



UNIVERSITY OF
TEXAS
ARLINGTON

FISCAL YEAR 2010 ANNUAL INTERNAL AUDIT REPORT

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Purpose of the Annual Report: To provide information on the benefits and effectiveness of the internal audit function. In addition, the annual report assists central oversight agencies in their work planning and coordinating efforts.

I. Internal Audit Plan for the Fiscal Year 2010

AUDIT	BUDGETED HOURS
FINANCIAL AUDITS	
FY 2009 -- Financial Statement Audit	600
FY 2010 -- Financial Statement Audit (Interim)	200
Presidential Housing, Travel & Entertainment Expense Audit	160
NCAA Financial Audit	180
<i>Financial Audits Subtotal</i>	1,140
OPERATIONAL AUDITS	
Controls Over Cash Collection Areas and Security of Credit Card Information	500
Disability Services/Fire and Life Safety	300
Change in Management Audits: Registrar Departmental Audit/Registration Processes	300
Change in Management Audits: Other Departments	80
<i>Operational Audits Subtotal</i>	1,180
COMPLIANCE AUDITS	
Ethics-Related Objectives, Programs and Activities -- IIA Standards 2110.A2	160
Federal Portion of Statewide Single Audit (Assistance to the SAO)	80
Technology Workforce Development Grants Audit	40
Grants and Contracts: Time & Effort Reporting (E-Cert)	200
NCAA Compliance Audit -- Athletic Financial Aid	220
New Construction and Renovation Projects Review Against THECB Requirements	250
(C/F) UTS 166 -- Cash Management and Cash Handling Policy	180
(C/F) UTS 165 -- Digital Sensitive Data	50
(C/F) EHS: Review of High-Risk Areas, Chemical Safety	160
(C/F) Compliance with Payment Card Industry (PCI) Data Security Standards	100
<i>Compliance Audits Subtotal</i>	1,440
INFORMATION TECHNOLOGY	
TAC 202 Biennial Requirement	200
Information Technology Governance Audit IIA Standards 2110.A2	300
IT Exchange Program	160
IT Project Management Review using COBIT Framework	200
Profile System -- IT Audit	40
<i>Information Technology Subtotal</i>	900
FOLLOW-UP AUDITS	
Follow-Up Audits	300
<i>Follow-Up Audits Subtotal</i>	300
AUDIT PROJECTS	
UT System Requests	400
FY 2011 Audit Plan Preparation	160



Annual Internal Audit Report	60
Procurement Card Continuous Auditing-ACL	160
Special Requests-Audits	140
ARRA (American Recovery and Reinvestment Act)	200
Special Requests -- Consulting	180
ACL-Specific Training	40
Internal Audit and Institutional Compliance Committees	120
Investigations	160
Website Updates and TeamMate Procedures	200
Reserve For Other Special Requests	220
<i>Other Projects Subtotal</i>	<u>2,040</u>
Total Audit Hours	<u>7,000</u>

Deviations from plan: per audit committee approval, five audits were re-allocated or removed from the Work Plan as described below.

- Since the requirements of the Ethics-Related Objectives, Programs and Activities – IIA Standards 2110.A2 audit closely resemble the objectives Internal Audit recently covered in the Governance Audit in September 2009, 160 hours that were originally allocated for this audit were transferred to: (1) Grants and Contracts: Time & Effort Reporting (ECRT), as there was additional time needed to further understand the ECRT system and associated time and effort reporting, and (2) Environmental Health and Safety – Review of High Risk Areas: Chemical Safety, as there were extensive meetings with the client to discuss and resolve findings.
- Since there were no grants relating to Technology Workforce Development during FY 2010, no audit was needed. The 40 hours originally allocated for this audit were transferred to the Payment Card Industry (PCI) audit. The PCI audit incurred additional time for having to validate assertions made during testing.
- The IT Exchange Program was put on hold as UT Dallas is resolving issues with its PeopleSoft student financial module. UT Dallas reclassified the project as a consulting project, and, therefore, limited involvement was needed from UT Arlington. 100 of the originally allocated hours for this program were transferred to Non-IT follow-up audits.
- The IT Project Management Review Using COBIT Framework audit was removed from the plan due to the audit area not being ready for audit, per approval of the Audit Committee Chairman.



II. External Quality Assurance Review

UT Arlington’s Department of Internal Audit completed a Quality Assurance Review in May 2009. Members of the review team were: Kathryn Kapka (The University of Texas at Tyler), Scott Pierce (Georgia Southern University), and Paul Tyler (The University of Texas at San Antonio). The review reports that the Department of Internal Audit **generally conforms** with the standards in all areas. The following table contains the analysis of how the Department of Internal Audit at The University of Texas at Arlington’s activities conform to each section of the *Standards*.

Standard Type and Description	Opinion
<i>Attribute Standards</i>	
1000- Purpose, Authority, and Responsibility	Generally Conforms
1100- Independence and Objectivity	Generally Conforms
1200- Proficiency and Due Professional Care	Generally Conforms
1300- Quality Assurance and Improvement Program	Generally Conforms
<i>Performance Standards</i>	
2000- Managing the Internal Audit Activity	Generally Conforms
2100- Nature of Work	Generally Conforms
2200- Engagement Planning	Generally Conforms
2300- Performing the Engagement	Generally Conforms
2400- Communicating Results	Generally Conforms
2500- Monitoring Progress	Generally Conforms
2600- Resolution of Senior Management's Acceptance of Risks	Generally Conforms
The Institute of Internal Auditors' <i>Code of Ethics</i>	Generally Conforms

All members of management interviewed were complimentary of Internal Audit and its interaction with audit clients throughout the University. This level of satisfaction was reflected in the audit committee and audit client surveys that were reviewed. The entire report can be requested from the Director of Internal Audit at (817) 272-2018.

III. List of Audits Completed

Report No.	Report Date	Name of Report	High-Level Consulting Engagement/Non-Audit Service Objective(s)	Observations/ Results & Recommendations	Current Status (Fully Implemented, Substantially Implemented, Incomplete/Ongoing, or Not Implemented) with brief description if not yet implemented. ¹	Fiscal Impact/Other Impact
08-15	9/15/09	UTS 165 -- Digital Sensitive Research Data	To determine if UT Arlington is in compliance with UTS 165, <i>Information Resources Security and Use Policy</i> pertaining to sensitive digital research data .	<p>1 – The University's Provost should enjoin all research data owners to classify their data according to the University's Data Classification Standard, and to coordinate with the Chief Information Officer and Information Security Office to ensure that adequate security will be implemented on research data classified as Category I and II.</p> <p>2 – OIT should pursue its email encryption project to ensure that communication of digital sensitive research related data from the University to the Internet is protected from unauthorized disclosure.</p> <p>3A – ARRI management should restrict access of the graduate research assistant to only those areas that are necessary to perform the job.</p>	<p>1 – Fully Implemented</p> <p>2 – Substantially Implemented; targeted implementation date of 10/31/2010.</p> <p>3A – Fully Implemented</p>	<i>OIT- Delivery & Support:</i> Inadequate protection of sensitive data.



