Appendix- February 13-14, 2020 Regular Board Meeting

STRATEGIC AND OPERATIONAL EXCELLENCE COMMITTEE
UNT System Progress Cards
February 2020 UNT System Progress Card - Page 2

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UNTSA Quarterly Report of Audit Follow-Up - Page 13
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UNTSA Enterprise Audit Report Inventory Spreadsheet - Page 516
Q1 Compliance Report
FY20 Q1 Compliance Background Report - Page 519
## 1. Grow Enrollment and Graduation

<table>
<thead>
<tr>
<th></th>
<th>Fall 2015 (FY16)</th>
<th>Fall 2016 (FY17)</th>
<th>Fall 2017 (FY18)</th>
<th>Fall 2018 (FY19) Actual</th>
<th>Fall 2019 (FY20) Target</th>
<th>Fall 2019 (FY20) Unofficial Actual</th>
<th>Fall 2020 (FY21) Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1.a. Total Fall Headcount Enrollment</strong></td>
<td>42,025</td>
<td>43,375</td>
<td>43,860</td>
<td>44,102</td>
<td>44,914</td>
<td>45,608</td>
<td>46,723</td>
</tr>
<tr>
<td>1.a. UNT</td>
<td>37,175</td>
<td>37,979</td>
<td>38,081</td>
<td>38,087</td>
<td>38,354</td>
<td>39,330</td>
<td>39,700</td>
</tr>
<tr>
<td>1.a. UNTHSC</td>
<td>2,362</td>
<td>2,366</td>
<td>2,270</td>
<td>2,258</td>
<td>2,260</td>
<td>2,219</td>
<td>2,623</td>
</tr>
<tr>
<td>1.a. UNTD</td>
<td>2,488</td>
<td>3,030</td>
<td>3,509</td>
<td>3,757</td>
<td>4,300</td>
<td>4,059</td>
<td>4,400</td>
</tr>
<tr>
<td><strong>1.b. Total Degrees Awarded</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY16</td>
<td>9,243</td>
<td>10,360</td>
<td>10,898</td>
<td>11,234</td>
<td>11,423</td>
<td>NA</td>
<td>11,638</td>
</tr>
<tr>
<td>1.b. UNT</td>
<td>8,105</td>
<td>8,994</td>
<td>9,300</td>
<td>9,628</td>
<td>9,750</td>
<td>NA</td>
<td>9,900</td>
</tr>
<tr>
<td>1.b. UNTHSC</td>
<td>663</td>
<td>766</td>
<td>790</td>
<td>747</td>
<td>750</td>
<td>NA</td>
<td>746</td>
</tr>
<tr>
<td>1.b. UNTD</td>
<td>475</td>
<td>600</td>
<td>808</td>
<td>859</td>
<td>923</td>
<td>NA</td>
<td>992</td>
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</tbody>
</table>

## 2. Grow Research

<table>
<thead>
<tr>
<th></th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19 Preliminary</th>
<th>FY20 Target</th>
<th>FY20 Actual</th>
<th>FY21 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2.a. Total Research Expenditures</strong></td>
<td>$67.4M</td>
<td>$75.8M</td>
<td>$82.1M</td>
<td>$120.6M</td>
<td>$127.7M</td>
<td>NA</td>
<td>$130.4M</td>
</tr>
<tr>
<td>2.a. UNT</td>
<td>$22.8M</td>
<td>$31.4M</td>
<td>$36.7M</td>
<td>$74.2M</td>
<td>$80.8M</td>
<td>NA</td>
<td>$83.0M</td>
</tr>
<tr>
<td>2.a. UNTHSC</td>
<td>$44.6M</td>
<td>$44.4M</td>
<td>$45.4M</td>
<td>$46.4M</td>
<td>$46.9M</td>
<td>NA</td>
<td>$47.4M</td>
</tr>
<tr>
<td>2.a. UNTD</td>
<td>$.04M</td>
<td>$.03M</td>
<td>$.04M</td>
<td>$.04M</td>
<td></td>
<td>No Projections in SP</td>
<td></td>
</tr>
</tbody>
</table>

## 3. Grow Foundation Assets

<table>
<thead>
<tr>
<th></th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19 Preliminary</th>
<th>FY20 Target</th>
<th>FY20 Actual</th>
<th>FY21 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>3.a. Grand Total Foundation &amp; Institutional Gifts, UNT System Consolidated</strong></td>
<td>$35.8M</td>
<td>$40.5M</td>
<td>$60.4M</td>
<td>$71.5M</td>
<td>$49.2M</td>
<td>NA</td>
<td>$56.5M</td>
</tr>
<tr>
<td>3.a. UNT</td>
<td>$25.1M</td>
<td>$29.3M</td>
<td>$36.4M</td>
<td>$61.0M</td>
<td>$36.0M</td>
<td>NA</td>
<td>$40.0M</td>
</tr>
<tr>
<td>3.a. UNTHSC</td>
<td>$10.0M</td>
<td>$10.2M</td>
<td>$21.4M</td>
<td>$8.2M</td>
<td>$12.0M</td>
<td>NA</td>
<td>$15.0M</td>
</tr>
<tr>
<td>3.a. UNTD</td>
<td>$.69M</td>
<td>$1.04M</td>
<td>$2.63M</td>
<td>$.23M</td>
<td>$1.2M</td>
<td>NA</td>
<td>$.15M</td>
</tr>
</tbody>
</table>
### 3. Grow Foundation Assets

<table>
<thead>
<tr>
<th></th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19 Preliminary</th>
<th>FY20 Target</th>
<th>FY20 Actual</th>
<th>FY21 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.b. Total Institutional and Foundation Endowments</td>
<td>$184.3M</td>
<td>$210.6M</td>
<td>$251.5M</td>
<td>$283.1M</td>
<td>$303.0M</td>
<td>NA</td>
<td>$322.0M</td>
</tr>
<tr>
<td>3.b. UNT</td>
<td>$142.5M</td>
<td>$165.2M</td>
<td>$194.4M</td>
<td>$206.6M</td>
<td>$220.2M</td>
<td>NA</td>
<td>$231.3M</td>
</tr>
<tr>
<td>3.b. UNTHSC</td>
<td>$40.7M</td>
<td>$44.2M</td>
<td>$55.7M</td>
<td>$74.8M</td>
<td>$80.6M</td>
<td>NA</td>
<td>$88.0M</td>
</tr>
<tr>
<td>3.b. UNTD</td>
<td>$1.09M</td>
<td>$1.2M</td>
<td>$1.41M</td>
<td>$1.74M</td>
<td>$2.2M</td>
<td>NA</td>
<td>$2.65M</td>
</tr>
</tbody>
</table>

### 4. Become Best Place to Work

<table>
<thead>
<tr>
<th></th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19 Actual</th>
<th>FY20 Target</th>
<th>FY20 Actual</th>
<th>Long-term Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.a. Employee Engagement Grand Mean’ (System-wide)</td>
<td>NA</td>
<td>3.80</td>
<td>3.83</td>
<td>3.65</td>
<td>4.05</td>
<td>NA</td>
<td>4.40</td>
</tr>
<tr>
<td>4.a. UNT</td>
<td>NA</td>
<td>3.73</td>
<td>3.79</td>
<td>3.78</td>
<td>3.88</td>
<td>NA</td>
<td>4.40</td>
</tr>
<tr>
<td>4.a. UNTHSC</td>
<td>NA</td>
<td>3.93</td>
<td>3.92</td>
<td>4.15</td>
<td>4.25</td>
<td>NA</td>
<td>4.40</td>
</tr>
<tr>
<td>4.a. UNTD</td>
<td>NA</td>
<td>3.80</td>
<td>3.83</td>
<td>3.78</td>
<td>3.98</td>
<td>NA</td>
<td>4.40</td>
</tr>
<tr>
<td>4.a. UNTS Administration</td>
<td>NA</td>
<td>3.81</td>
<td>3.90</td>
<td>4.07</td>
<td>4.27</td>
<td>NA</td>
<td>4.40</td>
</tr>
<tr>
<td>4.b. % Engaged Employees (System-wide)</td>
<td>NA</td>
<td>37.6%</td>
<td>41.0%</td>
<td>46.0%</td>
<td>48%</td>
<td>NA</td>
<td>Best Place to Work</td>
</tr>
<tr>
<td>4.b. UNT</td>
<td>NA</td>
<td>35%</td>
<td>38%</td>
<td>38%</td>
<td>40%</td>
<td>NA</td>
<td>Best Place to Work</td>
</tr>
<tr>
<td>4.b. UNTHSC</td>
<td>NA</td>
<td>43%</td>
<td>46%</td>
<td>57%</td>
<td>60%</td>
<td>NA</td>
<td>Best Place to Work</td>
</tr>
<tr>
<td>4.b. UNTD</td>
<td>NA</td>
<td>44%</td>
<td>44%</td>
<td>36%</td>
<td>40%</td>
<td>NA</td>
<td>Best Place to Work</td>
</tr>
<tr>
<td>4.b. UNTS Administration</td>
<td>NA</td>
<td>35%</td>
<td>47%</td>
<td>53%</td>
<td>55%</td>
<td>NA</td>
<td>Best Place to Work</td>
</tr>
</tbody>
</table>

**Notes:**

* Starting in FY19, UNT changed its method of calculating Total Research Expenditure to include research faculty salaries. HSC did not change methodology - does not include faculty salaries and only tracks dollars from research grants.

Numbers noted in **turquoise** are preliminary actual numbers.

Employee engagement grand mean represents overall engagement on a scale of 1-5, with 5 being the highest level of engagement.
Student Access & Success Metrics

<table>
<thead>
<tr>
<th>Total Headcount Enrollment</th>
<th>Total Full Time Student Equivalent</th>
<th>Time-to-Degree, Bachelors</th>
</tr>
</thead>
<tbody>
<tr>
<td>20,000</td>
<td>10,000</td>
<td>4.5</td>
</tr>
<tr>
<td>25,000</td>
<td>15,000</td>
<td>4.6</td>
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<tr>
<td>30,000</td>
<td>20,000</td>
<td>4.7</td>
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<td>35,000</td>
<td>25,000</td>
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<td>40,000</td>
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<td>45,000</td>
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<td>5.0</td>
</tr>
<tr>
<td>50,000</td>
<td>40,000</td>
<td>5.1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>1st to 2nd Year Retention Rate</th>
<th>Six Year Graduation Rate</th>
<th>Total Degrees &amp; Certificates Awarded</th>
</tr>
</thead>
<tbody>
<tr>
<td>60.0%</td>
<td>75%</td>
<td>14,000</td>
</tr>
<tr>
<td>63.0%</td>
<td>70%</td>
<td>13,000</td>
</tr>
<tr>
<td>66.0%</td>
<td>65%</td>
<td>12,000</td>
</tr>
<tr>
<td>69.0%</td>
<td>60%</td>
<td>11,000</td>
</tr>
<tr>
<td>72.0%</td>
<td>55%</td>
<td>10,000</td>
</tr>
<tr>
<td>75.0%</td>
<td>50%</td>
<td>9,000</td>
</tr>
<tr>
<td>78.0%</td>
<td>45%</td>
<td>8,000</td>
</tr>
<tr>
<td>81.0%</td>
<td>40%</td>
<td>7,000</td>
</tr>
<tr>
<td>84.0%</td>
<td>35%</td>
<td>6,000</td>
</tr>
<tr>
<td>87.0%</td>
<td>30%</td>
<td>5,000</td>
</tr>
</tbody>
</table>

Board of Regents
February 2020
Academic Quality Metrics

First Time Students in Top 10% of High School Class

- 2014: 20.0%
- 2015: 22.0%
- 2016: 24.0%
- 2017: 26.0%
- 2018: 28.0%

First Time Students in Top 11-25% of High School Class

- 2014: 42.0%
- 2015: 40.0%
- 2016: 38.0%
- 2017: 36.0%
- 2018: 34.0%

Percentage FTE Teaching Faculty Who Are Tenured/Tenure Track

- 2013: 40%
- 2014: 45%
- 2015: 50%
- 2016: 55%
- 2017: 60%

Board of Regents
February 2020
### Research Metrics

#### Total Research Expenditures

<table>
<thead>
<tr>
<th>Year</th>
<th>Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td></td>
</tr>
</tbody>
</table>

#### Federal & Private Research Expenditures per FTE Faculty

<table>
<thead>
<tr>
<th>Year</th>
<th>Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td></td>
</tr>
</tbody>
</table>

#### Restricted Research

<table>
<thead>
<tr>
<th>Year</th>
<th>Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td></td>
</tr>
</tbody>
</table>

#### NSF Higher Education Research & Development (HERD)

<table>
<thead>
<tr>
<th>Year</th>
<th>Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td></td>
</tr>
</tbody>
</table>

Legend:
- **Blue**: Texas State University
- **Orange**: Texas Tech University
- **Green**: The University of North Texas
- **Red**: The University of Texas at El Paso
- **Yellow**: The University of Texas at Dallas
- **Purple**: The University of Texas at San Antonio
- **Dark Blue**: University of Houston
Student Access & Success Metrics

<table>
<thead>
<tr>
<th>Total Headcount Enrollment</th>
<th>Total Full Time Student Equivalent</th>
<th>Time-to-Degree, Bachelors</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Fall 2014)</td>
<td>(Fall 2014)</td>
<td>(Fall 2014)</td>
</tr>
<tr>
<td>(Fall 2015)</td>
<td>(Fall 2015)</td>
<td>(Fall 2015)</td>
</tr>
<tr>
<td>(Fall 2016)</td>
<td>(Fall 2016)</td>
<td>(Fall 2016)</td>
</tr>
<tr>
<td>(Fall 2017)</td>
<td>(Fall 2017)</td>
<td>(Fall 2017)</td>
</tr>
<tr>
<td>(Fall 2018)</td>
<td>(Fall 2018)</td>
<td>(Fall 2018)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>1st to 2nd Year Retention Rate</th>
<th>Total Degrees &amp; Certificates Awarded</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Fall 2014)</td>
<td>(FY 2014)</td>
</tr>
<tr>
<td>(Fall 2015)</td>
<td>(FY 2015)</td>
</tr>
<tr>
<td>(Fall 2016)</td>
<td>(FY 2016)</td>
</tr>
<tr>
<td>(Fall 2017)</td>
<td>(FY 2017)</td>
</tr>
<tr>
<td>(Fall 2018)</td>
<td>(FY 2018)</td>
</tr>
</tbody>
</table>

Board of Regents
February 2020
Academic Quality Metrics

First Time Students in Top 10% of High School Class

Percentage FTE Teaching Faculty Who Are Tenured/Tenure Track

First Time Students in Top 11-25% of High School Class

Board of Regents
February 2020
Student Success and Research Metrics

Total Headcount Enrollment

Total Degrees Awarded

Total Research Expenditures

Federal Research Expenditures per FTE

- Texas A&M Health Science Center
- Texas Tech University Health Sciences Center
- University of North Texas Health Science Center
UNT SYSTEM ACADEMIC METRIC DEFINITIONS

Academic Quality:

First Time Students in Top 10% of High School Class
Definition: Percent of first-time undergraduates entering summer/fall class who ranked in the top 10 percent of their Texas public high school classes.
Source: THECB Accountability System

First Time Students in Top 11-25% of High School Class
Definition: Percent of first-time undergraduates entering summer/fall class who ranked in the top 11-25 percent of their Texas public high school classes.
Source: THECB Accountability System

Percentage FTE Teaching Faculty Who Are Tenured/Tenure Track
Definition: Percent of all FTE faculty with teaching responsibility who are tenured or tenure-track. Faculty of all FTE faculty, rank codes 1 through 5, with teaching responsibility (appointment codes 01 and 02 and are reported during the fall semester as the teacher of record on the CBM004) who are tenured or tenure-track. Teaching assistants are not included, to match LBB measure.
Source: THECB Accountability System

Full Time Student Equivalent per Full Time Faculty Equivalent
Definition: Full-time student equivalents (FTSE) divided by full-time equivalent (FTE) faculty. Undergraduate full-time-student-equivalents (FTSE’s) are calculated on 15 semester credit hours; master’s, pharmacy, law, and other special profession FTSEs are calculated on 12 semester credit hours; optometry is calculated on 17 semester credit hours; and doctoral FTSEs are calculated on 9 semester credit hours. All semester credit hours, not just state-funded hours, are included. FTE (full-time equivalent) faculty are instructional faculty with rank codes 1-5 and appointment codes 01 and 02. Faculty must be teaching a course reported on the CBM004. Only the percent time in appointment codes 01 and 02 are counted. Faculty members without a salary are included. Teaching assistants are not included to match LBB measure.
Source: THECB Accountability System
UNT SYSTEM ACADEMIC METRIC DEFINITIONS

**Student Access & Success**

**Total Headcount Enrollment**
Definition: Unduplicated fall enrollment. Dual credit students are included in the total; flex entry students are not.
Source: THECB Accountability System

**Total Full Time Student Equivalent**
Definition: Fall semester credit hours (SCH), includes (funded and non-state-funded) calculated by dividing undergraduate/15, master's/12, doctoral/9, special-professional/12, and optometry/17.
Source: THECB Accountability System

**Time-to-Degree, Bachelors**
Definition: Average time in years spent to earn bachelor's degree.
Source: THECB Higher Education Almanac

**First to Second Year Retention Rate**
Definition: Percent of first-time entering, degree-seeking undergraduates enrolled in at least 12 SCH in the fall semester who are still enrolled at the same institution the following fall. All public and independent institutions are included in the persistence rate. This metric includes Social Security Number (SSN) changes submitted on the CBM00N.
Source: THECB Accountability System

