliance with federal requirements governing Title IV student aid programs	250
October 2024	External Audit Support	Support for external auditors performing federal financial aid audit and state aid agreed upon procedures	100
	Changes to Personal Information	Review policies and procedures for name changes, SSN changes, etc. across departments	220
	Authorized Driver Recertification	Review controls over driver recertifications	200

Items in yellow are substantially complete

Total Hours	2,505
Hours Available	2,553
Hours available for unscheduled audits	48