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08-15	9/15/09	<i>UTS 165 -- Digital Sensitive Research Data (continued)</i>		<p>3B – All three departments tested should remove the "Users" group in the folder security permission and restrict access to just the professors and the UT Arlington administrators who are authorized to access the computers.</p> <p>3C – All three departments tested should periodically review security permissions of folders containing research data to ensure that only authorized users can access research data.</p> <p>3D – UTS 165 states that the ISO should ensure that ISAs and owners of digital research data are properly trained on information security requirements, specifically the review and restriction of folders containing digital research data.</p> <p>4A – The ARRI management should ensure that hard disks of all disposed computers are</p>	<p>3B – Fully Implemented</p> <p>3C – Fully Implemented</p> <p>3D – Fully Implemented</p> <p>4A – Fully Implemented</p>	



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08-15	9/15/09	UTS 165 – Digital Sensitive Research Data (continued)		<p>wiped clean before turning them over to Surplus Property as required by Fiscal Procedure 13-5.</p> <p>4B – The Surplus Property Manager should report to the ISO all departments who do not comply with the policy of erasing all data from electronic media before sending equipment for surplus.</p> <p>4C – In accordance with UTS 165, the ISO should communicate these instances of noncompliance to appropriate administrative officers and determine what corrective, restorative and/or disciplinary action may be taken.</p> <p>4D – The ISO should issue reminders to the owners of digital research data on the importance of complying with the UTS 165 Section 11.4 and with the University’s corresponding Fiscal Procedure</p>	<p>4B – Fully Implemented</p> <p>4C – Fully Implemented</p> <p>4D – Fully Implemented</p>	



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08-15	9/15/09	UTS 165 -- Digital Sensitive Research Data (continued)		<p>13-5, Section II Item C.5.e pertaining to the disposal of surplus computers.</p> <p>4E – The Surplus Property Manager should ensure upon acceptance of a disposed computer that the hard disks and memory cards have been retained in the computer. If determined that the hard disk or memory card is to be removed, the Surplus Property Manager should require the department submitting the computer to follow the University’s policy on Cannibalization as included in Fiscal Procedure 2-45, <i>Removal of Property from a Department’s Inventory</i>.</p> <p>5A – The Chemistry & Biochemistry management should review the list of approved names allowed to enter research labs and work with the Mav Express Office to remove access for persons who</p>	<p>4E – Substantially Implemented; the email will contain a listing of the computers that were cannibalized prior to transfer to Surplus. Beginning in FY 10/11 this procedure will be done on a quarterly basis.</p> <p>5A – Fully Implemented</p>	



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08-15	9/15/09	UTS 165 – Digital Sensitive Research Data (continued)		<p>no longer require it.</p> <p>5B – The Bioengineering Department needs to comply with UT Arlington Campus Operations Procedure, 6-15, <i>Key and Lock Control</i>, by reporting all lost, stolen or missing keys to the UT Arlington Police Department; using and filling out a "Return Receipt" form when the employee resigns, terminates, or retires from the University, or transfers within the University requiring an exchange of keys; and reconciling the Key Control Office records with the departmental records.</p> <p>5C – All three sampled research areas should periodically review the authorization of students and employees with keys or Mav Express ID cards.</p> <p>5D – The Provost should</p>	<p>5B – Fully Implemented</p> <p>5C – Fully Implemented</p> <p>5D – Incomplete/Ongoing;</p>	



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08-15	9/15/09	UTS 165 -- Digital Sensitive Research Data (continued)		<p>require all academic departments performing sensitive research to conduct a review of all keys or Mav Express ID cards to ensure that only authorized persons have physical access to research laboratories and facilities, and to comply with the UT Arlington Campus Operations Procedure 6-15, <i>Key and Lock Control</i>, in case of missing keys.</p> <p>6 – All research data owners, in coordination with or with the assistance of OIT, should adopt a backup and recovery plan commensurate with the risk and value of the research data and should include necessary elements required by UTS 165 such as:</p> <ul style="list-style-type: none"> • recovering data and applications in the case of events such as natural disasters, system disk drive failures, espionage, data entry errors, human error, or system 	<p>targeted implementation date is December of 2010. (Listing of those departments conducting sensitive research was relayed to the Provost so notification will only be sent to them accordingly.)</p> <p>6 – Fully Implemented</p>	



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08-15	9/15/09	<i>UTS 165 -- Digital Sensitive Research Data (continued)</i>		<p>operations errors;</p> <ul style="list-style-type: none"> • assigning operational responsibility for backup of all servers and computers used for research; • scheduling regular data backups and establishing requirements for offsite storage; • securing onsite/offsite storage and media in transit; and • testing backup and recovery procedures. <p>7A – All three sampled research areas should designate an ISA and should ensure that these ISAs are attending the monthly meetings and implementing information security based on the ISO's security program and the University's and UT System's policies and regulations.</p>	7A – Substantially Completed: Two of the three departments have implemented; the third has designated their departmental ISA and he will officially start attending ISA monthly meetings in the Spring 2011.	
09-06	9/18/09	Campus Security/Emergency Preparedness, including Clery Act	<ul style="list-style-type: none"> • Determine whether the campus is in compliance with the Clery Act and has appropriate procedures and policies to respond to a 	1 – The Emergency Management Coordinator should review the <i>Action Guide for Emergency Management at</i>	1 – Fully Implemented	<i>Facilities Management - Safety & Security:</i>



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09-06	9/18/09	<i>Campus Security/Emergency Preparedness, including Clery Act (continued)</i>	<p>campus emergency.</p> <ul style="list-style-type: none"> Interviews with responsible persons (EH&S, Police Dept, Emergency Planning Coordinator, etc.) Observations of implementation progress. 	<p><i>Institutions of Higher Education</i> for the next time the EMP is updated. Management should ensure that the EMP contains ready sources of food and transportation through contracts as necessary (if not covered by other means).</p> <p>2 – The appropriate parties should be made aware of the EMP through various means. While some stakeholders will receive the complete plan, each distinct stakeholder should receive the component of the EMP most relevant to their respective role. In addition to putting up a web site, the Emergency Management Coordinator should identify the various stakeholders and develop means to disseminate and communicate the relevant material.</p> <p>3 – Appropriate qualified personnel across the campus including academic</p>	<p>2 – Fully Implemented</p> <p>3 – Fully Implemented</p>	<p><i>Police Department - Safety and Security:</i> Inadequate emergency response equipment</p> <p><i>Facilities Operations - EH&S:</i> Fire & Life Safety</p> <p><i>Student Affairs- Apartment and Resident Life:</i> Failure of safety and security measures in place within apartments and resident halls.</p>



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09-06	9/18/09	<i>Campus Security/Emergency Preparedness, including Clery Act (continued)</i>		<p>departments and other administrative departments should be assigned to each position on UT Arlington's Emergency Operations Chart so that Operation Center personnel will know their duties when an emergency situation occurs.</p> <p>4 – Senior management should communicate and emphasize the importance of 100% participation in the trainings and the exercises for personnel assigned to the Operations Center roles. A follow up should be made with any key people to ensure they understand the responsibility of their role.</p> <p>5 – Management should determine the corrective measures necessary to reduce vulnerability and improve security and prioritize those measures in terms of which projects are most prudent with existing funding and which</p>	<p>4 – Substantially Implemented: The ongoing vulnerability provided in the analysis will likely lead to future reviews of this area (2012 timeframe).</p> <p>5 – Fully Implemented</p>	