**Six Year Graduation Rate**
Definition: First-time, full-time entering degree-seeking students who enrolled in a minimum of 12 SCH their first fall semester who graduated from the same institution after six academic years. This metric includes Social Security Number (SSN) changes submitted on the CBM00N. First-time determined by the “first-time student flag” on CBM001.
Source: THECB Accountability System

**Total Degrees & Certificates Awarded**
Definition: Number of degrees and certificates awarded, not including graduate certificates.
Source: THECB Accountability System
UNT SYSTEM ACADEMIC METRIC DEFINITIONS

Research:

Total Research Expenditures
Definition: Total research expenditures, including all subcategories of sources of funds (federal, state, private, and institutional). Restricted research expenditures are a subset of total research expenditures. To qualify as research, the primary purpose of the contract, gift, or grant must be research.
Source: THECB Accountability System

Restricted Research Expenditures
Definition: Restricted research expenditures are a subset of total research expenditures. They are expenditures of funds on which an external entity (such as government agencies, philanthropic organizations, or individuals) has placed limitations and for which the use the use of the funds qualifies as research and development. To qualify as research, the primary purpose of the contract, gift, or grant must be research. The Coordinating Board collects restricted research expenditures for formula distribution or Research Development Funds (RDF) and as criterion for the National Research Universities Fund (NRUF). The collection of restricted research expenditures includes a public procedure assuring transparency and commonality between institutions. The definition of restricted research expenditures is more narrowly defined than restricted research expenditures that are listed in institutions’ Annual Financial Reports (AFRs). Accountability system estimates for restricted research expenditures for institutions that are not participating in RDF or NRUF (e.g. Texas A&M University, The University of Texas at Austin, and health-related institutions) are research expenditures minus state appropriated funds, institutional funds, and indirect cost. Estimated restricted research expenditures and data from institutions AFR must not be compared directly with restricted research expenditures collected for RDF and NRUF.
Source: THECB Accountability System

Federal and Private Research Expenditures per FTE Faculty
Definition: Federal and private research expenditures divided by the number of fall tenured/tenure-track full-time-equivalent faculty (ranks 1-5) with teaching responsibilities (01 and 02).
Source: THECB Accountability System
Summary of Follow-up Activity

<table>
<thead>
<tr>
<th></th>
<th>Beginning Balance Open Recommendations (Past Due and Not Yet Due)</th>
<th>New Recommendations During this Quarter</th>
<th>Total Closed Recommendations During this Quarter</th>
<th>Total Current Open Recommendations</th>
<th>Open Recommendations (Not Yet Due)</th>
<th>Open Recommendations (Past Due)</th>
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Questions?
<table>
<thead>
<tr>
<th>Audit Information</th>
<th>Finding and Recommendation(s)</th>
<th>Management Response(s)</th>
<th>Status</th>
<th>Date History</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Auditor:</strong> Internal</td>
<td>Segregation of Duties (SOD) is not documented. SOD interrelationships are not reviewed.</td>
<td>1b. FSS will work with the data owners to identify what constitutes SOD for EIS FS processes.</td>
<td>8 months past due</td>
<td>Original Expected Implementation Date: • May 31, 2019</td>
</tr>
<tr>
<td><strong>Risk Category:</strong> Government and Regulatory Compliance</td>
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<td><strong>Risk Level:</strong> High</td>
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<tr>
<td><strong>Report Name:</strong> EIS Roles Based Access</td>
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<tr>
<td><strong>Report Number:</strong> 19-026 SYS</td>
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<tr>
<td><strong>Component Institution:</strong> UNT System</td>
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<tr>
<td><strong>Department:</strong> Administrative IT Services</td>
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<tr>
<td><strong>Brief Description of Audit:</strong> UNT System Internal Audit completed a review of EIS FS Roles Based Access. This audit was part of the Board of Regents approved FY2019 annual audit plan.</td>
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<tr>
<td>Audit Information</td>
<td>Finding and Recommendation(s)</td>
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<tr>
<td><strong>Auditor:</strong> Internal</td>
<td>Segregation of Duties (SOD) is not documented. SOD interrelationships are not reviewed.</td>
<td>1d. FSS will create procedures to address potential SOD violations/exceptions. The procedures will include remediation as necessary.</td>
<td>8 months past due</td>
<td>Original Expected Implementation Date: May 31, 2019</td>
</tr>
<tr>
<td><strong>Reporting Agency:</strong> UNT System Internal Audit</td>
<td>Recommendations for Financial Analysis and Planning: 1.1.d. Establish a procedure to evaluate the output of the SOD automated solution, and take appropriate action to mitigate or accept any conflicts identified.</td>
<td><strong>Party Responsible for Implementation:</strong> Jim Gross, Senior Director of Financial Planning and Analysis at UNT System, manager for the Financial System Support (FSS) Team.</td>
<td>July 16, 2019: This issue relies of the Smart ERP tool for resolution, for which verbal approval has been obtained. They are waiting until next Fiscal Year to purchase this service, and will be able to submit the requisition for Smart ERP once the budget is loaded in mid-August. Plans call for the initial scan to take place in October 2019, review results in November 2019, and refine SOD rules and procedures for three months, ending in February 2020.</td>
<td>Revised Implementation Date: 1) February 29, 2020</td>
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<td><strong>Risk Category:</strong> Government and Regulatory Compliance</td>
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<td><strong>Brief Description of Audit:</strong> UNT System Internal Audit completed a review of EIS FS Roles Based Access. This audit was part of the Board of Regents approved FY2019 annual audit plan.</td>
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</table>
## Audit Information

- **Auditor:** Internal
- **Reporting Agency:** UNT System Internal Audit
- **Risk Category:** Government and Regulatory Compliance
- **Risk Level:** High
- **Report Name:** EIS Roles Based Access
- **Report Number:** 19-026 SYS
- **Component Institution:** UNT System
- **Department:** Administrative IT Services
- **Brief Description of Audit:** UNT System Internal Audit completed a review of EIS FS Roles Based Access. This audit was part of the Board of Regents approved FY2019 annual audit plan.

## Finding and Recommendation(s)

- Terminated people have access to EIS information. Persons who transfer positions retain their access from previous roles.
- Recommendations for Financial Analysis and Planning:
  - 5.1.c. Establish procedures whereby persons who transfer to another position, within or across UNT entities, have their EIS FS access removed and access appropriate to their new role granted.

## Management Response(s)

- 1c. FSS will submit to the IT Priority and Planning (ITPP) committee to broaden the scope of the Role Removal program to capture employees that require a removal of access.

## Party Responsible for Implementation

- Jim Gross, Senior Director of Financial Planning and Analysis at UNT System, manager for the Financial System Support (FSS) Team.

## Status

- 9 months past due
- May 7, 2019: The actions regarding employees that transfer will be wrapped into the SOD project they will be presenting in May. The goal is to get SOD maintained through role-based security. SOD issues are scheduled to be implemented 5/31/2019, so the implementation date of this issue has been changed to reflect that.
- July 22, 2019: The due date of this item is being extended due to the resource issues in ITSS and complexity of the scenarios involved in processing transfers. The automated transfer process will rely on the use of Smart ERP.
- August 6, 2019: FSS is actively working with ITSS to develop a report to identify employees that have moved departments so that their security permissions may be manually removed. We anticipate that to be in use by 9/1. At this point we have to investigate on a case by case basis what should actions should be taken. Since this is the first time this information will be made visible, we need to craft a business process that is understood and hopefully agreed upon by each campus. FSS will be working with ITSS and HRIS to refine the role removal process to make the process automatic.

### Original Expected Implementation Date:
- April 30, 2019

### Revised Implementation Date:
- 1) May 31, 2019
- 2) July 31, 2020
**UNTHSC-Detail for Follow-up Activity**

<table>
<thead>
<tr>
<th>Audit Information</th>
<th>Finding and Recommendation(s)</th>
<th>Management Response(s)</th>
<th>Status</th>
<th>Date History</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Auditor:</strong> Internal</td>
<td>Nighttime camera surveillance could not capture clear images for two campus locations due to poor lighting. Recommendations for UNTHSC Interim Chief of Police: 3.1.a. Convene a committee of UNTHSC senior leadership to determine and implement the most effective and most feasible method to improve nighttime surveillance of GSB Parking Lot 2.</td>
<td>1.a. We concur with the recommendation and will remediate the cameras in the mentioned areas. <strong>Party Responsible for Implementation:</strong> Jeff Arrington, Interim Chief of Police</td>
<td>2 months past due</td>
<td>December 9, 2019: The UNTHSC Chief of Police has initiated the process of replacing outdated external video cameras on campus and is starting with the most critical areas that include the parking garages (Modlin Garage, East Garage, and West Garage) and the high traffic surface parking lots. The Chief of Police will conduct a security survey of the UNTHSC campus at the beginning of the next calendar year (2020) to determine the priorities pertaining to exterior video cameras and lighting on campus. Due to the complexity of the endeavor, the UNTHSC PD respectfully asks for an extension that deviates from the original expected implementation date of 12/01/2019.</td>
</tr>
</tbody>
</table>

**Reporting Agency:** UNT System Internal Audit

**Risk Category:** Government and Regulatory Compliance

**Risk Level:** High

**Report Name:** Security Camera Audit

**Report Number:** 19-029 HSC

**Component Institution:** UNTHSC

**Department:** Police Department

**Brief Description of Audit:** UNT System Internal Audit completed an audit of the UNT Health Science Center (HSC) security camera system. This audit was part of the Board of Regents approved FY2019 annual audit plan.
### UNTHSC-Detail for Follow-up Activity

<table>
<thead>
<tr>
<th>Audit Information</th>
<th>Finding and Recommendation(s)</th>
<th>Management Response(s)</th>
<th>Status</th>
<th>Date History</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auditor: Internal</td>
<td>Nighttime camera surveillance could not capture clear images for two campus locations due to poor lighting. Recommendations for UNTHSC Interim Chief of Police: 3.1.b. Convene a committee of UNTHSC senior leadership to determine and implement the most effective and most feasible method to improve nighttime surveillance of 3416 Darcy Street.</td>
<td>1b. We concur with the recommendation and will remediate the cameras in the mentioned areas. <strong>Party Responsible for Implementation:</strong> Jeff Arrington, Interim Chief of Police</td>
<td>2 months past due December 9, 2019: The UNTHSC Chief of Police has initiated the process of replacing outdated external video cameras on campus and is starting with the most critical areas that include the parking garages (Modlin Garage, East Garage, and West Garage) and the high traffic surface parking lots. The Chief of Police will conduct a security survey of the UNTHSC campus at the beginning of the next calendar year (2020) to determine the priorities pertaining to exterior video cameras and lighting on campus. Due to the complexity of the endeavor, the UNTHSC PD respectfully asks for an extension that deviates from the original expected implementation date of 12/01/2019.</td>
<td><strong>Original Expected Implementation Date:</strong> December 1, 2019 <strong>Revised Implementation Date:</strong> 1) March 1, 2020</td>
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**Auditor:** Internal  
**Reporting Agency:** UNT System Internal Audit  
**Risk Category:** Government and Regulatory Compliance  
**Risk Level:** High  
**Report Name:** Security Camera Audit  
**Report Number:** 19-029 HSC  
**Component Institution:** UNTHSC  
**Department:** Police Department  
**Brief Description of Audit:** UNT System Internal Audit completed an audit of the UNT Health Science Center (HSC) security camera system. This audit was part of the Board of Regents approved FY2019 annual audit plan.
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<tr>
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</thead>
<tbody>
<tr>
<td>Auditor: Internal</td>
<td>There was no documented Disaster Recovery Plan or Service Level Agreement in place for the UNTHSC security camera system. Recommendations for UNTHSC Interim Chief of Police: 6.1.a. Work with UNTHSC Information Technology Services (ITS) to develop and implement a Disaster Recovery Plan and Service Level Agreements (SLA) to support the system. The SLA should also be included in the contract with the outside vendor supporting the system.</td>
<td>1a. We concur with the recommendation and will collaborate with UNTHSC Information Technology Services to develop a Disaster Recovery Plan and Service Level Agreement(s).</td>
<td>2 months past due</td>
<td>Original Expected Implementation Date: December 1, 2019 Revised Implementation Date: 1) March 1, 2020</td>
</tr>
<tr>
<td>Reporting Agency: UNT System Internal Audit</td>
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<td>Risk Category: Government and Regulatory Compliance</td>
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<td>Risk Level: High</td>
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<tr>
<td>Report Name: Security Camera Audit</td>
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<td>Report Number: 19-029 HSC</td>
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<td>Component Institution: UNTHSC</td>
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<tr>
<td>Brief Description of Audit: UNT System Internal Audit completed an audit of the UNT Health Science Center (HSC) security camera system. This audit was part of the Board of Regents approved FY2019 annual audit plan.</td>
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## Audit Information

- **Auditor:** Internal
- **Reporting Agency:** UNT System Internal Audit
- **Risk Category:** Government and Regulatory Compliance
- **Risk Level:** High
- **Report Name:** UNT Dallas Community Counseling Clinic Audit
- **Report Number:** 17-413 DAL
- **Component Institution:** UNT Dallas
- **Department:** Administrative IT Services

### Brief Description of Audit

Internal Audit completed a review of the University of North Texas at Dallas ("UNT Dallas") Community Counseling Clinic Audit. This audit was performed at the request of UNT Dallas Senior Management.

### Finding and Recommendation(s)

During our review of the Clinic, we noted that the patient health information (PHI) is not protected sufficiently to ensure compliance with the Texas Medical Records Privacy Act (Texas House Bill 300/ Texas Health & Safety Code § 181).

**Recommendations for the Provost:**

1.1.b. Require that all patient PHI to be stored on encrypted University issued devices. Create a log to document all University devices provided to employees/students. Once the semester ends, retrieve all issued devices and reconcile what is documented on the log to ensure all devices have been returned.

### Management Response(s)

1b. We worked with the University of North Texas at Dallas OIT department to implement recording equipment and secure recording software, Panopto, which works well for general recording and review. The Panopto data is encrypted in both transfer and resting state. OIT has a log of all University (laptops, iPads, etc.) used by faculty and staff in the clinic therapy rooms. To ensure security we discontinued the use of personal devices outside of the clinic to record PHI. We will create a log to document all University devices checked out to faculty, staff, or students for clinical use. We will develop a corresponding policy and procedure indicating steps for retrieving issued devices and reconciling all information and devices each semester. We will work with OIT to ensure all devices are sanitized once a semester.

**Party Responsible for Implementation:** Betty Stewart, Provost/ Executive Vice President of Academic Affairs

### Status

- **5 months past due**

October 9, 2019: UNT Dallas OIT provided technical assistance in implementing recording equipment & purchasing secure recording software (Panopto). Data may be encrypted in both transfer & resting states. OIT maintains an inventory of all electronic equipment owned by the University. This includes all electronic equipment used by faculty & staff in clinic therapy rooms. To strengthen security measures, the use of personal electronic devices to record PHI is prohibited. A log is maintained to document all University devices checked out to faculty, staff, or students for clinical use. A policy & associated procedures are being drafted a corresponding policy & procedure indicating steps for retrieving issued devices & reconciling all information & devices each semester. We will work with OIT to ensure all devices are sanitized once a semester.

Counseling faculty are reviewing current Masters & Practicum handbooks & developing medical record privacy guidelines that align with the Texas Medical Records Privacy Act for all faculty, staff, & students. These privacy guidelines will be included in both the counseling program’s Masters handbook & the Practicum handbook updates. This will be completed by 02/10/2020.

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**Original Expected Implementation Date:**
- August 31, 2019

**Revised Implementation Date:**
- 1) February 10, 2020
<table>
<thead>
<tr>
<th>Auditor:</th>
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<td>Report Name:</td>
<td>UNT Dallas Community Counseling Clinic Audit</td>
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<td>17-413 DAL</td>
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<tr>
<td>Component Institution:</td>
<td>UNT Dallas</td>
</tr>
<tr>
<td>Department:</td>
<td>Administrative IT Services</td>
</tr>
<tr>
<td>Brief Description of Audit:</td>
<td>Internal Audit completed a review of the University of North Texas at Dallas (&quot;UNT Dallas&quot;) Community Counseling Clinic Audit. This audit was performed at the request of UNT Dallas Senior Management.</td>
</tr>
<tr>
<td>During our review of the Clinic, we noted that the patient health information (PHI) is not protected sufficiently to ensure compliance with the Texas Medical Records Privacy Act (Texas House Bill 300/ Texas Health &amp; Safety Code § 181). Recommendations for the Provost: 1.1.i. Develop a University policy regarding PHI privacy regulations and submit to the Office of General Council for review and approval.</td>
<td>1.1.i Counseling faculty will work to develop policies and procedures regarding PHI privacy regulations. Once the documents are created we will submit them to the office of General Council for review and approval</td>
</tr>
<tr>
<td>Party Responsible for Implementation: Betty Stewart, Provost/ Executive Vice President of Academic Affairs</td>
<td>5 months past due</td>
</tr>
<tr>
<td>October 9, 2019: Students shall ensure confidentiality of volunteers’ &amp; practicum &amp; internship clients’ PHI (written, verbal, or electronic) by: - only storing PHI on encrypted devices (i.e. encrypted flash drives, iPad, computers) &amp; software (Panopto) - ensuring written PHI (i.e. papers, PowerPoints, etc.) are only viewed by authorized personnel (i.e. faculty members, classmates who have completed HIPAA training, or the client’s legal guardians) &amp; not seen by others - securing all written PHI paper in a locked file cabinet in a locked room when unattended (i.e. when the student is not directly in control of it). For example, PHI is not to be kept in a student’s notebook that is brought to class or in a student’s car. Rather, the information is to be kept on an encrypted device or encrypted software - ensuring verbal communication of PHI is only with authorized personnel (i.e. faculty members, classmates who have completed HIPAA training, or legal guardians) &amp; not heard by others - Certificates of completion are placed in faculty files &amp; in student files. All documents are secured &amp; protected according to FERPA requirements. Counseling faculty will work to develop policies &amp; procedures regarding PHI privacy regulations. Once the documents are drafted, they will be submitted to OGC for review &amp; approval. This will be completed 2/10/2020.</td>
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</table>

Original Expected Implementation Date: 5 months past due |
Revised Implementation Date: 1) February 10, 2020
## Audit Information

**Auditor:** Internal  
**Reporting Agency:** UNT System Internal Audit  
**Risk Category:** Government and Regulatory Compliance  
**Risk Level:** High  
**Report Name:** UNT Dallas Community Counseling Clinic Audit  
**Report Number:** 17-413 DAL  
**Component Institution:** UNT Dallas  
**Department:** Administrative IT Services  
**Brief Description of Audit:** Internal Audit completed a review of the University of North Texas at Dallas (“UNT Dallas”) Community Counseling Clinic Audit. This audit was performed at the request of UNT Dallas Senior Management.