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09-06	9/18/09	<i>Campus Security/Emergency Preparedness, including Clery Act (continued)</i>		<p>ones may require greater funding to correct. Additionally, there may be some projects where the cost/benefit relationship makes sense to do even though they may not be addressing the higher risk buildings/areas on campus. Management should be able to demonstrate that progress is being made to reduce risk through action plans for specific items and follow-up based on target dates.</p> <p>6 – This is a project that requires input from many people across campus. Consequently, a detailed project schedule with time lines should be developed and communicated to the responsible parties to ensure the one-year time frame is achievable with present staffing levels in the Emergency Management Coordinator’s area. In addition to planning the time for completion of the</p>	6 – Fully Implemented	



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09-06	9/18/09	<i>Campus Security/Emergency Preparedness, including Clery Act (continued)</i>		<p>individual BCP's and over-arching plan consolidation, management review time needs to be considered in the plans.</p> <p>7 – Management should consider establishing a separate sub-department within DEFINE for the Emergency Services Management Coordinator and the related expenses and provide separate funding for this activity as part of the police department. The Emergency Management Coordinator should establish a budget that covers the cost of training, exercises, and any material items deemed necessary for proper emergency management and preparedness.</p> <p>8 – While steady progress is being made, management should establish a time line to have all Annexes completed and provide the needed resources to complete the EMP to enhance the University's</p>	<p>7 – Fully Implemented</p> <p>8 – Fully Implemented</p>	



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09-06	9/18/09	<i>Campus Security/Emergency Preparedness, including Clery Act (continued)</i>		<p>ability to qualify for funding. Management should develop a checklist to ensure continued compliance with the Clery requirements.</p> <p>A procedure should be established that allows a second person to double check the categorization of Clery Act incidents performed by the Administrative Assistant to ensure that all incidents are accounted for on the log and reports. A computer report could be generated that shows all previous days incidents by incident number, nature and name of crime. This report could then be compared to the Daily Clery Act Log prepared by the Administrative Assistant to catch possible errors.</p>		
09-15	11/11/09	Profile and Partnership Information Technology Audit	<ul style="list-style-type: none"> To review the progress of the action plan for development and maintenance of the <i>Profile</i> System and assess system security and controls 	1 – ERA should consider implementing formal procedures that will address each of the change management attributes identified in UTS	1 – Fully Implemented	<i>OIT- Delivery and Support:</i> Inadequate protection of sensitive data.



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09-15	11/11/09	<i>Profile and Partnership Information Technology Audit (continued)</i>	<p>established for the protection and use of sensitive data.</p> <ul style="list-style-type: none"> To review application development against best practice standards. 	<p>165. The possibility of collaborating with OIT and utilizing their resources to formalize the change management process should be explored.</p> <p>2 – ERA Management should continue to investigate potentially beneficial arrangements and cost mitigating strategies related to the future sustainability of the Profile application and the Partnership Network.</p>	2 – Fully Implemented (Research ongoing)	<p>Improper ownership of IT projects by non-OIT individuals. Lack of formal project management across campus.</p>
10-02	11/30/09	President's Travel, Entertainment and Housing Expenditures	To provide assurance that the Fiscal Year 2009 travel and entertainment expenses for the President comply with the UT Arlington-established policies and procedures for travel, entertainment and housing expenditure reimbursements to employees that include State, Federal, and Board of Regents' Rules and Regulations.	No reportable findings.	N/A	Reduce the risk of non-compliance with UT Arlington policies and procedures.
09-16	12/1/09	FY 2009 Annual Financial Statement	Annual Financial Reports (AFRs) and related footnote information are	1 – An item donated to the University as a gift in kind in	1 – Fully implemented	Reduce the risk of financial



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09-16	12/1/09	Audit (AFR) <i>FY 2009 Annual Financial Statement Audit (AFR) (continued)</i>	prepared by the financial reporting officers at each UT institution and UT System Administration in accordance with accounting and financial reporting requirements promulgated by UT System policy and the Texas Comptroller of Public Accounts to be included in the UT System Consolidated AFR. The AFRs for the UT institutions and UT System Administration do not include footnotes, which would be necessary for the AFRs to be in accordance with generally accepted accounting principles. In addition, certain supporting documents and accounting information which were used to prepare the UT institutions' AFRs are not available at the UT institutions, but are maintained at UT System Administration. The Controller's Office of UT System Administration consolidates AFRs from all UT institutions and UT System Administration and prepares appropriate footnotes and other related disclosures so that the UT System Consolidated AFR is prepared in accordance with	September 2008 and items purchased by the College of Engineering – Distance Education in October 2008 had not been included in the annual inventory reports nor tagged with University asset tags. This indicates that controls surrounding the inventorying of equipment needs improvement. Poor tracking of assets may lead to an environment susceptible for theft or fraud. Subsequent to Internal Audit's inquiry, the assets tested were properly tagged and added to the inventory listing. 2 – The Office of Information Technology should develop a tool that could immediately generate a listing of MyMav users' access rights and permissions to update critical fields such as student residency, career and waiver information. This will facilitate not just any audit requirements, but also the operational responsibility of	2 – Fully implemented	misstatement through improved controls.



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09-16	12/1/09	<i>FY 2009 Annual Financial Statement Audit (AFR) (continued)</i>	generally accepted accounting principles. The information included in the institution's AFR and related footnote information, which is available at the institution, is the responsibility of UT Arlington's management.	user management (e.g. the Office of Admissions, Records and Registration) to periodically review access rights of MyMav users as required by UTS 165 Procedure 3.2.		
09-08	5/5/10	UTS 166 -- Cash Management and Cash Handling Policy	<ul style="list-style-type: none"> • Determine whether the institution is complying with UTS 166, <i>Cash Management and Cash Handling Policy</i>. • Perform a gap analysis of the requirements of UTS 166 in comparison to the procedures utilized by OABS. • Test as deemed appropriate. 	No reportable findings.	N/A	<p><i>Accounting Services-Accounting Policies and Procedures:</i> Inappropriate handling of cash.</p> <p><i>Accounting Services-Regulatory and Management Reporting:</i> Failure to capture all revenue.</p> <p><i>Overall Risk Assessment-Financial Management:</i> Misappropriation of University assets.</p>



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09-12	5/11/10	Payment Card Industry (PCI) Data Security Standard (PCI-DSS) Audit	Assurance audit to determine whether UT Arlington is in compliance with the Payment Card Industry Standards.	<p>1 – The Self-Assessment Questionnaire should be completed in its entirety by providing all the information required in the attestation of compliance section such as, the payment application system being used by the University. If the University asserts that it is non-compliant with the PCI requirements, the target date for compliance and action plan should also be completed. The Information Security Officer should, however, confirm with Global Payments if action plans need to be specified for items that the University is not in compliance with. Once the SAQ is completed, the designated officer should sign the attestation of compliance section and submit the completed SAQ and attestation of compliance to Global Payments.</p> <p>2 – The responsible party should ensure completion of</p>	<p>1 – Substantially Implemented: targeted implementation date 12/31/2010.</p> <p>2 – Incomplete/Ongoing: targeted implementation</p>	<p>Compliance with the standards is required for continued acceptance of credit card in the University.</p> <p>The risk is that there are penalties for non-compliance in the event of credit card abuse.</p>



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09-12	5/11/10	Payment Card Industry (PCI) Data Security Standard (PCI-DSS) Audit (continued)		<p>quarterly vulnerability scans by the Approved Scanning Vendor, remediate vulnerabilities (if any), and secure documented evidence of a passing scan.</p> <p>3 – The Information Security Officer should complete the compliance validation documentation (i.e., completed SAQ, attestation of compliance, and evidence of a passing vulnerability scan) and submit them to Global Payments. The ISO should also obtain from Global Payments clear instructions on the details (such as frequency, timing, and other validation documents that may be required) of completing the compliance validation procedures.</p>	<p>date 12/31/2010. UT System and Global Payments changed our PCI requirements based upon this audit finding but did not allow ample time for implementation.</p> <p>3 – Vulnerability scans are occurring monthly, instead of quarterly, and found vulnerabilities are being remediated. However, evidence of passing a scan has yet to be secured due to scope of compliance. Critical changes to the firewall implemented in front of MyMav have been planned, but due to the impact of downtime, had to be scheduled with minimal impact to the campus. These were rescheduled for mid-October.</p>	



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09-13	6/3/10	Environmental Health & Safety (EH&S) Review of High Risk Areas - Chemical Safety	<ul style="list-style-type: none"> • To determine if the laboratories in UT Arlington are following the state and federal guidelines for recordkeeping, storage, and disposal of chemicals. • Get a listing of all labs in campus. • Gain an understanding of the regulations pertaining to recordkeeping, storage, and disposal of chemicals. • Review EH&S's inspection results. • Review third party inspection results, if applicable. • Review the policies in place for purchase of chemicals and determine that they are being followed. • Accompany EH&S for observation of lab inspections, on a sample basis. 	<p>1 – We recommend that EH&S review and ensure that persons working in the labs obtain the proper training in General Hazard Communication before they are permitted to work in the labs. EH&S should develop and enforce procedures to ensure that all inspectors are conducting checks of those persons working in the labs during the lab safety evaluations to confirm persons on the user lists have completed the required training.</p> <p>2 – We recommend that EH&S implement procedures to ensure that lab personnel have completed the site-specific training before they are permitted to work in the labs. EH&S should conduct spot checks of those working in the labs during the lab safety evaluation to confirm that persons who have access to the labs have completed the required training.</p>	<p>1 – Fully Implemented</p> <p>2 – Fully Implemented</p>	<p><i>Student Affairs Administration:</i> Lack of compliance with state legislative mandates.</p>



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09-13	6/3/10	<i>Environmental Health & Safety (EH&S) Review of High Risk Areas - Chemical Safety (continued)</i>		<p>3 – We recommend that the Provost communicate to the deans, chairpersons, department heads and PIs the requirement to conduct site-specific training for the chemicals used in their labs. The site-specific training must be conducted prior to allowing personnel to work in the labs. In addition, the training must be documented on the EH&S “Site-Specific Training” record form with a copy of this form being retained in the lab and a copy forwarded to EH&S.</p> <p>4 – Once the Ad Hoc Committee has completed their study and their proposed solutions, we recommend that the Vice President for Administration and Campus Operations ensure that appropriate policy and procedure is written, coordinated, and communicated with the several departments that are affected so that faculty</p>	<p>3 – In Progress/Ongoing</p> <p>4 – Fully Implemented</p>	



Report No.	Report Date	Name of Report	High-Level Consulting Engagement/Non-Audit Service Objective(s)	Observations/ Results & Recommendations	Current Status (Fully Implemented, Substantially Implemented, Incomplete/Ongoing, or Not Implemented) with brief description if not yet implemented. ¹	Fiscal Impact/Other Impact
09-13	6/3/10	<i>Environmental Health & Safety (EH&S) Review of High Risk Areas - Chemical Safety (continued)</i>		and staff are aware of the procedures to be followed. Management should also consider developing a short training module for the departmental administrators who are responsible for keeping their department's access list current.		
10-06	6/7/10	Controls Over Cash Collection Areas – Fort Worth Center	<ul style="list-style-type: none"> Review the controls over a sample of cash collection areas and security of credit card information. Select a sample of departments. Review credit card procedures and security. Determine how they take in credit cards, how secure is the credit card information stored, walk through a transaction, etc. Review ticket sales. Spot check working funds. Conduct each department review as a separate audit. 	<p>1 – UT Arlington Fort Worth Center should ensure that all cash receipts are timely deposited with the Bursar's Office in accordance with Fiscal Procedure 2-14, <i>Cash and Cash Handling</i>.</p> <p>2 – We recommend that an independent review and approval of the cash receipts and deposits be completed by the Department head or their designee prior to the deposit being made to ensure timeliness and accuracy of the cash receipts/deposits.</p> <p>3 – Checks received through</p>	<p>1 – Fully Implemented</p> <p>2 – Fully Implemented</p> <p>3 – Fully Implemented</p>	<p><i>Accounting Services-Accounting Policies and Procedures:</i> Inappropriate handling of cash.</p> <p><i>Accounting Services-Regulatory and Management Reporting:</i> Failure to capture all revenue.</p> <p><i>OIT- Delivery & Support:</i> Inadequate protection of sensitive data.</p> <p><i>Overall Risk</i></p>



Report No.	Report Date	Name of Report	High-Level Consulting Engagement/Non-Audit Service Objective(s)	Observations/ Results & Recommendations	Current Status (Fully Implemented, Substantially Implemented, Incomplete/Ongoing, or Not Implemented) with brief description if not yet implemented. ¹	Fiscal Impact/Other Impact
10-06	6/7/10	Controls Over Cash Collection Areas – Fort Worth Center (continued)		<p>the mail should be logged immediately in the check log. This will help to ensure that they are properly accounted for.</p> <p>4 – We recommend that the department purchase the required stamp as evidenced by the example of an endorsement stamp included as Exhibit 2-9 in Fiscal Procedure 2-14 to restrictively endorse all checks received by the department.</p> <p>5 – We recommend for internal control purposes, the person responsible for the cash drawer/change fund should not be the same person who reconciles the account.</p> <p>6 – We recommend that the department develop and implement policies and procedures surrounding the safeguarding of customer's payment card information.</p> <p>7 – We recommend that the</p>	<p>4 – Fully Implemented</p> <p>5 – Fully Implemented</p> <p>6 – Fully Implemented</p> <p>7 – Substantially</p>	<p>Assessment- Financial Management: Misappropriation of University assets</p>