## Finding and Recommendation(s)

During our walk-through of the Clinic site, we identified personally identifiable information (PII) (i.e. copies of checks that contains name, address, and bank account information) related to patient payments which dates back to 2010. Specifically, copies of checks are kept in the Director’s office in binders located on a shelf and in envelopes located in the filing cabinet, which may be accessible to non-authorized personnel when the Director is not present. PII information should be kept secured and protected against inappropriate access and use in compliance with applicable laws and regulations.

**Recommendations for the Provost:**

1. Develop procedures to help ensure that all PII is appropriately protected against inappropriate access and use in compliance with applicable laws and regulations.

2. To ensure security, confidential information will be safeguarded and stored in locked files. Current PII information will be kept secured and protected in locked files in the graduate student workroom, behind locked doors. We no longer keep copies of client checks. Counseling faculty are working to develop guidelines and procedures to address the security of clients’ personal and confidential information protecting from improper disclosure.

**Party Responsible for Implementation:**  
- Betty Stewart, Provost/ Executive Vice President of Academic Affairs

## Management Response(s)

1. To ensure security, confidential information will be safeguarded and stored in locked files. Current PII information will be kept secured and protected in locked files in the graduate student workroom, behind locked doors. We no longer keep copies of client checks. Counseling faculty are working to develop guidelines and procedures to address the security of clients’ personal and confidential information protecting from improper disclosure.

**Status:**  
- October 9, 2019: To ensure security, confidential information is safeguarded and stored in locked files. Current PII information is kept secured and protected in locked files in the graduate student workroom, behind locked doors. Copies of clients checks have been destroyed. Counseling faculty are developing guidelines and procedures to address and protect clients’ personal and confidential information from improper disclosure.

**Date History:**  
- Original Expected Implementation Date: August 31, 2019  
- Revised Implementation Date: February 10, 2020
<table>
<thead>
<tr>
<th>Audit Information</th>
<th>Finding and Recommendation(s)</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Auditor: Internal</td>
<td>There was no documented Business Continuity or Disaster Recovery Plan in place for UNT Dallas Security Camera system. Recommendations for UNT Dallas Risk Manager: 7.1.a. Work with the UNT Dallas Chief of Police to develop a BCP for the Camera Security system.</td>
<td>1a&amp;1b. UNT Dallas Risk Manager, CFO, Police Chief and OIT Director will work together to complete a BCP and Disaster Recovery Plan for the Camera Security system. Party Responsible for Implementation: John Bullock, Risk Manager</td>
<td>5 months past due</td>
<td>Original Expected Implementation Date: • September 1, 2019 Revised Implementation Date: 1) February 1, 2020</td>
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<tr>
<td>Reporting Agency: UNT System Internal Audit</td>
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<td>Report Name: UNT Dallas Security Camera Audit</td>
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<tr>
<td>Department: Police Department</td>
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<tr>
<td>Brief Description of Audit: UNT System Internal Audit completed an audit of the UNT Dallas Security Camera system. In meetings with the UNT Dallas President and CFO, the status of the Security Camera system was identified as an area of emerging risk, and the audit was performed using unallocated hours available on the FY2018 audit plan.</td>
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### Audit Information
- **Auditor:** Internal
- **Reporting Agency:** UNT System Internal Audit
- **Risk Category:** Government and Regulatory Compliance
- **Risk Level:** High
- **Report Name:** UNT Dallas Security Camera Audit
- **Report Number:** 18-412 DAL
- **Component Institution:** UNT Dallas
- **Department:** Police Department

### Brief Description of Audit
UNT System Internal Audit completed an audit of the UNT Dallas Security Camera system. In meetings with the UNT Dallas President and CFO, the status of the Security Camera system was identified as an area of emerging risk, and the audit was performed using unallocated hours available on the FY2018 audit plan.

### Finding and Recommendation(s)

<table>
<thead>
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<th>Recommendation</th>
<th>Details</th>
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<tbody>
<tr>
<td>7.1.b.</td>
<td>Work with the CFO, Chief of Police and OIT Director to develop and implement a Disaster Recovery Plan (including Service Level Agreements) to address the needs established in the BCP.</td>
</tr>
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</table>

### Management Response(s)

<table>
<thead>
<tr>
<th>Party Responsible for Implementation</th>
<th>Details</th>
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<tbody>
<tr>
<td>John Bullock, Risk Manager</td>
<td>1a &amp; 1b. UNT Dallas Risk Manager, CFO, Police Chief and OIT Director will work together to complete a BCP and Disaster Recovery Plan for the Camera Security system</td>
</tr>
</tbody>
</table>

### Status
- 5 months past due
- September 27, 2019: IT Director Kevin Rocha has been attempting to get an SLA in place with DAC, however he is very displeased with their responsiveness and is considering switching to a new vendor because of it. He will continue to try to get an SLA with DAC or push to select a new vendor and get an SLA with them. Revised due date is 05/31/20 due to issues with response time and delays from the vendor regarding the establishment of a service level agreement and considering switching to a new support vendor. This information was sent to CFO Jim Main on September 27, 2019.

### Date History
- Original Expected Implementation Date: September 1, 2019
- Revised Implementation Date: 1) May 31, 2020
<table>
<thead>
<tr>
<th>Audit Information</th>
<th>Finding and Recommendation(s)</th>
<th>Management Response(s)</th>
<th>Status</th>
<th>Date History</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auditor: Internal</td>
<td>A Service-Level Agreement (SLA) with the vendor supporting the access system did not exist. Recommendations for the Office of IT Director: 3.1.a. Establish a service-level agreement with the vendor supporting the door access system that outlines uptime expectations, updates, patches, and a maintenance schedule and submit for contract approval.</td>
<td>1a. We agree with this recommendation and will include these service-level agreement terms in the contract addendum for the new card access system with the requisition. <strong>Party Responsible for Implementation:</strong> Kevin Rocha, Office of IT Director</td>
<td>4 months past due</td>
<td></td>
</tr>
<tr>
<td>Reporting Agency: UNT System Internal Audit</td>
<td></td>
<td></td>
<td>September 27, 2019: IT Director Kevin Rocha has been attempting to get an SLA in place with DAC, however he is very displeased with their responsiveness and is considering switching to a new vendor because of it. He will continue to try to get an SLA with DAC or push to select a new vendor and get an SLA with them. Revised due date is 05/31/20 due to issues with response time and delays from the vendor regarding the establishment of a service level agreement and considering switching to a new support vendor. This information was sent to CFO Jim Main on September 27, 2019.</td>
<td>Original Expected Implementation Date: • September 30, 2019 Revised Implementation Date: 1) May 31, 2020</td>
</tr>
<tr>
<td>Audit Information</td>
<td>Finding and Recommendation(s)</td>
<td>Management Response(s)</td>
<td>Status</td>
<td>Date History</td>
</tr>
<tr>
<td>-------------------</td>
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</tr>
<tr>
<td>Auditor: Internal</td>
<td>The user name and/or ID number in the door access software system did not match the data in the central database. Recommendations for the Office of IT Director: 4.1.a. Create a direct feed from EIS to populate users in the door access software system or train and establish procedures for the ID Center staff to manually populate users in the door access system with data that parallels EIS.</td>
<td>1a. Create a direct feed from EIS to populate users in the door access software system or train and establish procedures for the ID Center staff to manually populate users in the door access system with data that parallels EIS.</td>
<td>4 months past due</td>
<td>Original Expected Implementation Date: • September 30, 2019 Revised Implementation Date: 1) July 31, 2020</td>
</tr>
<tr>
<td>Reporting Agency: UNT System Internal Audit</td>
<td></td>
<td></td>
<td>September 27, 2019: IT Director Kevin Rocha, a direct feed from EIS will be setup on the install of the new software, however there are issues with contract. The requisition is currently on the desk of the UNT Dallas President. Once that is approved, the project can move forward to purchase the new vendor and then begin the installation process. The revised due date is 07/31/20 due to extended negotiations with new vendor. Once the new system is installed a direct feed from EIS will load all of the user data. This information was sent to CFO Jim Main on September 27, 2019.</td>
<td></td>
</tr>
<tr>
<td>Risk Category: Government and Regulatory Compliance</td>
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</tr>
<tr>
<td>Risk Level: Moderate</td>
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<td></td>
<td></td>
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<tr>
<td>Report Name: Residence Hall Key Card Access</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Report Number: 19-055 DAL</td>
<td></td>
<td></td>
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<tr>
<td>Component Institution: UNT Dallas</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Department: Safety and Emergency Services</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Brief Description of Audit: UNT System Internal Audit completed a review of the UNT Dallas Residence Hall Key Card Access process. Also included in this audit was Wisdom Hall’s fire safety and emergency preparedness and a review of access controls for other restricted areas on campus. This audit was part of the Board of Regents approved FY2019 annual audit plan. The objective of this audit was an assessment of the security posture and readiness of these systems.</td>
<td></td>
<td></td>
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</tbody>
</table>

**Party Responsible for Implementation:** Kevin Rocha, Office of IT Director
## Audit Information

**Auditor:** Internal  
**Reporting Agency:** UNT System Internal Audit  
**Risk Category:** Government and Regulatory Compliance  
**Risk Level:** High  
**Report Name:** UNT Dallas Financial Aid Processes Audit  
**Report Number:** 19-058 DAL  
**Component Institution:** UNT Dallas  
**Department:** Financial Services  

**Brief Description of Audit:** UNT System Internal Audit completed a review of financial aid processes at UNT Dallas. Financial aid at UNT Dallas is administered by Student Financial Aid & Scholarships (SFAS). SFAS works with current and prospective students to secure the necessary funding for their education at UNT Dallas. SFAS reports to the Vice President of Student Access and Success. This audit was performed using unallocated hours available on the FY2019 audit plan.

## Finding and Recommendation(s)

Student Financial Aid and Scholarships (SFAS) does not have a written Business Continuity Plan (BCP) for mission critical information resources.  

Recommendations for Garrick Hildebrand, Director of Financial Aid:  

7.1.a. Develop a written Business Continuity Plan (BCP) for mission critical resources.

## Management Response(s)

1a. Management agrees with this recommendation. Management will work with UNTD Risk Management Officer to development a Business Continuity Plan.  

**Party Responsible for Implementation:** Garrick Hildebrand, Director of Financial Aid

## Status

2 months past due  

January 17, 2020: The BCP plan is still being worked on but is in the stages of a draft report. Some areas will have to go through the Office Management Team before the BCP is finalized. A revised implementation date of May 31, 2020 is requested.

## Date History

**Original Expected Implementation Date:**  
- December 1, 2019  

**Revised Implementation Date:** 1) May 31, 2020
<table>
<thead>
<tr>
<th>Audit Number</th>
<th>Formal Title</th>
<th>Entity</th>
<th>Component</th>
<th>Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Date of Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>MET Building</td>
<td>MET Building</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>Features of fire protection include a fire sprinkler system, fire alarm system with smoke detection and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>Compliance</td>
<td>NA</td>
<td>Adjunct VIOLATION 9. The public areas of the first floor are not照亮 exits.</td>
<td>MET Building</td>
</tr>
<tr>
<td>MET Building</td>
<td>MET Building</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>Details of fire prevention include a fire sprinkler system, fire alarm system with smoke detection and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>Compliance</td>
<td>NA</td>
<td>Adjunct VIOLATION 9. The building is not equipped with a fire alarm system.</td>
<td>MET Building</td>
</tr>
<tr>
<td>MET Building</td>
<td>MET Building</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>The MET Building is a five-story structure classified as a mixed occupancy consisting of existing assembly and existing business. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>Compliance</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>MET Building</td>
<td>MET Building</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>The copy machine located outside cubical WKSTN W3N is obstructed by vegetation. NFPA 1, Fire Code, Chapter 4.3.1.8.4</td>
<td>Compliance</td>
<td>NA</td>
<td>The copy machine will be relocated.</td>
<td>MET Building</td>
</tr>
<tr>
<td>MET Building</td>
<td>MET Building</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>The copy machine located outside cubical 4051 is obstructed by vegetation. NFPA 1, Fire Code, Chapter 4.3.1.8.4</td>
<td>Compliance</td>
<td>NA</td>
<td>Equipment will be removed.</td>
<td>MET Building</td>
</tr>
<tr>
<td>MET Building</td>
<td>MET Building</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>The copy machine located outside cubicle WKSTN W3N is obstructed by vegetation. NFPA 1, Fire Code, Chapter 4.3.1.8.4</td>
<td>Compliance</td>
<td>NA</td>
<td>Equipment will be removed.</td>
<td>MET Building</td>
</tr>
<tr>
<td>MET Building</td>
<td>MET Building</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>A sprinkler head located near Room 470 is classified as a mixed occupancy consisting of existing assembly and existing business. NFPA 1, Fire Code, Chapter 11.1.10</td>
<td>Compliance</td>
<td>NA</td>
<td>Ceiling tiles will be replaced.</td>
<td>MET Building</td>
</tr>
<tr>
<td>MET Building</td>
<td>MET Building</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>The sprinkler system is obstructed near Room 470. NFPA 1, Fire Code, Chapter 63.3.1.8.4</td>
<td>Compliance</td>
<td>NA</td>
<td>Ceiling tiles will be replaced.</td>
<td>MET Building</td>
</tr>
<tr>
<td>MET Building</td>
<td>MET Building</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>The penthouse chiller room has two electrical splice boxes with the covers removed. NFPA 1, Fire Code, Chapter 11.1.10</td>
<td>Compliance</td>
<td>NA</td>
<td>Covers will be replaced.</td>
<td>MET Building</td>
</tr>
<tr>
<td>MET Building</td>
<td>MET Building</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>UNTHSC</td>
<td>The copy machine located outside cubical 4051 is obstructed by vegetation. NFPA 1, Fire Code, Chapter 4.3.1.8.4</td>
<td>Compliance</td>
<td>NA</td>
<td>The copy machine will be relocated.</td>
<td>MET Building</td>
</tr>
<tr>
<td>Audit Number</td>
<td>Audit Category</td>
<td>Component Institution</td>
<td>Key Observations</td>
<td>Risk Level</td>
<td>Recommendation Details</td>
<td>Management Response</td>
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<td></td>
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</tr>
<tr>
<td>01</td>
<td>Governance and Regulatory Compliance</td>
<td>RES Building</td>
<td>The RES building is a five-story structure with a basement classified as a mixed occupancy consisting of existing business and existing assembly. Features of fire protection include a fire alarm system, fire sprinkler system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NA</td>
<td>ACUATION 10</td>
<td>Fire alarm cover marked Fire alarm.</td>
<td>Items will be removed and stored properly.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>03</td>
<td>Governance and Regulatory Compliance</td>
<td>RES Building</td>
<td>The RES building is a five-story structure with a basement classified as a mixed occupancy consisting of existing business and existing assembly. Features of fire protection include a fire alarm system, fire sprinkler system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NA</td>
<td>ACUATION 14</td>
<td>The roof top Freon emergency shut pull station has a protective cover marked Fire alarm.</td>
<td>Cover will be replaced.</td>
<td></td>
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</tr>
<tr>
<td>05</td>
<td>Governance and Regulatory Compliance</td>
<td>RES Building</td>
<td>The RES building is a five-story structure with a basement classified as a mixed occupancy consisting of existing business and existing assembly. Features of fire protection include a fire alarm system, fire sprinkler system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NA</td>
<td>ACUATION 12</td>
<td>Fire alarm cover marked Fire alarm.</td>
<td>Items will be removed and stored properly.</td>
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<td></td>
</tr>
<tr>
<td>07</td>
<td>Governance and Regulatory Compliance</td>
<td>RES Building</td>
<td>The RES building is a five-story structure with a basement classified as a mixed occupancy consisting of existing business and existing assembly. Features of fire protection include a fire alarm system, fire sprinkler system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NA</td>
<td>ACUATION 11</td>
<td>Fire alarm cover marked Fire alarm.</td>
<td>Items will be removed and stored properly.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>09</td>
<td>Governance and Regulatory Compliance</td>
<td>RES Building</td>
<td>The RES building is a five-story structure with a basement classified as a mixed occupancy consisting of existing business and existing assembly. Features of fire protection include a fire alarm system, fire sprinkler system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NA</td>
<td>ACUATION 7</td>
<td>Fire alarm cover marked Fire alarm.</td>
<td>Items will be removed and stored properly.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Governance and Regulatory Compliance</td>
<td>RES Building</td>
<td>The RES building is a five-story structure with a basement classified as a mixed occupancy consisting of existing business and existing assembly. Features of fire protection include a fire alarm system, fire sprinkler system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NA</td>
<td>ACUATION 13</td>
<td>Fire alarm cover marked Fire alarm.</td>
<td>Items will be removed and stored properly.</td>
<td></td>
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</tr>
<tr>
<td>13</td>
<td>Governance and Regulatory Compliance</td>
<td>RES Building</td>
<td>The RES building is a five-story structure with a basement classified as a mixed occupancy consisting of existing business and existing assembly. Features of fire protection include a fire alarm system, fire sprinkler system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NA</td>
<td>ACUATION 15</td>
<td>Fire alarm cover marked Fire alarm.</td>
<td>Items will be removed and stored properly.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit Date</td>
<td>Risk Level</td>
<td>Recommendation Details</td>
<td>Management Response</td>
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</tr>
<tr>
<td>12/23/2016</td>
<td>NA</td>
<td>Correct tags will be attached.</td>
<td>NA</td>
<td></td>
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</tr>
<tr>
<td>01/25/2017</td>
<td>NA</td>
<td>Correct tags will be attached.</td>
<td>NA</td>
<td></td>
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<tr>
<td>12/26/2016</td>
<td>NA</td>
<td>Correct tags will be attached.</td>
<td>NA</td>
<td></td>
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</tr>
</tbody>
</table>

### RES Building

- **VIOLATION 6**: There is a need for a fire alarm system in the building.
- **VIOLATION 7**: There is a need for a fire alarm system in the building.
- **VIOLATION 8**: There is a need for a fire alarm system in the building.
- **VIOLATION 9**: There is a need for a fire alarm system in the building.
- **VIOLATION 10**: There is a need for a fire alarm system in the building.
- **VIOLATION 11**: There is a need for a fire alarm system in the building.
- **VIOLATION 14**: There is a need for a fire alarm system in the building.

The RES building is a five-story structure with a basement classified as a mixed occupancy consisting of existing business and existing assembly. Features of fire protection include a fire alarm system, fire sprinkler system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and a generator.

- **UNTHSC Fire Code, Chapter 4.5.8.1**: Multiplug adapters are being used in the following rooms. 
- **UNTHSC Fire Code, Chapter 4.5.8.1**: There are electrical outlet faceplates missing in the following rooms.

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### Fire Safety Inspection

- **Fire Code, Chapter 4.5.8.1**: Outlets will be installed and appliances correctly connected.
- **Fire Code, Chapter 4.5.8.1**: Faceplates will be replaced.

---

### UNTHSC Enterprise Audit Report Inventory

<table>
<thead>
<tr>
<th>Implementation Date</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/03/2017</td>
<td>12/01/2017</td>
<td>Closed</td>
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<td>12/05/2016</td>
<td>01/31/2017</td>
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<td>09/26/2016</td>
<td>12/31/2016</td>
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<td>01/31/2017</td>
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<tr>
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<td>01/31/2017</td>
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<td>12/01/2017</td>
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<tr>
<td>01/03/2017</td>
<td>12/01/2017</td>
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</table>
### UNTS Enterprise Audit Report Inventory

<table>
<thead>
<tr>
<th>External/Internal</th>
<th>Reporting Agency</th>
<th>Fiscal Year</th>
<th>Report No.</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Actual Implementation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 15</td>
<td>There is exposed wiring in the following rooms: 200, 201, 202, MP-5, Fire Code, Chapter 11.1.2, and NFPA 70, National Electrical Code, Articles 300.3(A) and 300.4</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 18</td>
<td>The fire sprinkler riser lacks appropriate valve signage. MP-5, Fire Code, Chapter 13.3.3.2, and NFPA 25 Standard for the Inspection, Testing and Maintenance of Water-Based Fire Protection Systems, Table 5.2.2</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 22</td>
<td>The RES building is a five-story structure with a basement classified as laboratory. Features of fire protection include a fire alarm system, fire sprinkler systems, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and a generator.</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 19</td>
<td>Surge protectors are daisy chained in room 406. MP-5, Fire Code, Chapter 13.3.3.2, and NFPA 25 Standard for the Inspection, Testing and Maintenance of Water-Based Fire Protection Systems, Table 5.2.2</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 20</td>
<td>There is wiring hanging from the fire sprinkler system piping in lab 240. MP-5, Fire Code, Chapter 10.19.3.2</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 21</td>
<td>There is exposed wiring in the following rooms: 200, 201, 202, MP-5, Fire Code, Chapter 11.1.2, and NFPA 70, National Electrical Code, Articles 300.3(A) and 300.4</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 23</td>
<td>Storage is piled within 18 inches of the sprinkler head in Hall 240. MP-5, Fire Code, Chapter 13.3.3.2</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 24</td>
<td>Surge protectors will only be plugged into wall outlets. MP-5, Fire Code, Chapter 13.3.3.2</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 25</td>
<td>Items will be removed and stored properly.</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 26</td>
<td>Proper equipment will be installed in the basement.</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 27</td>
<td>Wiring will be properly capped and protected.</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 28</td>
<td>Wiring will be removed.</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 29</td>
<td>Wiring will be removed.</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 30</td>
<td>Signage will be installed.</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 31</td>
<td>Surge protectors will only be plugged into wall outlets. MP-5, Fire Code, Chapter 13.3.3.2</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 32</td>
<td>Items will be removed and stored properly.</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 33</td>
<td>Proper equipment will be installed in the basement.</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 34</td>
<td>Wiring will be properly capped and protected.</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>RES Building</td>
<td>NM</td>
<td>VIOLATION 35</td>
<td>Wiring will be properly capped and protected.</td>
<td>NA</td>
</tr>
</tbody>
</table>

**Key Observations:***
- **RES Building**: The RES building is a five-story structure with a basement classified as laboratory. Features of fire protection include a fire alarm system, fire sprinkler systems, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and a generator.
- **Management Response**: NA
- **Actual Implementation Date**: Various dates ranging from 1/31/2017 to 12/23/2016

**Recommendation Details:**
- **Surge protectors** are daisy chained in room 406. (MP-5, Fire Code, Chapter 13.3.3.2)
- **Exposed wiring** will be properly capped and protected. (MP-5, Fire Code, Chapter 11.1.2 and NFPA 70, National Electrical Code, Articles 300.3(A) and 300.4)

**Risk Level:** NM (Not Material)

**Implementation:**
- **Expected Implementation Date**: Various dates ranging from 1/31/2017 to Revised 01/31/2018

**Report was Issued Date**: Fiscal Year 2017

**Audit Category**: Governance and Regulatory Compliance

**Audit Number**: NA

**Fire Safety Inspection Report**

**Reporting Agency**: Office of the State Fire Marshal
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<th>Fiscal Year</th>
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<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Status</th>
<th>Expected Implementation Date</th>
<th>Recommendation Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>CBH Building</td>
<td>The CBH Building is a six-story structure with a penthouse classified as a mixed occupancy consisting of existing business and existing assembly. Features of fire protection include a fire alarm system, smoke detection, fire sprinkler system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and an emergency generator.</td>
<td>NA</td>
<td>NA</td>
<td>12/6/2016</td>
<td>Closed</td>
</tr>
<tr>
<td>2017</td>
<td>CBH Building</td>
<td>The CBH Building is a six-story structure with a penthouse classified as a mixed occupancy consisting of existing business and existing assembly. Features of fire protection include a fire alarm system, smoke detection, fire sprinkler system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and an emergency generator.</td>
<td>NA</td>
<td>NA</td>
<td>1/31/2017</td>
<td>Closed</td>
</tr>
<tr>
<td>2016</td>
<td>CBH Building</td>
<td>The CBH Building is a six-story structure with a penthouse classified as a mixed occupancy consisting of existing business and existing assembly. Features of fire protection include a fire alarm system, smoke detection, fire sprinkler system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and an emergency generator.</td>
<td>NA</td>
<td>NA</td>
<td>12/23/2016</td>
<td>Closed</td>
</tr>
<tr>
<td>2017</td>
<td>CBH Building</td>
<td>The CBH Building is a six-story structure with a penthouse classified as a mixed occupancy consisting of existing business and existing assembly. Features of fire protection include a fire alarm system, smoke detection, fire sprinkler system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and an emergency generator.</td>
<td>NA</td>
<td>NA</td>
<td>1/31/2017</td>
<td>Closed</td>
</tr>
<tr>
<td>2017</td>
<td>CBH Building</td>
<td>The CBH Building is a six-story structure with a penthouse classified as a mixed occupancy consisting of existing business and existing assembly. Features of fire protection include a fire alarm system, smoke detection, fire sprinkler system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and an emergency generator.</td>
<td>NA</td>
<td>NA</td>
<td>12/23/2016</td>
<td>Closed</td>
</tr>
<tr>
<td>2017</td>
<td>CBH Building</td>
<td>The CBH Building is a six-story structure with a penthouse classified as a mixed occupancy consisting of existing business and existing assembly. Features of fire protection include a fire alarm system, smoke detection, fire sprinkler system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and an emergency generator.</td>
<td>NA</td>
<td>NA</td>
<td>1/31/2017</td>
<td>Closed</td>
</tr>
<tr>
<td>2017</td>
<td>CBH Building</td>
<td>The CBH Building is a six-story structure with a penthouse classified as a mixed occupancy consisting of existing business and existing assembly. Features of fire protection include a fire alarm system, smoke detection, fire sprinkler system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and an emergency generator.</td>
<td>NA</td>
<td>NA</td>
<td>12/23/2016</td>
<td>Closed</td>
</tr>
<tr>
<td>2017</td>
<td>CBH Building</td>
<td>The CBH Building is a six-story structure with a penthouse classified as a mixed occupancy consisting of existing business and existing assembly. Features of fire protection include a fire alarm system, smoke detection, fire sprinkler system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and an emergency generator.</td>
<td>NA</td>
<td>NA</td>
<td>1/31/2017</td>
<td>Closed</td>
</tr>
</tbody>
</table>

**Observation Details:**
- **Unidentified Electrical System:**
  - Location: A currently unidentified electrical system is being used for storage in the following rooms: Room 3E2, Room 5E2, Room 5E1, Room 3E1, Room 2E2.
  - Recommendation: The chemical storage area is being used for storage in the following rooms: Room 3E2, Room 5E2, Room 5E1, Room 3E1, Room 2E2.

- **Unidentified Electrical System:**
  - Location: A currently unidentified electrical system is being used for storage in the following rooms: Room 3E2, Room 5E2, Room 5E1, Room 3E1, Room 2E2.
  - Recommendation: The chemical storage area is being used for storage in the following rooms: Room 3E2, Room 5E2, Room 5E1, Room 3E1, Room 2E2.

- **Unidentified Electrical System:**
  - Location: A currently unidentified electrical system is being used for storage in the following rooms: Room 3E2, Room 5E2, Room 5E1, Room 3E1, Room 2E2.
  - Recommendation: The chemical storage area is being used for storage in the following rooms: Room 3E2, Room 5E2, Room 5E1, Room 3E1, Room 2E2.

- **Unidentified Electrical System:**
  - Location: A currently unidentified electrical system is being used for storage in the following rooms: Room 3E2, Room 5E2, Room 5E1, Room 3E1, Room 2E2.
  - Recommendation: The chemical storage area is being used for storage in the following rooms: Room 3E2, Room 5E2, Room 5E1, Room 3E1, Room 2E2.

- **Unidentified Electrical System:**
  - Location: A currently unidentified electrical system is being used for storage in the following rooms: Room 3E2, Room 5E2, Room 5E1, Room 3E1, Room 2E2.
  - Recommendation: The chemical storage area is being used for storage in the following rooms: Room 3E2, Room 5E2, Room 5E1, Room 3E1, Room 2E2.

- **Unidentified Electrical System:**
  - Location: A currently unidentified electrical system is being used for storage in the following rooms: Room 3E2, Room 5E2, Room 5E1, Room 3E1, Room 2E2.
  - Recommendation: The chemical storage area is being used for storage in the following rooms: Room 3E2, Room 5E2, Room 5E1, Room 3E1, Room 2E2.

- **Unidentified Electrical System:**
  - Location: A currently unidentified electrical system is being used for storage in the following rooms: Room 3E2, Room 5E2, Room 5E1, Room 3E1, Room 2E2.
  - Recommendation: The chemical storage area is being used for storage in the following rooms: Room 3E2, Room 5E2, Room 5E1, Room 3E1, Room 2E2.

- **Unidentified Electrical System:**
  - Location: A currently unidentified electrical system is being used for storage in the following rooms: Room 3E2, Room 5E2, Room 5E1, Room 3E1, Room 2E2.
  - Recommendation: The chemical storage area is being used for storage in the following rooms: Room 3E2, Room 5E2, Room 5E1, Room 3E1, Room 2E2.

- **Unidentified Electrical System:**
  - Location: A currently unidentified electrical system is being used for storage in the following rooms: Room 3E2, Room 5E2, Room 5E1, Room 3E1, Room 2E2.
  - Recommendation: The chemical storage area is being used for storage in the following rooms: Room 3E2, Room 5E2, Room 5E1, Room 3E1, Room 2E2.
<table>
<thead>
<tr>
<th>Date</th>
<th>Building</th>
<th>Area</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/23/2016</td>
<td>CBH</td>
<td>Evert</td>
<td>Stairwell doors will not close and latch due to excessive stairwell</td>
</tr>
<tr>
<td>1/31/2016</td>
<td>CBH</td>
<td>Evert</td>
<td>Stairwell doors will not close and latch due to excessive stairwell</td>
</tr>
<tr>
<td>12/23/2016</td>
<td>Evert</td>
<td>CBH</td>
<td>Stairwell doors will not close and latch due to excessive stairwell</td>
</tr>
<tr>
<td>12/23/2016</td>
<td>Evert</td>
<td>CBH</td>
<td>Stairwell doors will not close and latch due to excessive stairwell</td>
</tr>
</tbody>
</table>

**Building Specifications**

- **CBH Building**: A six-story structure with a penthouse classified as a mixed occupancy consisting of existing business and existing assembly. Features include a fire alarm system, smoke detection, fire sprinkler system, standpipe, and portable fire extinguishers. The building is equipped with illuminated exit signs and an emergency generator.
- **Evert Building**: An eight-story structure with a mixed occupancy consisting of existing business and existing assembly. Features include a fire alarm system, smoke detection, fire sprinkler system, standpipe, and portable fire extinguishers. The building is equipped with illuminated exit signs and an emergency generator.

**Non-Conformance Details**

- **Non-conformance in CBH Building**
  - NFPA 1, Fire Code, Chapter 14.6.3: Combustibles are stored under stairwell A on the first floor.
  - NFPA 1, Fire Code, Chapter 12.4.6.19.1: There are missing ceiling tiles in the following locations:
    - 1st floor
    - 2nd floor cross hall
  - NFPA 1, Fire Code, Chapters 4.4.3.1.1 and 14.4.1: Two large wood crates block corridor egress by room 355.
  - NFPA 1, Fire Code, Chapter 4.5.8.1: There is an unsecured CO2 cylinder in room 355.
  - NFPA 1, Fire Code, Chapter 11.1.2; NFPA 70, National Electrical Code, Section 680-1: Stairwell doors will not close and latch due to excessive stairwell pressurization in the following rooms:
    - 352
    - 351
    - 452
    - 453
  - NFPA 1, Fire Code, Chapter 14.6.3.1: Materials will be removed and stored properly.
  - NFPA 1, Fire Code, Chapter 14.6.3.1: Hardware will be repaired or replaced.
  - NFPA 1, Fire Code, Chapter 14.6.3.1: Ceiling tiles will be replaced.
  - NFPA 1, Fire Code, Chapter 14.6.3.1: Storage will be removed.
  - NFPA 1, Fire Code, Chapter 14.6.3.1: Equipment will be removed.
  - NFPA 1, Fire Code, Chapter 14.6.3.1: All cylinders will be secured.
  - NFPA 1, Fire Code, Chapter 14.6.3.1: Equipment will be removed.
  - NFPA 1, Fire Code, Chapter 14.6.3.1: All openings in panels will have covers.
- **Non-conformance in Evert Building**
  - NFPA 1, Fire Code, Chapter 12.4.6.19.1: There are missing ceiling tiles in the following locations:
    - 1st floor
    - 2nd floor cross hall
  - NFPA 1, Fire Code, Chapters 4.4.3.1.1 and 14.4.1: Two large wood crates block corridor egress by room 355.
  - NFPA 1, Fire Code, Chapter 4.5.8.1: There is an unsecured CO2 cylinder in room 355.
  - NFPA 1, Fire Code, Chapter 11.1.2; NFPA 70, National Electrical Code, Section 680-1: Stairwell doors will not close and latch due to excessive stairwell pressurization in the following rooms:
    - 352
    - 351
    - 452
    - 453
  - NFPA 1, Fire Code, Chapter 14.6.3.1: Materials will be removed and stored properly.
  - NFPA 1, Fire Code, Chapter 14.6.3.1: Hardware will be repaired or replaced.
  - NFPA 1, Fire Code, Chapter 14.6.3.1: Ceiling tiles will be replaced.
  - NFPA 1, Fire Code, Chapter 14.6.3.1: Storage will be removed.
  - NFPA 1, Fire Code, Chapter 14.6.3.1: Equipment will be removed.
  - NFPA 1, Fire Code, Chapter 14.6.3.1: All cylinders will be secured.
  - NFPA 1, Fire Code, Chapter 14.6.3.1: Equipment will be removed.
  - NFPA 1, Fire Code, Chapter 14.6.3.1: All openings in panels will have covers.