Report No.	Report Date	Name of Report	High-Level Consulting Engagement/Non-Audit Service Objective(s)	Observations/ Results & Recommendations	Current Status (Fully Implemented, Substantially Implemented, Incomplete/Ongoing, or Not Implemented) with brief description if not yet implemented. ¹	Fiscal Impact/Other Impact
10-06	6/7/10	<i>Controls Over Cash Collection Areas -- Fort Worth Center (continued)</i>		department personnel gain an understanding of the records retention policies of the University and ensure that records under their care are disposed of as required. Departmental management should also appoint one person in the department as the Departmental Records Management Contact who will assume responsibility for the destruction of records in accordance with policy and who will work with the University's records management administrator to collect or distribute records management information and help maintain the University's records management program within their department.	Implemented: targeted implementation date 10/29/10.	
10-05	7/20/10	Registrar's Department/Registration Processes	<ul style="list-style-type: none"> • Conduct a typical Departmental Audit to determine a control conscious environment exists. • Provide assurance as to the 	1 – In addition to the ProCard holder who orders supplies/ goods, we recommend that another employee verify and sign off on the delivery receipts	1 – Fully Implemented	<i>Accounting Services-Regulatory and Management Reporting:</i> Failure to capture all



Report No.	Report Date	Name of Report	High-Level Consulting Engagement/Non-Audit Service Objective(s)	Observations/ Results & Recommendations	Current Status (Fully Implemented, Substantially Implemented, Incomplete/Ongoing, or Not Implemented) with brief description if not yet implemented. ¹	Fiscal Impact/Other Impact
10-05	7/20/10	Registrar's Department/Registration Processes (continued)	<p>effectiveness of the controls over the registration process that are relevant to ensuring compliance with policies and procedures and the economical and efficient use of resources.</p> <ul style="list-style-type: none"> Review their organizational structure and get an understanding of the different functions, revenue streams and responsibilities under that department. Pull a sample of students and determine whether they are registered correctly and receiving or not receiving the exemptions correctly. 	<p>upon receipt of the supplies/goods. Having another set of eyes review ProCard purchases will ensure a "checks-and-balance system" on every transaction. Fiscal Procedures 4-11: <i>Purchasing Card (Procard) Program</i> states that "if an employee other than the cardholder is allowed to pick-up or sign for receipt of an item purchased with a ProCard, the cardholder should sign the delivery document as soon as possible and annotate in the transaction log that this was done." Therefore, the ProCard holder should continue to sign-off on the delivery receipts.</p> <p>2 – The Graduation Fee/Duplicate Diploma Fee processing area should maintain a check log for all checks received through the mail, in accordance with Fiscal Procedures 2-14: <i>Cash and Check Handling</i>. A check log would also help in the</p>	2 – Fully Implemented	revenue.



Report No.	Report Date	Name of Report	High-Level Consulting Engagement/Non-Audit Service Objective(s)	Observations/ Results & Recommendations	Current Status (Fully Implemented, Substantially Implemented, Incomplete/Ongoing, or Not Implemented) with brief description if not yet implemented. ¹	Fiscal Impact/Other Impact
10-05	7/20/10	Registrar's Department/Registration Processes (continued)		<p>reconciliation of the revenue when the monthly statement of accounts is received.</p> <p>3 – We recommend that the department verify whether the amount collected from Credentials is accurate. For this, we suggest that the department generate reports from MyMav or other internal process to get a count of transcripts produced by the department for any period of time and compare against reports from Credentials.</p> <p>4 – The Department High Risk Assets (those controlled assets with the value of less than \$500) should be inventoried with a departmental tag so that they can be accounted for and easily be tracked. A periodic physical inventory of these items should also be made so that the chances of misplacement or theft are minimized.</p>	<p>3 – Incomplete/Ongoing: targeting implementation date 12/31/10.</p> <p>4 – Incomplete/Ongoing (In Process – other priority projects took precedence. 10 percent done at this time. Anticipated completion 12/31/10.)</p>	



Report No.	Report Date	Name of Report	High-Level Consulting Engagement/Non-Audit Service Objective(s)	Observations/ Results & Recommendations	Current Status (Fully Implemented, Substantially Implemented, Incomplete/Ongoing, or Not Implemented) with brief description if not yet implemented. ¹	Fiscal Impact/Other Impact
10-05	7/20/10	Registrar's Department/Registration Processes (continued)		<p>5 – We recommend that management explore the possibility of running reports from MyMav to facilitate reconciliation of revenue items.</p> <p>6 – We recommend that a consistent policy as stated in Fiscal Procedures 3-64: <i>Overtime</i> be applied for the computation of overtime for all employees in the department. Also, it appears that the staff needs additional timecard training, especially in the area of overtime computation. We recommend that the management avoid making exceptions to the University's Payroll and Human Resources policies. If circumstances warrant that an exception be made, it should be supported by written authorization from Human Resources and department head.</p>	<p>5 – Incomplete/Ongoing: targeted implementation date 12/13/2010.</p> <p>6 – Fully Implemented</p>	



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10-09	7/23/10	Controls Over Cash Collection Areas – Campus Recreation	<ul style="list-style-type: none"> Review the controls over a sample of cash collection areas and security of credit card information. Select a sample of departments. Review credit card procedures and security. Determine how they take in credit cards, how secure is the credit card information stored, walk through a transaction, etc. Review ticket sales. Spot check working funds. Conduct each department review as a separate audit. 	<p>1 – We recommend that the custodian and other department personnel review the University’s primary fiscal procedures pertaining to cash handling which include 2-3: <i>Statement of Account</i>; 2-7: <i>Working Fund</i>; 2-8: <i>Gifts to the University</i>; and 2-14: <i>Cash and Check Handling</i>.</p> <p>2 – We recommend that the Department of Campus Recreation coordinate with the Police Department to have a money escort to the Bursar's Office when making deposits.</p> <p>3 – We recommend that refunds are approved by a second party before payments are made to the customer. Additionally, the refunds should be supported by the name and the signature of the person receiving the refund.</p> <p>4A – We recommend that the Department of Campus</p>	<p>1 – Fully Implemented</p> <p>2 – Fully Implemented</p> <p>3 – Fully Implemented</p> <p>4A – Fully Implemented</p>	<p><i>Accounting Services-Accounting Policies and Procedures:</i> Inappropriate handling of cash.</p> <p><i>Accounting Services-Regulatory and Management Reporting:</i> Failure to capture all revenue.</p> <p><i>OIT- Delivery & Support:</i> Inadequate protection of sensitive data.</p> <p><i>Overall Risk Assessment-Financial Management:</i> Misappropriation of University assets</p>



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10-09	7/23/10	<i>Controls Over Cash Collection Areas – Campus Recreation (continued)</i>		<p>Recreation secure the working fund in a locked drawer.</p> <p>4B – We recommend that the Department of Campus Recreation coordinate with MavExpress to remove the permissions granted for access to the safe room from those persons who no longer require it.</p> <p>5 – We recommend that the Department of Campus Recreation develop and implement policies and procedures surrounding the safeguarding of customers’ payment card information.</p> <p>6 – We recommend that the Department of Campus Recreation obtain the update/ release from the vendor as soon as possible to ensure that no more than the last five digits of the credit card number are revealed on the merchant’s copy of the credit card slip.</p>	<p>4B – Fully Implemented</p> <p>5 – Fully Implemented</p> <p>6 – Fully Implemented</p>	



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10-09	7/23/10	<i>Controls Over Cash Collection Areas – Campus Recreation (continued)</i>		7 – We recommend the Department of Campus Recreation ensures the supporting documentation relating to cash gifts received are maintained as required per Fiscal Procedures 2-8: <i>Gifts to the University</i> .	7 – Fully Implemented	
10-04	7/30/10	Texas Administrative Code (TAC) 202	Perform a review to determine that progress is being made to comply with all aspects of the Texas Administrative Code (TAC 202). In previous audits it was noted that the University complies with many aspects of this code but several had not been implemented or finalized. This review will mainly focus on those elements with limited reviews in other areas of compliance.	1 – The University’s Compliance and Ethics Officer should ensure that a risk assessment of information resources for the Mav Express Office be conducted and updated annually. 2 – The ISO should support future significant information security projects, as presented in the annual Information Security Program and Annual Report, with documented cost justification to ensure that security safeguards are commensurate with the value of the assets being protected. The cost justification also provides valuable information to assist	1 – Substantially Implemented: targeted implementation date 10/29/10. 2 – Incomplete/Ongoing: targeted implementation date 12/31/10.	Reduce the risk of System downtime Reduce the risk of data loss



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10-04	7/30/10	Texas Administrative Code (TAC) 202 (continued)		<p>senior management in deciding whether to fund the proposed security safeguards.</p> <p>3A – In coordination with the EMC, OIT should perform a business impact analysis with the mission-critical departments identified by the EMC and agree on the priority level and the timeframes needed for critical applications to be operationally available and fully restored.</p> <p>3B – The EMC should coordinate with each department to define in their respective BCP documentation the allowable outage time for each critical resource. Determining the allowable outage time can also assist departments and OIT in establishing the recovery priorities.</p> <p>3C – The EMC should require departments to document</p>	<p>3A – Substantially Implemented: targeted implementation date 10/29/10.</p> <p>3B – Substantially Implemented: targeted implementation date 10/29/10.</p> <p>3C – Substantially Implemented: targeted</p>	<p>Reduce the risk of security breaches</p> <p>Ensure adequate physical security</p>



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10-04	7/30/10	Texas Administrative Code (TAC) 202 (continued)		<p>alternative contingency measures during the allowable outage time to ensure continuity of services.</p> <p>4 – In coordination with the EMC, the management of Financial Aid and Admissions should develop their respective BCPs to ensure that admission of incoming students will not be negatively affected by a long business disruption.</p> <p>5A – As one of the core departments of the University, the Accounting Services management should work with the EMC to ensure that its BCP is completed by responding to the questions and completing essential sections of the BCP with adequate detail.</p> <p>5B – The EMC should require all mission-critical departments to decide whether their respective action items will be</p>	<p>implementation date 10/29/10.</p> <p>4 – Substantially Implemented: targeted implementation date 10/29/10.</p> <p>5A – Substantially Implemented: targeted implementation date 10/29/10.</p> <p>5B – Substantially Implemented: targeted implementation date</p>	<p>Inadequate physical security</p> <p>Reduce ability to detect security breaches</p>



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10-04	7/30/10	Texas Administrative Code (TAC) 202 (continued)		<p>implemented. The status of implementing the action items should also be updated in their BCPs.</p> <p>5C – A University policy and procedure should be created to establish a process that ensures BCPs of all core departments are complete. This will provide assurance that University operations will continue in case of a major disaster.</p> <p>6A – The management of Mav Express, Research Administration, Accounting Services, and University Communications should work with the EMC to document in their BCPs their respective staffing requirement to ensure that adequate staff will be available during a disaster.</p> <p>6B – OIT should document staffing contingency plans for possible shortage of key OIT</p>	<p>10/29/10.</p> <p>5C – Substantially Implemented: targeted implementation date 10/29/10.</p> <p>6A – Fully Implemented</p> <p>6B – Fully Implemented</p>	



Report No.	Report Date	Name of Report	High-Level Consulting Engagement/Non-Audit Service Objective(s)	Observations/ Results & Recommendations	Current Status (Fully Implemented, Substantially Implemented, Incomplete/Ongoing, or Not Implemented) with brief description if not yet implemented. ¹	Fiscal Impact/Other Impact
10-04	7/30/10	<i>Texas Administrative Code (TAC) 202 (continued)</i>		<p>personnel.</p> <p>7 – OIT should document and report to senior management the results of the annual CRP exercise to ensure that lessons learned and areas for improvements are adequately addressed and updated in the CRP. The report should document the scenarios tested, test results, lessons learned, and a corrective action/ improvement plan. The EMC can supply an “After Action Report” for this purpose.</p>	<p>7 – Substantially Implemented: an After Action Report to be distributed mid-November</p>	
10-03	8/9/10	Grants and Contracts: Time & Effort Reporting (ECRT)	Review and test to ensure that accurate and timely reporting of Research Effort is handled in accord with policy and procedures.	<p>1 – For future certification periods, the OGCS should strongly emphasize to all PIs the requirement to complete certifications in the time period specified by UTS 163, which is 30 days from the receipt of the notice to certify the Effort Card. The OGCS should prepare a memorandum that Senior Research Management can send to all PIs and their</p>	<p>1 – Substantially Implemented: targeted implementation date 10/31/10.</p>	<p>Failure to manage effort reporting on state and federal grants/contracts.</p>



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10-03	8/9/10	<i>Grants and Contracts: Time & Effort Reporting (ECRT) (continued)</i>		<p>staff emphasizing the necessity of completing certifications within the required time frames.</p> <p>Additionally, UT Arlington policies and procedures should state the certification time-frame and should include disciplinary steps for non-compliance.</p> <p>2 – OGCS should decide on a routine schedule and run the comparison program to further ensure accuracy of payroll data in ECRT.</p> <p>3 – Even though the Effort Coordinator role is administered centrally at OGCS, reference should be made in UT Arlington’s Time and Effort Policies and Procedures acknowledging the purpose of giving departmental administrators access to the effort coordinator role in ECRT. Additionally, OGCS should develop a checklist or</p>	<p>2 – Fully Implemented</p> <p>3 – Substantially Implemented: targeted implementation date 10/31/10.</p>	



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10-03	8/9/10	<i>Grants and Contracts: Time & Effort Reporting (ECRT) (continued)</i>		<p>“Question & Answer” document to assist the departmental administrators in effectively monitoring the effort certification process for their department.</p> <p>4A – Though not required by federal or UT System guidelines, OGCS should send reminder emails to departmental administrative assistants encouraging them to take the available online time and effort training. Alternatively, an interactive face to face training could also be an effective way to ensure that they understand how to assist the PIs in the certification process. Without the training, they may not fully understand the ramifications of timely and correct time and effort reporting.</p> <p>4B – When interviewing faculty for the rationale used to</p>	<p>4A – Incomplete/Ongoing: targeted implementation date 11/30/10.</p> <p>4B – Substantially</p>	