**Implementations**

- **Implementations in CBH Building**
  - Materials will be removed and stored properly.
  - Hardware will be repaired or replaced.
  - Ceiling tiles will be replaced.
  - Storage will be removed.
  - Equipment will be removed.
  - All cylinders will be secured.
  - All openings in panels will have covers.
- **Implementations in Evert Building**
  - Materials will be removed and stored properly.
  - Hardware will be repaired or replaced.
  - Ceiling tiles will be replaced.
  - Storage will be removed.
  - Equipment will be removed.
  - All cylinders will be secured.
  - All openings in panels will have covers.
<table>
<thead>
<tr>
<th>Audit Year</th>
<th>Audit Category</th>
<th>Report Name</th>
<th>Key Observations</th>
<th>NFPA Compliance Code</th>
<th>Recommended Action</th>
<th>Corrective Action Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>Fire Safety Inspection</td>
<td>Evert Building</td>
<td>The Evert Building is an eight-story structure with a mixed occupancy consisting of existing business and existing assembly. Features of the protected structure include a fire alarm system, fire sprinkler systems, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NFPA 1, Fire Code, Chapter 4.5.8.1</td>
<td>All penetrations will be properly sealed.</td>
<td>All penetrations will be properly sealed.</td>
</tr>
<tr>
<td>2017</td>
<td>Fire Safety Inspection</td>
<td>Evert Building</td>
<td>The Evert Building is an eight-story structure with a mixed occupancy consisting of existing business and existing assembly. Features of the protected structure include a fire alarm system, fire sprinkler systems, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NFPA 1, Fire Code, Chapter 10.19.3.2</td>
<td>There are unused openings in the electrical panels in the following rooms.</td>
<td>Protective covers will be replaced.</td>
</tr>
<tr>
<td>2017</td>
<td>Fire Safety Inspection</td>
<td>Evert Building</td>
<td>The Evert Building is an eight-story structure with a mixed occupancy consisting of existing business and existing assembly. Features of the protected structure include a fire alarm system, fire sprinkler systems, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NFPA 1, Fire Code, Chapter 34.4.1.1</td>
<td>There are unused openings in the electrical panels in the following rooms.</td>
<td>Protective covers will be replaced.</td>
</tr>
<tr>
<td>2017</td>
<td>Fire Safety Inspection</td>
<td>Evert Building</td>
<td>The Evert Building is an eight-story structure with a mixed occupancy consisting of existing business and existing assembly. Features of the protected structure include a fire alarm system, fire sprinkler systems, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NFPA 1, Fire Code, Chapter 11.1.2; NFPA 70, National Electrical Code, Article 408.7</td>
<td>There are unsecured gas cylinders in room 554.</td>
<td>All cylinders will be secured properly.</td>
</tr>
<tr>
<td>2017</td>
<td>Fire Safety Inspection</td>
<td>Evert Building</td>
<td>The Evert Building is an eight-story structure with a mixed occupancy consisting of existing business and existing assembly. Features of the protected structure include a fire alarm system, fire sprinkler systems, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NFPA 1, Fire Code, Chapter 11.1.10</td>
<td>There are unsecured gas cylinders in the following rooms.</td>
<td>Protective covers will be replaced.</td>
</tr>
</tbody>
</table>

**Recommendation Details:**

- **Likelihood:** The likelihood of the event occurring is low.
- **Severity:** The severity of the event's impact is low.
- **Risk:** The overall risk is low.
- **Corrective Action:** Implement corrective actions as outlined in the corrective action plan.
- **Implementation Progress:** Track the progress of the corrective actions.
<table>
<thead>
<tr>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Individual Responsibility for Implementation</th>
<th>Proposed Implementation Date</th>
<th>Recommendation Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Library</td>
<td>The library is a five-story structure with a basement (classified as a mixed occupancy consisting of existing assembly and existing business. Features of the building include a fire alarm system with smoke detection, fire sprinkler system, standby and portable fire extinguishers. The building is equipped with illuminated exit signs, emergency lighting and a generator.</td>
<td>NA</td>
<td>VIOLATION 1: The fire alarm system is a new installation. The control panel lacks a wired installation label and the blue inspection tag in room R4ME2 is not from NFPA 72 Code.</td>
<td>NA</td>
<td>NA</td>
<td>10/20/2026</td>
<td>Closed</td>
</tr>
<tr>
<td>Library</td>
<td>The library is a five-story structure with a basement (classified as a mixed occupancy consisting of existing assembly and existing business. Features of the building include a fire alarm system with smoke detection, fire sprinkler system, standby and portable fire extinguishers. The building is equipped with illuminated exit signs, emergency lighting and a generator.</td>
<td>NA</td>
<td>VIOLATION 2: Room 126L computer area has extension cords used as a replacement for permanent wiring to power the computers. NFPA 1, Fire Code, Section 4.1.7.4</td>
<td>NA</td>
<td>NA</td>
<td>10/20/2026</td>
<td>Closed</td>
</tr>
<tr>
<td>Library</td>
<td>The library is a five-story structure with a basement (classified as a mixed occupancy consisting of existing assembly and existing business. Features of the building include a fire alarm system with smoke detection, fire sprinkler system, standby and portable fire extinguishers. The building is equipped with illuminated exit signs, emergency lighting and a generator.</td>
<td>NA</td>
<td>VIOLATION 3: There are unsealed penetrations in the following rooms: - 1E1 - 32ME2 - 4ME2 There are unsealed penetrations in the following rooms. NFPA 1, Fire Code, Section 11.1.10</td>
<td>NA</td>
<td>NA</td>
<td>10/20/2026</td>
<td>Closed</td>
</tr>
<tr>
<td>Library</td>
<td>The library is a five-story structure with a basement (classified as a mixed occupancy consisting of existing assembly and existing business. Features of the building include a fire alarm system with smoke detection, fire sprinkler system, standby and portable fire extinguishers. The building is equipped with illuminated exit signs, emergency lighting and a generator.</td>
<td>NA</td>
<td>VIOLATION 4: There are unsealed penetrations in the following rooms: - 1E1 - 32ME2 - 4ME2 There are unsealed penetrations in the following rooms. NFPA 1, Fire Code, Section 11.1.10</td>
<td>NA</td>
<td>NA</td>
<td>10/20/2026</td>
<td>Closed</td>
</tr>
<tr>
<td>Library</td>
<td>The library is a five-story structure with a basement (classified as a mixed occupancy consisting of existing assembly and existing business. Features of the building include a fire alarm system with smoke detection, fire sprinkler system, standby and portable fire extinguishers. The building is equipped with illuminated exit signs, emergency lighting and a generator.</td>
<td>NA</td>
<td>VIOLATION 5: A portion of area 101 was missing the smokehead. NFPA 1, Fire Code, Section 11.6.1</td>
<td>NA</td>
<td>NA</td>
<td>10/20/2026</td>
<td>Closed</td>
</tr>
<tr>
<td>Library</td>
<td>The library is a five-story structure with a basement (classified as a mixed occupancy consisting of existing assembly and existing business. Features of the building include a fire alarm system with smoke detection, fire sprinkler system, standby and portable fire extinguishers. The building is equipped with illuminated exit signs, emergency lighting and a generator.</td>
<td>NA</td>
<td>VIOLATION 6: Room 126 computer area has an unused opening in electrical panel L4A. NFPA 1, Fire Code, Section 11.1.2 and NFPA 70 National Electrical Code, Article 314.1</td>
<td>NA</td>
<td>NA</td>
<td>10/20/2026</td>
<td>Closed</td>
</tr>
<tr>
<td>Library</td>
<td>The library is a five-story structure with a basement (classified as a mixed occupancy consisting of existing assembly and existing business. Features of the building include a fire alarm system with smoke detection, fire sprinkler system, standby and portable fire extinguishers. The building is equipped with illuminated exit signs, emergency lighting and a generator.</td>
<td>NA</td>
<td>VIOLATION 7: The basement high voltage room is used for storage. NFPA 1, Fire Code, Section 10.3.5.1</td>
<td>NA</td>
<td>NA</td>
<td>10/20/2026</td>
<td>Closed</td>
</tr>
</tbody>
</table>
### Audit Category: Fire Safety

<table>
<thead>
<tr>
<th>Component Institution</th>
<th>Institution Key</th>
<th>Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
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<tbody>
<tr>
<td>Blue House 800 Clifton Street</td>
<td>NA</td>
<td></td>
<td>VIOLATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>St. Emillion Restaurant</td>
<td>NA</td>
<td></td>
<td>VIOLATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>St. Emillion Restaurant</td>
<td>NA</td>
<td></td>
<td>VIOLATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Library</td>
<td>NA</td>
<td></td>
<td>VIOLATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Main Library</td>
<td>NA</td>
<td></td>
<td>VIOLATION</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Details:
- **Observation 1:** There are interconnected power strips in room 101.
  - Description: Power strips will only be plugged into wall outlets.
  - NFPA 1, Fire Code, Chapter 50.1.1, 50.4.3.2, 50.4.4.3, 50.4.4.3.1, 50.4.6.1; and NFPA 96 Standard for Ventilation Control and Fire Protection of Commercial Cooking Operations, Chapter 10.1.2
  - **Risk Level:** VIOLATION
  - **Recommendation:** Equipment will be removed.
  - **Management Response:** 04/30/2017

- **Observation 2:** The electrical panel is not enclosed within the main access panel.
  - Description: The electrical panel will be enclosed.
  - NFPA 1, Fire Code, Chapter 13.1.4.1
  - **Risk Level:** VIOLATION
  - **Recommendation:** Equipment will be removed.
  - **Management Response:** 04/30/2017

- **Observation 3:** The fire department standpipe connections are obstructed by vehicles at all levels of the parking garage.
  - Description: The fire department standpipe connections will be unobstructed to allow for easy access.
  - NFPA 1, Fire Code, Chapter 13.3.3.2; and NFPA 25 Standard for the Inspection, Testing And Maintenance Of Water-Based Fire Protection Systems, Chapter 11.1.13.8
  - **Risk Level:** VIOLATION
  - **Recommendation:** Equipment will be removed.
  - **Management Response:** 04/30/2017

- **Observation 4:** There are interconnected power strips in room 101.
  - Description: Power strips will only be plugged into wall outlets.
  - NFPA 1, Fire Code, Chapter 50.1.1, 50.4.3.2, 50.4.4.3, 50.4.4.3.1, 50.4.6.1; and NFPA 96 Standard for Ventilation Control and Fire Protection of Commercial Cooking Operations, Chapter 10.1.2
  - **Risk Level:** VIOLATION
  - **Recommendation:** Equipment will be removed.
  - **Management Response:** 04/30/2017

- **Observation 5:** The fire department standpipe connections are obstructed by vehicles at all levels of the parking garage.
  - Description: The fire department standpipe connections will be unobstructed to allow for easy access.
  - NFPA 1, Fire Code, Chapter 13.3.3.2; and NFPA 25 Standard for the Inspection, Testing And Maintenance Of Water-Based Fire Protection Systems, Chapter 11.1.13.8
  - **Risk Level:** VIOLATION
  - **Recommendation:** Equipment will be removed.
  - **Management Response:** 04/30/2017

- **Observation 6:** The fire department standpipe connections are obstructed by vehicles at all levels of the parking garage.
  - Description: The fire department standpipe connections will be unobstructed to allow for easy access.
  - NFPA 1, Fire Code, Chapter 13.3.3.2; and NFPA 25 Standard for the Inspection, Testing And Maintenance Of Water-Based Fire Protection Systems, Chapter 11.1.13.8
  - **Risk Level:** VIOLATION
  - **Recommendation:** Equipment will be removed.
  - **Management Response:** 04/30/2017

- **Observation 7:** The fire department standpipe connections are obstructed by vehicles at all levels of the parking garage.
  - Description: The fire department standpipe connections will be unobstructed to allow for easy access.
  - NFPA 1, Fire Code, Chapter 13.3.3.2; and NFPA 25 Standard for the Inspection, Testing And Maintenance Of Water-Based Fire Protection Systems, Chapter 11.1.13.8
  - **Risk Level:** VIOLATION
  - **Recommendation:** Equipment will be removed.
  - **Management Response:** 04/30/2017

- **Observation 8:** The fire department standpipe connections are obstructed by vehicles at all levels of the parking garage.
  - Description: The fire department standpipe connections will be unobstructed to allow for easy access.
  - NFPA 1, Fire Code, Chapter 13.3.3.2; and NFPA 25 Standard for the Inspection, Testing And Maintenance Of Water-Based Fire Protection Systems, Chapter 11.1.13.8
  - **Risk Level:** VIOLATION
  - **Recommendation:** Equipment will be removed.
  - **Management Response:** 04/30/2017

- **Observation 9:** The fire department standpipe connections are obstructed by vehicles at all levels of the parking garage.
  - Description: The fire department standpipe connections will be unobstructed to allow for easy access.
  - NFPA 1, Fire Code, Chapter 13.3.3.2; and NFPA 25 Standard for the Inspection, Testing And Maintenance Of Water-Based Fire Protection Systems, Chapter 11.1.13.8
  - **Risk Level:** VIOLATION
  - **Recommendation:** Equipment will be removed.
  - **Management Response:** 04/30/2017

- **Observation 10:** The fire department standpipe connections are obstructed by vehicles at all levels of the parking garage.
  - Description: The fire department standpipe connections will be unobstructed to allow for easy access.
  - NFPA 1, Fire Code, Chapter 13.3.3.2; and NFPA 25 Standard for the Inspection, Testing And Maintenance Of Water-Based Fire Protection Systems, Chapter 11.1.13.8
  - **Risk Level:** VIOLATION
  - **Recommendation:** Equipment will be removed.
  - **Management Response:** 04/30/2017

- **Observation 11:** The fire department standpipe connections are obstructed by vehicles at all levels of the parking garage.
  - Description: The fire department standpipe connections will be unobstructed to allow for easy access.
  - NFPA 1, Fire Code, Chapter 13.3.3.2; and NFPA 25 Standard for the Inspection, Testing And Maintenance Of Water-Based Fire Protection Systems, Chapter 11.1.13.8
  - **Risk Level:** VIOLATION
  - **Recommendation:** Equipment will be removed.
  - **Management Response:** 04/30/2017
<table>
<thead>
<tr>
<th>udit Category</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Recommendation Status</th>
<th>Implementation Status</th>
<th>Documentation Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>VIOLATION 4</td>
<td>Blue House 800 Clifton Street</td>
<td>The Blue House is a single-story structure classified as an existing business occupancy. Features of fire protection include single-station, battery operated smoke detectors and portable fire extinguishers. Illuminated exit signs are provided.</td>
<td>NA</td>
<td>MA</td>
<td>4/1/2017 Closed</td>
<td>NA</td>
<td>Closeout</td>
</tr>
<tr>
<td>VIOLATION 3</td>
<td>Sleep Lab (3632 Modlin Street)</td>
<td>The Sleep Lab is a two-story structure classified as an existing business occupancy. Features of fire protection include single-station, battery operated smoke detectors and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NA</td>
<td>MA</td>
<td>3/31/2017 Closed</td>
<td>NA</td>
<td>Closeout</td>
</tr>
<tr>
<td>VIOLATION 2</td>
<td>Blue House (800 Clifton Street)</td>
<td>The Blue House is a single-story structure classified as an existing business occupancy. Features of fire protection include single-station, battery operated smoke detectors and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NA</td>
<td>MA</td>
<td>12/7/2016 Closed</td>
<td>NA</td>
<td>Closeout</td>
</tr>
<tr>
<td>VIOLATION 1</td>
<td>Blue House (800 Clifton Street)</td>
<td>The Blue House is a single-story structure classified as an existing business occupancy. Features of fire protection include single-station, battery operated smoke detectors and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NA</td>
<td>MA</td>
<td>1/31/2017 Closed</td>
<td>NA</td>
<td>Closeout</td>
</tr>
<tr>
<td></td>
<td>UNTHSC</td>
<td>The Former Daycare Building is a single-story structure currently classified as an existing business occupancy. Features of fire protection include single-station, battery operated smoke detectors and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NA</td>
<td>MA</td>
<td>3/1/2017 Closed</td>
<td>NA</td>
<td>Closeout</td>
</tr>
<tr>
<td></td>
<td>UNTHSC</td>
<td>The Former Daycare Building is a single-story structure currently classified as an existing business occupancy. Features of fire protection include single-station, battery operated smoke detectors and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NA</td>
<td>MA</td>
<td>4/1/2017 Closed</td>
<td>NA</td>
<td>Closeout</td>
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<tr>
<td>Audit Number</td>
<td>Report Name</td>
<td>Component Institution</td>
<td>Key Observations</td>
<td>Risk Level</td>
<td>Recommendation Details</td>
<td>Management Response</td>
<td>Expected Implementation Date</td>
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</tr>
<tr>
<td>159040-517451</td>
<td>Fire Safety Inspection Report</td>
<td>Patient Care Center</td>
<td>The Patient Care Center is a six-story structure classified as an existing business occupancy. Features of fire protection include battery-operated single-story open-air detection and portable fire extinguishers. The building is equipped with illuminated exit signs, emergency lighting, and an emergency generator.</td>
<td>Compliance</td>
<td>Extinguishers will be installed throughout the building.</td>
<td>Fire doors will be closed and occupants trained to keep doors closed.</td>
<td>3/30/2017</td>
</tr>
<tr>
<td>159040-517452</td>
<td>Fire Safety Inspection Report</td>
<td>Patient Care Center</td>
<td>The Police Services and Parking Garage (3600 Mattison Ave) building is equipped with illuminated exit signs, emergency lighting, and portable fire extinguishers. The building is classified as a mixed occupancy consisting of existing business and existing storage. Features of fire protection include a fire sprinkler system, smoke alarms, and emergency lights.</td>
<td>Compliance</td>
<td>Extinguishers will be installed throughout the building.</td>
<td>Fire doors will be closed and occupants trained to keep doors closed.</td>
<td>3/30/2017</td>
</tr>
<tr>
<td>159040-517453</td>
<td>Fire Safety Inspection Report</td>
<td>Sleep Lab (3632 Modlin Street)</td>
<td>The Sleep Lab (3632 Modlin Street) building is equipped with illuminated exit signs, emergency lighting, and portable fire extinguishers. The building is equipped with illuminated exit signs, emergency lighting, and an emergency generator.</td>
<td>Compliance</td>
<td>Extinguishers will be installed throughout the building.</td>
<td>Fire doors will be closed and occupants trained to keep doors closed.</td>
<td>3/30/2017</td>
</tr>
</tbody>
</table>