Report No.	Report Date	Name of Report	High-Level Consulting Engagement/Non-Audit Service Objective(s)	Observations/ Results & Recommendations	Current Status (Fully Implemented, Substantially Implemented, Incomplete/Ongoing, or Not Implemented) with brief description if not yet implemented. ¹	Fiscal Impact/Other Impact
10-03	8/9/10	<i>Grants and Contracts: Time & Effort Reporting (ECRT) (continued)</i>		<p>certify their effort, responses varied greatly. Some used publications, funding, or time in general. We recommend faculty have a better understanding for how to reflect upon their previous six months of activity when certifying effort through GCS ECRT training.</p> <p>4C – OGCS should periodically challenge PI’s certifications that have a high rate of sponsored project commitment, such as at or near 100% effort, by conducting a field visit and asking them to produce their “suitable means of verification” documentation in support of their reasonable estimate of work performed.</p> <p>5A – While progress is being made, we recommend that the OGCS management undertake a concentrated effort to have all certifications completed within the time frames specified in the</p>	<p>Implemented: targeted implementation date 10/31/10.</p> <p>4C – Incomplete/Ongoing: targeted implementation date 6/30/2011.</p> <p>5A – Substantially Implemented: targeted implementation date 10/31/10.</p>	



Report No.	Report Date	Name of Report	High-Level Consulting Engagement/Non-Audit Service Objective(s)	Observations/ Results & Recommendations	Current Status (Fully Implemented, Substantially Implemented, Incomplete/Ongoing, or Not Implemented) with brief description if not yet implemented. ¹	Fiscal Impact/Other Impact
10-03	8/9/10	<i>Grants and Contracts: Time & Effort Reporting (ECRT) (continued)</i>		time and effort policy. 5B – We recommend that OGCS management formally assess the key functions of the OGCS personnel to update job descriptions and determine whether the staff size is adequate to properly manage the ECRT system and to provide the necessary monitoring of effort reporting. A comparison of staff size across the UT System Campuses that have implemented ECRT could be done to further validate whether additional staff should be added.	5B – Substantially Implemented: targeted implementation date 10/31/10.	
10-11	8/16/10	Controls over Cash Collection Areas - Enterprise Development	<ul style="list-style-type: none"> • Review the controls over a sample of cash collection areas and security of credit card information. • Select a sample of departments. Review credit card procedures and security. • Determine how they take in credit cards, how secure is the 	The Division for Enterprise Development should ensure that all cash receipts are timely deposited with the Bursar's Office in accordance with Procedure 2-14, <i>Cash and Check Handling</i> .	Fully Implemented	<i>Accounting Services-Accounting Policies and Procedures: Inappropriate handling of cash.</i> <i>Accounting Services-Regulatory and Management</i>



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10-11	8/16/10	<i>Controls over Cash Collection Areas - Enterprise Development (continued)</i>	credit card information stored, walk through a transaction, etc. <ul style="list-style-type: none"> • Review ticket sales. Spot check working funds. • Conduct each department review as a separate audit. 			<i>Reporting:</i> Failure to capture all revenue. <i>OIT- Delivery & Support:</i> Inadequate protection of sensitive data. <i>Overall Risk Assessment- Financial Management:</i> Misappropriation of University assets
10-08	9/14/10	NCAA Compliance Audit -- Athletic Financial Aid	Conduct an audit of compliance with the NCAA's Financial Aid Rule. Internal Audit rotates compliance audits for the three highest risk areas – Eligibility, Recruiting, and Student Financial Aid so that each of these areas is audited over a three year period.	When the standard cost of attendance figure is adjusted for a student athlete, we recommend that both the Athletic Office and the Financial Aid Office maintain sufficient documentation to evidence the circumstances and the methodology used to make the adjustment.	Fully Implemented	Failure to adhere to NCAA scholarship limitations per sport and per individual Failure to appropriately process Grant-in-Aid documents Failure to distribute student-athlete scholarships in a



Report No.	Report Date	Name of Report	High-Level Consulting Engagement/Non-Audit Service Objective(s)	Observations/ Results & Recommendations	Current Status (Fully Implemented, Substantially Implemented, Incomplete/Ongoing, or Not Implemented) with brief description if not yet implemented. ¹	Fiscal Impact/Other Impact
10-08	9/14/10	NCAA Compliance Audit -- Athletic Financial Aid (continued)				<p>timely manner</p> <p>Failure to have institutional oversight by the Financial Aid Office and Athletic Compliance Committee</p> <p>Failure to monitor non-athletic related aid (TPEG, rotary club scholarships, etc.)</p> <p>Loss of scholarships due to failure to retain and graduate student-athletes</p>

¹ Definitions of implementation status are as follows:

- Fully Implemented: Successful development and use of a process, system, or policy to implement a prior recommendation
- Substantially Implemented: Successful development but inconsistent use of a process, system, or policy to implement a prior recommendation
- Incomplete/Ongoing: Ongoing development of a process, system, or policy to address a prior recommendation
- Not Implemented: Lack of a formal process, system, or policy to address a prior recommendation.



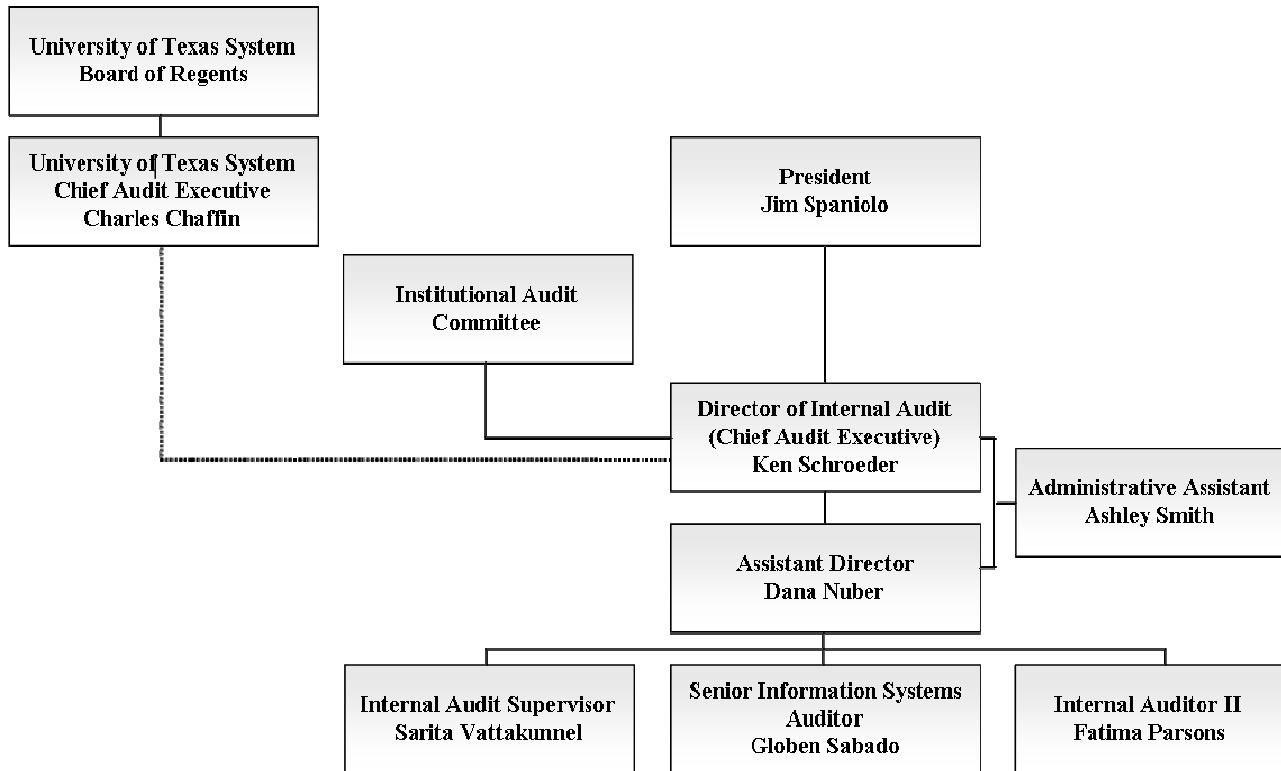
IV. List of Consulting Engagements and Non-audit Services Completed Showing High-Level Objectives/ Observations/Results, Recommendations, and Implementation Status