The fire doors separating the appliance storage enclosure from the first floor are proped in the open position. NFPA 1, Fire Code, Chapter 13.6.4.2
<table>
<thead>
<tr>
<th>External</th>
<th>Reporting Agency</th>
<th>Fiscal Year</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Risk Management Response</th>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
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<tbody>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>Governance and Regulatory Compliance</td>
<td>UNTHSC</td>
<td>The Patient Care Center is a six-story structure classified as an existing business occupancy. Features of fire protection include a fire sprinkler system, fire alarm systems, and portable fire extinguishers. The building is equipped with illuminated exit signs, emergency lighting, and an emergency generator.</td>
<td>NA</td>
<td>VIOLATION 4</td>
<td>There are sprinkler escutcheons missing or damaged in the following locations. - Room 621 - Room 201 - First floor parking garage</td>
<td>The fire door near room 201 is damaged.</td>
<td>NA</td>
<td>12/23/2016</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>Governance and Regulatory Compliance</td>
<td>UNTHSC</td>
<td>The Patient Care Center is a six-story structure classified as an existing business occupancy. Features of fire protection include a fire sprinkler system, fire alarm systems, and portable fire extinguishers. The building is equipped with illuminated exit signs, emergency lighting, and an emergency generator.</td>
<td>NA</td>
<td>VIOLATION 5</td>
<td>The exit sign near the stair is not illuminated.</td>
<td>The fire door near room 523 is damaged.</td>
<td>NA</td>
<td>1/31/2017</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>Governance and Regulatory Compliance</td>
<td>UNTHSC</td>
<td>The Patient Care Center is a six-story structure classified as an existing business occupancy. Features of fire protection include a fire sprinkler system, fire alarm systems, and portable fire extinguishers. The building is equipped with illuminated exit signs, emergency lighting, and an emergency generator.</td>
<td>NA</td>
<td>VIOLATION 6</td>
<td>Surge protectors are daisy chained in the following locations. - 5th floor main lobby - Hallway near room 991 - 311 cubicle</td>
<td>The fire door near room 451 is obstructed by the carpet and will not close properly.</td>
<td>NA</td>
<td>1/31/2017</td>
</tr>
</tbody>
</table>

*VIOLATION 1: There are fire alarm systems missing or damaged in the following locations.

Room 401

Room 201

First floor parking garage

NFPA 1, Fire Code, Chapter 4.5.8.1

VIOLATION 2: The exit sign near the stair is not illuminated.

NFPA 1, Fire Code, Chapter 4.5.8.1

VIOLATION 3: The fire door near room 523 is damaged.

NFPA 1, Fire Code, Chapter 12.4.6.9.2

VIOLATION 4: There are sprinkler escutcheons missing or damaged in the following locations.

- Room 621
- Room 201
- First floor parking garage

NFPA 1, Fire Code, Chapter 4.5.8.1

VIOLATION 5: The exit sign near the stair is not illuminated.

VIOLATION 6: Surge protectors are daisy chained in the following locations.

- 5th floor main lobby
- Hallway near room 991
- 311 cubicle

NFPA 1, Fire Code, Chapter 11.1.6.2

VIOLATION 7: The fire door near room 523 is damaged.

NFPA 1, Fire Code, Chapter 12.4.6.9.2

VIOLATION 8: The fire door near room 451 is obstructed by the carpet and will not close properly.

NFPA 1, Fire Code, Chapter 4.5.8.1

VIOLATION 9: The exit sign near the stair is not illuminated.

NFPA 1, Fire Code, Chapter 4.5.8.1

VIOLATION 10: Surge protectors are daisy chained in the following locations.

- 5th floor main lobby
- Hallway near room 991
- 311 cubicle

NFPA 1, Fire Code, Chapter 11.1.6.2

VIOLATION 11: The fire door near room 523 is damaged.

NFPA 1, Fire Code, Chapter 12.4.6.9.2

VIOLATION 12: The fire door near room 451 is obstructed by the carpet and will not close properly.

NFPA 1, Fire Code, Chapter 4.5.8.1

VIOLATION 13: There are fire alarm systems missing or damaged in the following locations.

Room 401

Room 201

First floor parking garage

NFPA 1, Fire Code, Chapter 4.5.8.1

VIOLATION 14: The exit sign near the stair is not illuminated.

VIOLATION 15: Surge protectors are daisy chained in the following locations.

- 5th floor main lobby
- Hallway near room 991
- 311 cubicle

NFPA 1, Fire Code, Chapter 11.1.6.2

VIOLATION 16: The fire door near room 523 is damaged.

NFPA 1, Fire Code, Chapter 12.4.6.9.2

VIOLATION 17: The fire door near room 451 is obstructed by the carpet and will not close properly.
<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal Year</td>
<td>2017</td>
</tr>
<tr>
<td>Audit Category</td>
<td>Regulatory and Compliance</td>
</tr>
<tr>
<td>Audit Location</td>
<td>Founders Activity Center/PACE Building (3515 W. 7th St.)</td>
</tr>
<tr>
<td>Component Institution</td>
<td>UNTHSC</td>
</tr>
<tr>
<td>Key Observations</td>
<td>The building is equipped with illuminated exit signs.</td>
</tr>
<tr>
<td>Risk Level</td>
<td>9</td>
</tr>
<tr>
<td>Recommendation Details</td>
<td>The fire doors will be reinstalled and the door closer will be repaired.</td>
</tr>
<tr>
<td>Management Response</td>
<td>Notes</td>
</tr>
<tr>
<td>Individual Responsible for Implementation</td>
<td>NA</td>
</tr>
<tr>
<td>Implementation Date</td>
<td>Revised 05/01/2017</td>
</tr>
<tr>
<td>Accomplishment Status</td>
<td>Closed</td>
</tr>
</tbody>
</table>

**Finding:** The sprinkler heads in the following locations have been altered or were inappropriately installed and will not function properly when activated:
- Hall near room 594
- Hall near room 306
- Hall next to hall near room 306

**VIOLATION:** 11

**Finding:** One extension cord is used as a replacement for permanent wiring. These forces shall be applied at the latch stile.

**VIOLATION:** 10

**Finding:** The Fire Department Connection (FDC) is obstructed at the front width. These forces shall be applied at the latch stile.

**VIOLATION:** 9

**Finding:** The water main crossing over the road is partly blocked by a concrete block.

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal Year</td>
<td>2017</td>
</tr>
<tr>
<td>Audit Category</td>
<td>Regulatory and Compliance</td>
</tr>
<tr>
<td>Audit Location</td>
<td>Patient Care Center</td>
</tr>
<tr>
<td>Component Institution</td>
<td>UNTHSC</td>
</tr>
<tr>
<td>Key Observations</td>
<td>The building is equipped with illuminated exit signs, emergency lighting, a fire alarm system, and portable fire extinguishers. The building is classified as a mixed occupancy consisting of existing business and existing assembly. Features of fire protection include a fire sprinkler system, fire alarm system, and portable fire extinguishers. The building is equipped with illuminated exit signs.</td>
</tr>
<tr>
<td>Risk Level</td>
<td>3</td>
</tr>
<tr>
<td>Recommendation Details</td>
<td>The fire doors will be repaired or replaced.</td>
</tr>
<tr>
<td>Management Response</td>
<td>Notes</td>
</tr>
<tr>
<td>Individual Responsible for Implementation</td>
<td>NA</td>
</tr>
<tr>
<td>Implementation Date</td>
<td>Revised 05/01/2017</td>
</tr>
<tr>
<td>Accomplishment Status</td>
<td>Closed</td>
</tr>
</tbody>
</table>

**Finding:** One extension cord is used as a replacement for permanent wiring.

**Finding:** The sprinkler heads in the following locations have been altered or were inappropriately installed and will not function properly:
- Hall near room 594
- Hall near room 306
- Hall next to hall near room 306

**Finding:** The water main crossing over the road is partly blocked by a concrete block.
<table>
<thead>
<tr>
<th>Audit Category</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>UNTHSC</th>
<th>Observation</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance and Regulatory Compliance</td>
<td>Fire Safety Inspection Report</td>
<td>Founders Activity Center/Feb/Building</td>
<td>VIOLATION 1</td>
<td>The junction box in room 1M1 is missing the cover.</td>
<td>Compliance</td>
<td>Inspect and replace.</td>
<td>Corrected.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7th Street Strip Building</td>
<td>VIOLATION 2</td>
<td>The exit signs throughout the building are not illuminated.</td>
<td>Regulatory</td>
<td>The exit signs will be repaired or replaced.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>May Building</td>
<td></td>
<td>The east exterior exit door by room 139 is a marked exit with an artificial exit sign.</td>
<td>Regulatory</td>
<td>The exit signs will be repaired or replaced.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Founders Activity Center/Pace Building (3515 W. 7th St.)</td>
<td></td>
<td>The west interior exit door by room 120 is a marked exit with an artificial exit sign.</td>
<td>Regulatory</td>
<td>The exit signs will be repaired or replaced.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>SEM Building</td>
<td></td>
<td>The exit signs will be repaired or replaced.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**6. Fire Protection**

- **Founders Activity Center/Feb/Building**: The building is equipped with illuminated exit signs and emergency lighting. The building is equipped with single-station battery operated smoke alarms and portable fire extinguishers. The building is equipped with an emergency fire alarm system, complete fire alarm system, full fire sprinkler system, and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting.

- **7th Street Strip Building**: The building is equipped with illuminated exit signs. The building is equipped with illuminated exit signs and emergency lighting.

- **May Building**: The east exterior exit door by room 139 is a marked exit with an artificial exit sign. (Corrected at the time of the inspection)

- **Founders Activity Center/Pace Building (3515 W. 7th St.)**: The exit signs throughout the building are not illuminated. (Corrected at the time of the inspection)

- **SEM Building**: The exit signs will be repaired or replaced.

**Recommendation Status**

- Correction (Corrected)
- Notes (Unresolved)
- NA (Not Applicable)

**Recommendation Type**

- Implementation
- Date

**Auditor**

- State Fire Marshal's Office
<table>
<thead>
<tr>
<th>Audit Number</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>17-11-06</td>
<td>SORM recommends that UNT conduct a drill for this location to ensure that the fire suppression system from operating as intended during a fire.</td>
<td>50.5.6, 50.5.6.1, 50.5.6.3</td>
<td>No</td>
<td>NA</td>
</tr>
<tr>
<td>17-11-06</td>
<td>SORM recommends that UNT maintain SDS's for all chemical substances in the room and ensure that any group using the room temporarily possess and follow the instructions for Emergency Eyewash and Shower Equipment&quot;</td>
<td>OSHA, 29 CFR 1910.1200, &quot;Hazard Communication;&quot; NFPA 1, Fire Code, Chapter 13.7.4.3.9</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>17-11-06</td>
<td>SORM recommends that UNT conduct a drill for this location to ensure that the fire suppression system from operating as intended during a fire.</td>
<td>NFPA 1, Fire Code, Chapter 10.19.4</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>17-11-06</td>
<td>SORM recommends that UNT maintain SDS's for all chemical substances in the room and ensure that any group using the room temporarily possess and follow the instructions for Emergency Eyewash and Shower Equipment&quot;</td>
<td>NFPA 1, Fire Code, Chapter 7.2.1.2, 7.2.1.2.1, 7.2.2</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>17-11-06</td>
<td>SORM recommends that UNT communicate with building owner to ensure that those inspections are occurring.</td>
<td>SORM, RMTSA Guidelines, Volume III, Section Two, Chapter 7, Section 6.5</td>
<td>NA</td>
<td>NA</td>
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<tr>
<td>State Office of Risk Management</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>Governance and Regulatory Compliance</td>
<td>On-Site Consultation Report</td>
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<tr>
<td>State Office of Risk Management</td>
<td>Fiscal Year 2017</td>
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<td>Governance and Regulatory Compliance</td>
<td>On-Site Consultation Report</td>
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<td>State Office of Risk Management</td>
<td>Fiscal Year 2017</td>
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<td>State Office of Risk Management</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>Governance and Regulatory Compliance</td>
<td>On-Site Consultation Report</td>
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<tr>
<td>Tarrant County</td>
<td>Fiscal Year 2017</td>
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<td>Governance and Regulatory Compliance</td>
<td>On-Site Fiscal Monitoring Review</td>
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<td>External/ Internal</td>
<td>Reporting Agency</td>
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<tr>
<td>State Fire Marshal's Office</td>
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</tbody>
</table>

**Crumley Hall**

Crumley Hall is a three-story mixed occupancy consisting of existing dormitory and existing business. Features of fire protection include a complete fire alarm system, fire sprinkler system and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency generator power.

**Clark Hall**

Clark Hall is a three-story existing dormitory occupancy. Features of fire protection include a complete fire alarm system and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency generator power.
<table>
<thead>
<tr>
<th>Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clark Hall</td>
<td>The kitchen flame broiled grill is on wheels and lacks an approved method to insure the appliance is in the approved escutcheon.</td>
<td>Finding 4</td>
<td>UNT will replace grill.</td>
<td>N/A</td>
</tr>
<tr>
<td>Kerr Hall-Building-A</td>
<td>The corridor fire door by mechanical room A/C 3 has a door latch with panic hardware. The door is equipped with illuminated signs and emergency generator power.</td>
<td>Finding 4</td>
<td>UNT will install panic hardware.</td>
<td>N/A</td>
</tr>
<tr>
<td>Kerr Hall-Building-A</td>
<td>The corridor sprinkler head by room 236A is missing the door latch cover plate.</td>
<td>Finding 4</td>
<td>UNT will replace door.</td>
<td>N/A</td>
</tr>
<tr>
<td>Kerr Hall-Building-A</td>
<td>The First floor corridor fire door by mechanical room A/C 7 is missing the door latch cover plate. The door is equipped with illuminated signs and emergency generator power.</td>
<td>Finding 4</td>
<td>UNT will install panic hardware; UNT will install panic hardware.</td>
<td>N/A</td>
</tr>
<tr>
<td>Kerr Hall-Building-A</td>
<td>The corridor sprinkler head by room 236A is missing the door latch cover plate. The door is equipped with illuminated signs and emergency generator power.</td>
<td>Finding 4</td>
<td>UNT will replace door.</td>
<td>N/A</td>
</tr>
<tr>
<td>Kerr Hall-Building-A</td>
<td>The corridor sprinkler head by room 236A is missing the door latch cover plate. The door is equipped with illuminated signs and emergency generator power.</td>
<td>Finding 4</td>
<td>UNT will replace door.</td>
<td>N/A</td>
</tr>
<tr>
<td>Kerr Hall-Building-A</td>
<td>The corridor sprinkler head by room 236A is missing the door latch cover plate. The door is equipped with illuminated signs and emergency generator power.</td>
<td>Finding 4</td>
<td>UNT will replace door.</td>
<td>N/A</td>
</tr>
<tr>
<td>Kerr Hall-Building-A</td>
<td>The corridor sprinkler head by room 236A is missing the door latch cover plate. The door is equipped with illuminated signs and emergency generator power.</td>
<td>Finding 4</td>
<td>UNT will replace door.</td>
<td>N/A</td>
</tr>
<tr>
<td>Kerr Hall-Building-A</td>
<td>The corridor sprinkler head by room 236A is missing the door latch cover plate. The door is equipped with illuminated signs and emergency generator power.</td>
<td>Finding 4</td>
<td>UNT will replace door.</td>
<td>N/A</td>
</tr>
<tr>
<td>Kerr Hall-Building-A</td>
<td>The corridor sprinkler head by room 236A is missing the door latch cover plate. The door is equipped with illuminated signs and emergency generator power.</td>
<td>Finding 4</td>
<td>UNT will replace door.</td>
<td>N/A</td>
</tr>
</tbody>
</table>
Kerr Hall-Building-B is an eight-story high-rise, classified as a mixed occupancy of existing dormitory and existing assembly. Features of fire protection include a complete fire alarm system, sprinkler system fire pump, standpipe, fixed suppression for commercial cooking appliances and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency generator power.

Kerr Hall-Building-A seven-story high-rise, classified as a mixed occupancy of existing dormitory and existing assembly. Features of fire protection include a fire alarm system, sprinkler system fire pump, standpipe, fixed suppression for commercial cooking appliances and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency generator power.

Finding 8
The storage room located next to the boiler room off the loading port is not protected by the building’s sprinkler system. NFPA 1, Fire Code, Chapter 13.3.1.2 and 13.3.2.2 is not protected by the building’s fire sprinkler system.

Finding 9
The pizza conveyer oven is not located under the vent a hood as required. NFPA 1, Fire Code, Chapter 40.2.1.1

Unt will order new escutcheons, may have to replace sprinkler heads if escutcheons cannot be located due to sprinkler head age.

Unt will evaluate the best course of action for completion.

UNT will seal penetrations.

Unt will evaluate the best course of action for completion.

UNT will seal penetrations.

UNT will have the plate re-made.
<table>
<thead>
<tr>
<th>External/ Internal</th>
<th>Reporting Agency</th>
<th>Fiscal Year</th>
<th>Audit Number</th>
<th>Audit Category</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
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<tr>
<td>External</td>
<td>State Fire Marshal’s Office</td>
<td>Fiscal Year 2017</td>
<td>RRO15029B</td>
<td>Governance and Regulatory Compliance</td>
<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>UNT</td>
<td>Kerr Hall-Building B</td>
<td>N/A</td>
<td>Finding 2</td>
<td>Meet the standard for the building or exit the first floor. Not less than fifty percent of the exits shall discharge directly to the exterior of the building. NFPA 1, Fire Code, Chapter 14.11.2(1)</td>
<td>UNT will evaluate the best course of action for completion.</td>
<td>N/A</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal’s Office</td>
<td>Fiscal Year 2017</td>
<td>RRO15029B</td>
<td>Governance and Regulatory Compliance</td>
<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>UNT</td>
<td>Maple Hall</td>
<td>N/A</td>
<td>Finding 1</td>
<td>The following corridors have fiberglass reinforced plastic (FRP) ceiling panels installed in the drop ceiling grids. Documentation was not available at the time of the inspection that FRP ceiling tiles meet class A or B interior finish requirements for use in corridors.</td>
<td>FRP will be replaced with acoustical ceiling tiles</td>
<td>N/A</td>
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<tr>
<td>External</td>
<td>State Fire Marshal’s Office</td>
<td>Fiscal Year 2017</td>
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<td>Governance and Regulatory Compliance</td>
<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>UNT</td>
<td>Maple Hall</td>
<td>N/A</td>
<td>Finding 2</td>
<td>Unsealed or improperly sealed penetrations are present in the following locations: FC-2 Mechanical room non rated yellow spray foam F220 IT room 4 inch conduit floor and ceiling E226 IT room 4 inch conduit floor and ceiling A/C H8 room F321 floor non rated yellow spray foam</td>
<td>UNT will seal penetrations.</td>
<td>N/A</td>
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<tr>
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<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>UNT</td>
<td>Maple Hall</td>
<td>N/A</td>
<td>Finding 3</td>
<td>Stairwell fire rated doors at the following locations have holes in the door: Stairwell C third floor Stairwell D second floor</td>
<td>UNT will seal hole in doors.</td>
<td>N/A</td>
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<tr>
<td>External</td>
<td>State Fire Marshal’s Office</td>
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<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>UNT</td>
<td>Maple Hall</td>
<td>N/A</td>
<td>Finding 4</td>
<td>Mechanical room B132 has an extension cord wired into the HVAC controller to supply power to the unit.</td>
<td>UNT will replace extension cord with a permitted solution.</td>
<td>N/A</td>
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<tr>
<td>Date</td>
<td>Finding</td>
<td>Description</td>
<td>Recommendation Details</td>
<td>Management Response</td>
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<tr>
<td>03/23/2017</td>
<td>Finding 1</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
<td>Complete. UNT installed pull station.</td>
<td>10/23/2017 Closed</td>
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<td>03/23/2017</td>
<td>Finding 2</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
<td>Complete. UNT sealed the opening in the stairwell wall.</td>
<td>10/23/2017 Closed</td>
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<td>Finding 3</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
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<td>Finding 4</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
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<td>Finding 5</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
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<td>03/23/2017</td>
<td>Finding 6</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
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<td>Finding 7</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
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<td>Finding 8</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
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<td>Finding 9</td>
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<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
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<td>Finding 11</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
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<td>Finding 12</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
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<td>03/23/2017</td>
<td>Finding 13</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
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<td>03/23/2017</td>
<td>Finding 14</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
<td>Complete. UNT sealed the opening in the stairwell wall.</td>
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<td>03/23/2017</td>
<td>Finding 15</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
<td>Complete. UNT sealed the opening in the stairwell wall.</td>
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<td>03/23/2017</td>
<td>Finding 16</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
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<td>03/23/2017</td>
<td>Finding 17</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
<td>Complete. UNT sealed the opening in the stairwell wall.</td>
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<td>03/23/2017</td>
<td>Finding 18</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
<td>Complete. UNT sealed the opening in the stairwell wall.</td>
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<td>03/23/2017</td>
<td>Finding 19</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
<td>Complete. UNT sealed the opening in the stairwell wall.</td>
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<td>03/23/2017</td>
<td>Finding 20</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
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<td>Finding 21</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
<td>Complete. UNT sealed the opening in the stairwell wall.</td>
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<td>03/23/2017</td>
<td>Finding 22</td>
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<td>Complete. UNT sealed the opening in the stairwell wall.</td>
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<td>03/23/2017</td>
<td>Finding 23</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
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<td>03/23/2017</td>
<td>Finding 24</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
<td>Complete. UNT sealed the opening in the stairwell wall.</td>
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<td>03/23/2017</td>
<td>Finding 25</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
<td>Complete. UNT sealed the opening in the stairwell wall.</td>
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<td>03/23/2017</td>
<td>Finding 26</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
<td>Complete. UNT sealed the opening in the stairwell wall.</td>
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<td>03/23/2017</td>
<td>Finding 27</td>
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<td>03/23/2017</td>
<td>Finding 28</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
<td>Complete. UNT sealed the opening in the stairwell wall.</td>
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<td>03/23/2017</td>
<td>Finding 29</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
<td>Complete. UNT sealed the opening in the stairwell wall.</td>
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<td>03/23/2017</td>
<td>Finding 30</td>
<td>The center stairwell 1st floor has an unsupported penetrations around the security area.</td>
<td>Complete. UNT sealed the opening in the stairwell wall.</td>
<td>10/23/2017 Closed</td>
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<td>Victory Hall/RRO15029B</td>
<td>The building is equipped with illuminated exit signs and emergency generator power.</td>
<td>N/A</td>
<td>Timing 6</td>
<td>UNT will replace vertical bottom rods and add floor latching points.</td>
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<td>Victory Hall/RRO15029B</td>
<td>In room 2250 an extension cord is used to power a UPS unit.</td>
<td>N/A</td>
<td>Timing 8</td>
<td>UNT will develop a permanent solution.</td>
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<td>Victory Hall/RRO15029B</td>
<td>Housing security room located off mechanical room 2280 has a power strip plugged into a UPS.</td>
<td>N/A</td>
<td>Timing 9</td>
<td>UNT will develop a permanent solution.</td>
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<td>Victory Hall/RRO15029B</td>
<td>Mechanical rooms 2280 has storage of materials not related to mechanical/equipment operation. These items include but not limited to mop buckets, mops, paint, varnish, ceiling fans, motor controllers, splice boxes for exhaust controls in mechanical room 2280.</td>
<td>N/A</td>
<td>Timing 5</td>
<td>UNT will remove these materials.</td>
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<td>Victory Hall/RRO15029B</td>
<td>The first floor elevator lobby fire doors lack vertical bottom rods and floor latching points.</td>
<td>N/A</td>
<td>Timing 6</td>
<td>UNT will replace vertical bottom rods and add floor latching points.</td>
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<td>Victory Hall/RRO15029B</td>
<td>In room 2250 an extension cord is used to power a UPS unit.</td>
<td>N/A</td>
<td>Timing 8</td>
<td>UNT will develop a permanent solution.</td>
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<td>Victory Hall/RRO15029B</td>
<td>Housing security room located off mechanical room 2280 has a power strip plugged into a UPS.</td>
<td>N/A</td>
<td>Timing 9</td>
<td>UNT will develop a permanent solution.</td>
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<td>Mechanical rooms 2280 has storage of materials not related to mechanical/equipment operation. These items include but not limited to mop buckets, mops, paint, varnish, ceiling fans, motor controllers, splice boxes for exhaust controls in mechanical room 2280.</td>
<td>N/A</td>
<td>Timing 5</td>
<td>UNT will remove these materials.</td>
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<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>Traditions Hall is a three-story existing dormitory occupancy. Features of the protection include a complete fire alarm system, fire sprinkler system, and portable fire extinguishers. The building is equipped with illuminated exit signs, and a generator for back-up power in the event of emergencies resulting power loss.</td>
<td>N/A</td>
<td>None</td>
<td>Traditions Hall is a three-story existing dormitory occupancy. Features of the protection include a complete fire alarm system, fire sprinkler system, and portable fire extinguishers. The building is equipped with illuminated exit signs, and a generator for back-up power in the event of emergencies resulting power loss.</td>
<td>N/A</td>
<td>2/1/2017</td>
<td>Closed</td>
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<td>2017</td>
<td>RRO15029B</td>
<td>Governance and Regulatory Compliance</td>
<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>Unsealed or improperly sealed penetrations are present in the following locations: IT closet 324, 377 277, 224, 124 4 inch conduits not sealed, Room 373 ceiling penetrations, Room H205 4 inch conduit not sealed, Six electrical rooms throughout the building 3/4 inch conduit not sealed.</td>
<td>N/A</td>
<td>Finding 2</td>
<td>Unsealed or improperly sealed penetrations are present in the following locations: IT closet 324, 377 277, 224, 124 4 inch conduits not sealed, Room 373 ceiling penetrations, Room H205 4 inch conduit not sealed, Six electrical rooms throughout the building 3/4 inch conduit not sealed.</td>
<td>N/A</td>
<td>2/1/2017</td>
<td>Closed</td>
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<td>RRO15029B</td>
<td>Governance and Regulatory Compliance</td>
<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>The third floor stairwell 3.2 panic bar lacks a label indicating the bar is UL listed fire exit hardware.</td>
<td>N/A</td>
<td>Finding 4</td>
<td>The third floor stairwell 3.2 panic bar lacks a label indicating the bar is UL listed fire exit hardware.</td>
<td>N/A</td>
<td>2/1/2017</td>
<td>Closed</td>
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<td>RRO15029B</td>
<td>Governance and Regulatory Compliance</td>
<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>Stairwells are missing the stairwell identification signs in the following locations: Stairwell 2.5, Center stairwell first floor.</td>
<td>N/A</td>
<td>Finding 5</td>
<td>Stairwells are missing the stairwell identification signs in the following locations: Stairwell 2.5, Center stairwell first floor.</td>
<td>N/A</td>
<td>3/1/2017</td>
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<td>Management Response</td>
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<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>Traditions Hall is a three-story existing dormitory occupancy. Features of fire protection include a complete fire alarm system, fire sprinkler system, and portable fire extinguishers. The building is equipped with illuminated exit signs, and a generator for back-up power in the event of emergencies resulting power loss.</td>
<td>N/A</td>
<td>Finding 6</td>
<td>In room 149 a new drop ceiling has been installed. The sprinkler heads have not been relocated below the new ceiling. NFPA 1, Fire Code, Chapter 4.5.8.1</td>
<td>UNT will move sprinkler head into new ceiling.</td>
<td>NA</td>
<td>3/6/2017</td>
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<td>State Fire Marshal's Office</td>
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<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>Elevator lobby fire doors are on electronic hold open devices and lack the required smoke detectors within five feet of the doors. NFPA 1, Fire Code, Chapter 14.5.4.1(3)</td>
<td>N/A</td>
<td>Finding 7</td>
<td>The three fire sprinkler risers are yellow tagged since December 2015. Tags state gauges, not replaced or 5 year calibration. NFPA 1, Fire Code, Chapter 13.3.3.2</td>
<td>Completed. UNT installed smoke detectors.</td>
<td>NA</td>
<td>12/23/2016</td>
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<td>RRO15029B</td>
<td>Governance and Regulatory Compliance</td>
<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>Santa Fe Hall is a three-story structure classified as existing apartment occupancy. Features of fire protection include a complete fire alarm system, fire sprinkler system and portable fire extinguishers. The building is equipped with illuminated exit signs, and a generator for back-up power.</td>
<td>N/A</td>
<td>Finding 2</td>
<td>Unsealed or improperly sealed penetrations are present in the following locations: Telephone room unsealed ceiling and floor penetrations, Room ST3H, Corridor outside room 222, Main electrical room first floor above main switch gear. NFPA 1, Fire Code, Chapter 12.7.5.1</td>
<td>UNT will seal penetrations.</td>
<td>NA</td>
<td>3/6/2017</td>
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<td>sprinkler system, fire sprinkler system and portable fire extinguishers. The building is equipped with illuminated exit signs, and a generator for back-up power.</td>
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<td>Emergency lights failed to operate when tested in the following locations. Stairwell B first floor.</td>
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<td>sprinkler system, fire sprinkler system and portable fire extinguishers. The building is equipped with illuminated exit signs, and a generator for back-up power.</td>
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<td>Sprinkler heads are missing escutcheons in the following areas. Stairwell B third floor.</td>
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<td>Fire doors in stairwell B on the first floor lack a rib and is rated for fire rating. Label from another recognized testing lab.</td>
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<td>Emergency lights failed to operate when tested in the following locations. Stairwell B first floor.</td>
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West Hall is a three-story structure classified as a mixed occupancy of existing assembly and existing dormitory occupancies. The building is separated into north and south wings. Features of fire protection include a complete fire alarm system, fire sprinkler system and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency lighting units in the event of emergencies and power loss.
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<td>N/A</td>
<td>Finding 1</td>
<td>Complete. UNT added smoke detectors.</td>
<td>N/A</td>
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<td>N/A</td>
<td>Finding 2</td>
<td>UNT will seal penetrations.</td>
<td>N/A</td>
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<td>N/A</td>
<td>Finding 3</td>
<td>Unable to verify building is equipped with the required emergency lighting.</td>
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<td>N/A</td>
<td>Finding 4</td>
<td>The MAC room lacks emergency lighting.</td>
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<td>NA</td>
<td>Finding 5</td>
<td>The first floor corridor fire doors have an electronic locking device installed. Documentation was not available to indicate the device is UL listed for use on fire doors.</td>
<td>NFPA 1, Fire Code, Chapter 14.5.2.6(6)</td>
</tr>
<tr>
<td>2/1/2017</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>RRO15029B</td>
<td>Governance and Regulatory Compliance</td>
<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>UNT</td>
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<td>McConnell Hall is a three-story structure classified as a mixed occupancy consisting of existing dormitory and existing business. Features of fire protection include a complete fire alarm system, sprinkler and portable fire extinguishers. The building is equipped with illuminated exit signs, and a generator for back-up power in the event of emergencies involving power loss.</td>
<td>NA</td>
<td>Finding 6</td>
<td>The stage lighting wires have a section where the plug has been pulled away from the outer protective sheath requiring fire rating.</td>
<td>NFPA 1, Fire Code, Chapter 11.1.2</td>
</tr>
<tr>
<td>3/1/2017</td>
<td>State Fire Marshal's Office</td>
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<td>NA</td>
<td>Finding 7</td>
<td>The stand-pipe system lacks an annual inspection tag.</td>
<td>NFPA 1, Fire Code, Chapter 13.2.3.3</td>
</tr>
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<td>NA</td>
<td>Finding 9</td>
<td>Room A140A is being used as a wood shop. Saw dust was observed on work benches and the floor. This room is located directly off an assembly space and lacks the required two hour rated construction separation between industrial occupancy and assembly occupancy. Discontinue use of this room as a wood shop or other industrial type occupancy.</td>
<td>NFPA 1, Fire Code, Chapter 6.1.14.4.1</td>
</tr>
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<td>NA</td>
<td>Finding 10</td>
<td>Room K106 is being used as a wood shop. Howl factor was observed on work benches and the floor. This room is located directly off an assembly space and lacks the required two hour rated construction separation between industrial occupancy and assembly occupancy. Discontinue use of this room as a wood shop or other industrial type occupancy.</td>
<td>NFPA 1, Fire Code, Chapter 11.1.4</td>
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Bruce Hall is a four story structure classified as a mixed occupancy consisting of existing dormitory and existing assembly. Features of fire protection include a complete fire alarm system, fire sprinkler systems, standpipe, and portable fire extinguishers. The building is equipped with illuminated exit signs, and a generator for back-up power in the event of emergencies involving power loss.

Finding 2
Consider smoke or fire doors in the following locations are held in the open position by electric hold-open devices: back-up required sprinkler system, located within five feet of doors to include door release in the event of fire. Correct as needed. Recommend: by May 31, 2016. Correct as needed by May 30, 2016.

Finding 3
Fire door assemblies in the following areas lack USG door for rating labels or labels from another recognized testing lab.
- First floor electrical room A wing
- Second floor electrical room by dumb waiter
- Second floor IT closet
- Electrical room D458

Finding 4
Fire sprinkler protection is missing in the following locations.
- Fire door B wing west stairwell third floor
- Fire door and frame fourth floor

Finding 5
Fire door assemblies in the following areas lack USG door for rating labels or labels from another recognized testing lab.
- Fire door B wing west stairwell third floor
- Fire door and frame fourth floor

Finding 6

gate to read "Emergency Access Only"

UNT will update signage.

UNT will install additional emergency lighting.

UNT will seal penetrations.

UNT will add sprinkler coverage.