Report No.	Report Date	Name of Report	High-Level Consulting Engagement/Non-audit Service Objective(s)	Observations/ Results & Recommendations	Current Status (Fully Implemented, Substantially Implemented, Incomplete/Ongoing, or Not Implemented)² with brief description if not yet implemented.	Fiscal Impact/Other Impact
None	None	None	None	None	None	None

² Definitions of implementation status are as follows:

- Fully Implemented: Successful development and use of a process, system, or policy to implement a prior recommendation
- Substantially Implemented: Successful development but inconsistent use of a process, system, or policy to implement a prior recommendation
- Incomplete/Ongoing: Ongoing development of a process, system, or policy to address a prior recommendation
- Not Implemented: Lack of a formal process, system, or policy to address a prior recommendation.

V. Organizational Chart



VI. Report on Other Internal Audit Activities

Activity	Impact
Served in development/trainings for campus emergency procedures.	Staff participated in emergency-simulated exercises and was actively involved in helping institution plan/prepare for disastrous situations.
Participated with the University Institutional Compliance Office in Enterprise Risk Management Reviews.	This participation provides a service to the University by facilitating the review and identification of the University's high risks.
Participated in numerous Web-based seminars/trainings.	These trainings provide information on current trends and important topics useful to the audit team.
Assistant Director currently serving as President of the Texas Association of College and University Auditors (TACUA) Board.	Serving on TACUA gives access and insight to new ideas and audit methods from constituent members; also creates positive University exposure among fellow colleagues.
Participated in an external quality assurance review.	The knowledge gained during the review process has improved the department's approach to conducting audits in several areas.



VII. Internal Audit Plan for Fiscal Year 2011

The following Audit Plan Table identifies 2011 audit projects for various audit categories and indicates planned audit hours. Please note that the detailed schedules, risk assessments and analysis for preparation of the work plan are not included. A complete copy of the Work Plan schedules may be requested from the Director of Internal Audit at (817) 272-2018.

AUDIT	BUDGETED HOURS
FINANCIAL AUDITS	
FY 2010 Financial Statement Audit (AFR)	800.00
FY 2011 Financial Statement Audit (Interim)	100.00
Presidential Housing, Travel & Entertainment Expense Audit	100.00
NCAA Financial Audit	150.00
Joint Admission Medical Program "JAMP" (Biennial Requirement)	80.00
Financial Portion to the Statewide Single Audit (assistance to the SAO) – follow-up	40.00
<i>Financial Audits Subtotal</i>	1,270.00
OPERATIONAL AUDITS	
(C/F) Disability Services/Fire and Life Safety	200.00
Procurement Card Audit	200.00
Employee Check-Out Process	250.00
Operational Review of Grant & Contract Administration and Accounting	340.00
<i>Operational Audits Subtotal</i>	990.00
COMPLIANCE AUDITS	
(C/F) New Construction and Renovation Projects Review Against THECB Requirements	200.00
Advanced Technology Program/Advanced Research Program (ATP/ARP)	140.00
Institutional Compliance Program Audit	240.00
Travel Policy Compliance and Spending Review	200.00
Federal Portion of Statewide Single Audit (assistance to the SAO) -- follow-up	60.00
Endowments' Stewardship	220.00
<i>Compliance Audits Subtotal</i>	1,060.00
INFORMATION TECHNOLOGY	
(C/F) Information Technology Governance Audit IIA Standards 2110.A2	25.00
TAC 202 Biennial Requirement	250.00
Information Security Program Audit	200.00
Security Review of Decentralized Servers	250.00
<i>Information Technology Subtotal</i>	725.00
FOLLOW-UP AUDITS	
Follow-Up Audits (IT Related)	150.00
Follow-Up Audits (Non IT Related)	200.00
<i>Follow-Up Audits Subtotal</i>	350.00
AUDIT PROJECTS	
UT System Requests	400.00
FY 2012 Annual Audit Plan Preparation	140.00



Annual Internal Audit report	60.00
Special Audits & Other Audit-Related Activities	250.00
Spot Audits of Petty Cash Funds	40.00
<i>Audit Projects Subtotal</i>	890.00
CONSULTING PROJECTS	
Special Requests -- Consulting	150.00
<i>Consulting Projects Subtotal</i>	150.00
OTHER PROJECTS	
Quality Assurance Review Follow Up	60.00
Committees (e.g. Internal Audit, Compliance and other Committee Involvement)	200.00
Investigations	160.00
TeamMate Conversion and Procedures	250.00
Special Requests – Projects	180.00
<i>Other Projects Subtotal</i>	850.00
TOTAL AUDIT HOURS	6,285.00

VIII. External Audit Activities

- Department of Education Audit of Clery Act Compliance
- Office of Inspector General audit of the Texas Manufacturing Assistance Center (TMAC) Contract
- SAO Follow-Up audit of FY 2009 A-133 Student Financial Aid

IX. Reporting Suspected Fraud and Abuse

As reported in the FY 2009 Annual Report, the University of Texas at Arlington has implemented requirements as mandated in Article IX, Section 17.05 and Article XII, Section 5 (c), the General Appropriations Act (81st Legislature) and Texas Government Code, Section 321.022.

Actions Taken:

- The fraud reporting direct link to the state is maintained on the “Reports to State” (Resources Section bottom of page) link on the University’s home page www.uta.edu.
- UT Arlington policies have been updated to provide information on reporting fraud involving State Funds to the SAO.
- Policies and Procedures have been updated for the requirement that the Chief Administrative Officer shall report suspected fraud to the State Auditor’s Office.
- With respect to ARRA reporting information is provided on our website at <http://www.uta.edu/research/recovery/memo.html> with a link to www.recovery.gov.