UNT will install fire Sprinkler system.
<table>
<thead>
<tr>
<th>Observation</th>
</tr>
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<tbody>
<tr>
<td>Bruce Hall is a four story structure classified as a mixed occupancy consisting of existing dormitory and existing assembly. Features of fire protection include a fire alarm system with smoke detection, fire sprinkler systems, standpipe, and portable fire extinguishers. The building is equipped with illuminated exit signs, and a generator for back-up power in the event of emergencies involving power loss.</td>
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<td>Fire and smoke doors in the following areas do not close properly:</td>
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<td>- Corridor smoke door by room A325</td>
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<td>- Fourth floor stairwell fire door &quot;D&quot; wing</td>
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<td>UNT will add stops to designate position of equipment.</td>
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<td>UNT will install vertical bottom rods and add floor latching points.</td>
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<td>Exterior/ Internal</td>
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</tr>
<tr>
<td>External</td>
</tr>
</tbody>
</table>

Back-up power in the event of emergencies involving power loss. The building is equipped with illuminated exit signs, and a generator for back-up power in the event of emergencies involving power loss.

The Jon Collins room lacks an illuminated exit sign over the door leading to the stairwell. The wall that failed to operate when tested. In the Jon Collins room there is a battery operated smoke alarm and a smoke detector. There are two smoke detectors located on the wall that failed to operate when tested. Currently, this is the only means of egress from the basement area. (See NFPA 1, Fire Code, Chapter 14.6.1.1 and 14.3.1) FINDING 1) This is the only means of egress from the basement area. (See NFPA 1, Fire Code, Chapter 14.6.1.1 and 14.3.1) FINDING 1) This is the only means of egress from the basement area. (See NFPA 1, Fire Code, Chapter 14.6.1.1 and 14.3.1) FINDING 1) This is the only means of egress from the basement area. (See NFPA 1, Fire Code, Chapter 14.6.1.1 and 14.3.1)
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<th>External Reporting Agency</th>
<th>Fiscal Year</th>
<th>Report Name</th>
<th>Key Observations</th>
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<th>Recommendation Details</th>
<th>Management Response</th>
</tr>
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<tbody>
<tr>
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<td>2017</td>
<td>Governance and Regulatory Compliance</td>
<td>UNTHSC</td>
<td>Bruce Hall is a four story structure classified as a mixed occupancy consisting of existing dormitory and existing assembly. Features of the protection include a fire alarm system with smoke detector, fire sprinkler system, standpipe, and portable fire extinguishers. The building is equipped with illuminated exit signs, and a generator for backup power in the event of emergencies involving power loss.</td>
<td>NA</td>
<td>Finding 18: At stairwell 1.1 on the first floor of &quot;A&quot; wing, the double fire doors are missing the center mullion rendering the doors unable to latch. NFPA 1, Fire Code, Chapter 12.4.6.9.1 and 12.4.6.9.2(4)</td>
</tr>
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<td>2017</td>
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<td>NA</td>
<td>Finding 19: An extension cord is used as a replacement for permanent wiring on the second floor in the &quot;A&quot; wing IT closet server rack. NFPA 1, Fire Code, Chapter 11.1.7.6</td>
</tr>
<tr>
<td>State Fire Marshal's Office</td>
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<td>NA</td>
<td>Finding 20: Electrical splice box are missing covers in the following: - B wing janitorial closet - Storage closet near A211 NFPA 1, Fire Code, Chapter 11.1.10</td>
</tr>
<tr>
<td>State Fire Marshal's Office</td>
<td>2017</td>
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<td>NA</td>
<td>Finding 21: A vent has been installed in the bottom of fire rated door of the laundry room. NFPA 1, Fire Code, Chapter 12.4.6.9.1 and 12.4.6.9.2(10)</td>
</tr>
<tr>
<td>US Department of Justice</td>
<td>2017</td>
<td>Governance and Regulatory Compliance</td>
<td>UNTHSC</td>
<td>Kerr Hall Building-A is a seven-story high-rise, classified as a mixed occupancy of existing dormitory and existing assembly. Features of fire protection include a fire alarm system, sprinkler system fire pump, standpipe, fixed suppression for commercial cooking appliances, and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency generator power.</td>
<td>NA</td>
<td>Finding 10: Room 419A has a sprinkler head loaded with dust. NFPA 1, Fire Code, Chapter 4.5.8.1</td>
</tr>
<tr>
<td>State Fire Marshal's Office</td>
<td>2017</td>
<td>Governance and Regulatory Compliance</td>
<td>UNTHSC</td>
<td>Kerr Hall Building-A is a seven-story high-rise, classified as a mixed occupancy of existing dormitory and existing assembly. Features of fire protection include a fire alarm system, sprinkler system fire pump, standpipe, fixed suppression for commercial cooking appliances, and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency generator power.</td>
<td>NA</td>
<td>Finding 11: Room 202A has a sprinkler head loaded with dust. NFPA 1, Fire Code, Chapter 4.5.8.1</td>
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<tr>
<th>Finding Number</th>
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<th>Key Observations</th>
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<th>Chapter</th>
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<th>Management Response</th>
<th>Implementation Date</th>
<th>Status</th>
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<tbody>
<tr>
<td>RRO15029A</td>
<td>Kerr Hall building is not in compliance with NFPA 1, Fire Code, Chapter 11.1.5.2.</td>
<td>UTNT</td>
<td>The following rooms have multi outlet adapters installed.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Facilities will remove deadbolts and add either panic hardware or fire exit hardware.</td>
<td>Completed.</td>
<td>10/16/2016</td>
<td>Closed</td>
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<tr>
<td>RRO15029A</td>
<td>Kerr Hall building is not in compliance with NFPA 1, Fire Code, Chapter 4.5.8.1.</td>
<td>UTNT</td>
<td>Stairwell B on the fourth floor is missing the stairwell identification sign.</td>
<td></td>
<td></td>
<td></td>
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<td>UNT will replace escutcheon.</td>
<td>Completed.</td>
<td>10/16/2016</td>
<td>Closed</td>
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<tr>
<td>RRO15029A</td>
<td>Kerr Hall building is not in compliance with NFPA 1, Fire Code, Chapter 10.12.3.1.</td>
<td>UTNT</td>
<td>The fire alarm control panel indicates a trouble on the system. (Due to ongoing air handler unit replacement).</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Facilities will evaluate the best course of action for completion.</td>
<td>Completed.</td>
<td>10/16/2016</td>
<td>Closed</td>
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<td>RRO15029A</td>
<td>Kerr Hall building is not in compliance with NFPA 1, Fire Code, Chapter 4.5.8.1.</td>
<td>UTNT</td>
<td>The corridor illuminated exit sign by room 360A is not operational.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Facilities will repair exit signs.</td>
<td>Completed.</td>
<td>10/16/2016</td>
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<td>RRO15029A</td>
<td>Kerr Hall building is not in compliance with NFPA 1, Fire Code, Chapter 4.5.8.1.</td>
<td>UTNT</td>
<td>The corridor illuminated exit sign by room 128A is missing the escutcheon.</td>
<td></td>
<td></td>
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<td>RRO15029A</td>
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<td>UTNT</td>
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<td>External/ Internal</td>
<td>Reporting Agency</td>
<td>Fiscal Year</td>
<td>Audit Number</td>
<td>Report Name</td>
<td>Component Institution</td>
<td>Key Observations</td>
<td>Risk Level</td>
<td>Recommendation Details</td>
<td>Management Response</td>
<td>Assigned Response</td>
<td>Recommendation Status</td>
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<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>RRO15029A</td>
<td>Governance and Regulatory Compliance</td>
<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>Kerr Hall Building-A has a ceiling fan missing the cover plate exposing electrical wiring. NFPA 1, Fire Code, Chapter 11.1.10</td>
<td>NA</td>
<td>Facilities will replace the cover plate</td>
<td>NA</td>
<td>8/1/2016</td>
<td>Closed</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>RRO15029A</td>
<td>Governance and Regulatory Compliance</td>
<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>Documentation was not available at the time of the inspection that the carpet installed on the walls in room 362A has been tested and approved for vertical wall application. Carpet installed on walls or ceilings shall meet class A requirements and in accordance with the requirements of NFPA 1 Fire Code. Manufacturers documentation shall be supplied indicating the carpet has been tested in accordance with NFPA 1 approved testing methods and meets or exceeds the code standard. NFPA 1, Fire Code, Chapter 12.5.5.1</td>
<td>NA</td>
<td>UNT will evaluate the best course of action for completion</td>
<td>NA</td>
<td>9/1/2016</td>
<td>Closed</td>
</tr>
<tr>
<td>External</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>RRO15029A</td>
<td>Governance and Regulatory Compliance</td>
<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>The portable fire extinguisher at the first floor front desk lacks a current inspection tag. The last inspection was dated April 2014. Additionally the extinguisher is sitting on the back counter top and requires a mounting location. NFPA 1, Fire Code, Chapter 4.5.8.1</td>
<td>NA</td>
<td>Extinguisher was inspected and tag was added</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Audit Number</td>
<td>Audit Category</td>
<td>Component Institution</td>
<td>Audit Date</td>
<td>Finding Number</td>
<td>Risk Level</td>
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<td>RRO15029A</td>
<td>Government and Regulatory Compliance</td>
<td>Kerr Hall Building-A</td>
<td>09/01/2016</td>
<td>FINDING 24</td>
<td>NA</td>
<td>The building is equipped with automated standpipe, fixed suppression for commercial cooking appliances and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency generator power.</td>
<td>NA</td>
<td>NA</td>
<td>Closed</td>
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<tr>
<td>RRO15029A</td>
<td>Government and Regulatory Compliance</td>
<td>Kerr Hall Building-A</td>
<td>12/01/2016</td>
<td>FINDING 22</td>
<td>NA</td>
<td>The building is equipped with automated standpipe, fixed suppression for commercial cooking appliances and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency generator power.</td>
<td>NA</td>
<td>NA</td>
<td>Closed</td>
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</tr>
<tr>
<td>RRO15029A</td>
<td>Government and Regulatory Compliance</td>
<td>Kerr Hall Building-A</td>
<td>08/01/2017</td>
<td>FINDING 2</td>
<td>NA</td>
<td>The building is equipped with automated standpipe, fixed suppression for commercial cooking appliances and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency generator power.</td>
<td>NA</td>
<td>NA</td>
<td>Closed</td>
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</tr>
</tbody>
</table>

NFPA 1, Fire Code, Chapter 4.5.8.1

- The last inspection was conducted in April 2014.
- The portable fire extinguisher located in the kitchen grill area lacks a current inspection tag.

NFPA 1, Fire Code, Chapter 11.1.2

- The Combi smoker unit has a flexible extension cord wired to power the unit.
- Facilities will replace extension cord with a permanent solution.

NFPA 1, Fire Code, Chapter 50.4.3.2

- Pizza conveyer type oven produces grease laden vapors and is not protected by the UL-300 Wet chemical system.
- Pizza conveyer type oven is open and produces grease laden vapors and is not protected by the UL-300 Wet chemical system.

NFPA 1, Fire Code, Chapter 13.6.9.3.3; and Texas Administrative Code 28 Chapter 3 4.520©

- The kitchen flame broiled grill is on wheels and lacks an approved method to insure the appliance is in the approved design location.
- The kitchen flame broiled grill is on wheels and lacks an approved method to insure the appliance is in the approved design location.

NFPA 1, Fire Code, Chapter 50.6.1.2.3.1

- The kitchen flame broiled grill is on wheels and lacks an approved method to insure the appliance is in the approved design location.
- The kitchen flame broiled grill is on wheels and lacks an approved method to insure the appliance is in the approved design location.

NFPA 1, Fire Code, Chapter 13.6.9.3.3; and Texas Administrative Code 28 Chapter 3 4.520©

- The pizza conveyer oven is not located under the vent a hood as required.
- The pizza conveyer oven is not located under the vent a hood as required.

NFPA 1, Fire Code, Chapter 28 Chapter 34.520©

- The pizza conveyer oven is not located under the vent a hood as required.
- The pizza conveyer oven is not located under the vent a hood as required.

UNT will evaluate the best course of action for completion.

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<th>Audit Category</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Implementation Date</th>
<th>Individual Responsibility for Implementation</th>
<th>Implementation Status</th>
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<td>Governance and Regulatory Compliance</td>
<td>RRO15029A</td>
<td>Kerr Hall Building-A</td>
<td>Exit signs and emergency generator power. portable fire extinguishers. The building is equipped with illuminated standpipe, fixed suppression for commercial cooking appliances and portable fire extinguishers. The building is equipped with fire alarm system, sprinkler system, fire pump.</td>
<td>NA</td>
<td>NAVIGATION 25: The following locations have a hasp and pad lock installed on the exterior side of the doors. Facilities will remove locks from exterior.</td>
<td>Facilities will remove locks from exterior</td>
<td>12/1/2016</td>
<td>In-Progress</td>
<td>Completed</td>
</tr>
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<td>Kerr Hall Building-A</td>
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<td>NA</td>
<td>NAVIGATION 26: The storage room leading into the boiler room off the loading dock is not protected by the building fire sprinkler system.</td>
<td>Facilities will remove dust and lint.</td>
<td>10/1/2016</td>
<td>In-Progress</td>
<td>Completed</td>
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<td>Governance and Regulatory Compliance</td>
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<td>NA</td>
<td>NAVIGATION 27: The standpipe system is blocked by carts.</td>
<td>Facilities will remove carts.</td>
<td>5/1/2016</td>
<td>In-Progress</td>
<td>Completed</td>
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<td>NA</td>
<td>NAVIGATION 28: The sprinkler head on the inside of the boiler room is not protected by the building fire sprinkler system.</td>
<td>Facilities will remove dust and lint.</td>
<td>5/1/2016</td>
<td>In-Progress</td>
<td>Completed</td>
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<td>NA</td>
<td>NAVIGATION 29: The storage room leading into the boiler room off the loading dock is not protected by the building fire sprinkler system.</td>
<td>Facilities will remove dust and lint.</td>
<td>5/1/2016</td>
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<td>Completed</td>
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<td>Risk Level</td>
<td>Recommendation Status</td>
<td>Next Steps</td>
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<td>Exit signs and emergency generator power.</td>
<td>NA</td>
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<td>Closed</td>
<td>8/1/2016</td>
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<td>portable fire extinguishers. The building is equipped with illuminated standpipe, fixed suppression for commercial cooking appliances and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency generator power.</td>
<td>NA</td>
<td>NA</td>
<td>Closed</td>
<td>8/1/2016</td>
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<td>Fire alarm system, sprinkler system fire pump, smoke detector, fire protection include a fire alarm system, sprinkler system fire pump, smoke detector, fire suppression for commercial cooking appliances and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency generator power.</td>
<td>NA</td>
<td>NA</td>
<td>Closed</td>
<td>8/1/2016</td>
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<tr>
<td>Room 621A has an extension cord used as a replacement for permanent wiring. Additionally the cord is run under a rug.</td>
<td>NA</td>
<td>NA</td>
<td>Closed</td>
<td>8/1/2016</td>
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<tr>
<td>Egress corridors on floors two, three, four, five, six and seven have multiple small holes in the ceiling due to the removal of IT wireless points.</td>
<td>NA</td>
<td>NA</td>
<td>Closed</td>
<td>8/1/2016</td>
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<td>Laundry room 661A has spring hinges that do not close the door.</td>
<td>NA</td>
<td>NA</td>
<td>Closed</td>
<td>8/1/2016</td>
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</tr>
<tr>
<td>Room 663A has an electrical splice box missing a cover.</td>
<td>NA</td>
<td>NA</td>
<td>Closed</td>
<td>8/1/2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Floor plans will be created and added to the back of the room doors.</td>
<td>NA</td>
<td>NA</td>
<td>Closed</td>
<td>8/1/2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foam has been tested in accordance with NFPA 1 approved testing methods and meets or exceeds the code standard.</td>
<td>NA</td>
<td>NA</td>
<td>Closed</td>
<td>8/1/2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Egress doors are required by UNTSA for spring hinges that do not close the door.</td>
<td>NA</td>
<td>NA</td>
<td>Closed</td>
<td>8/1/2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>External/ External</td>
<td>Reporting Agency</td>
<td>Fiscal Year</td>
<td>Audit Number</td>
<td>Audit Category</td>
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<td>Key Observations</td>
<td>Risk Level</td>
<td>Recommendation Details</td>
<td>Management Response</td>
<td>Expected Implementation Date</td>
<td>Important Implementation Date</td>
<td>Recommendation Status</td>
</tr>
<tr>
<td>-------------------</td>
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<td>-----------------------------</td>
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<td>------------------------</td>
</tr>
</tbody>
</table>
| State Fire Marshal's Office | Fiscal Year 2017 | RRO15029A | Governance and Regulatory Compliance | Fire Safety Inspection Report - University of North Texas Dallas Residential | Kerr Hall-Building-B | • Stairwell D third floor hole in door and latch plate missing
• Stairwell E third floor latch plate missing
• Stairwell E fifth floor hole in door
• Stairwell D sixth floor holes in door
• Stairwell D seventh floor holes in door | NA | Fire Department will seal and replace parts. | Facilities will replace missing mechanisms. | 10/25/2018 | Closed |
| State Fire Marshal's Office | Fiscal Year 2017 | RRO15029A | Governance and Regulatory Compliance | Fire Safety Inspection Report - University of North Texas Dallas Residential | Kerr Hall-Building-B | • Storage room 301B hole in ceiling
• Mechanical room 402B non fire rated yellow spray foam used
• Mechanical room 522B non fire rated yellow spray foam used | NA | Facilities will properly seal all penetrations. | NA | 10/25/2018 | Closed |
| State Fire Marshal's Office | Fiscal Year 2017 | RRO15029A | Governance and Regulatory Compliance | Fire Safety Inspection Report - University of North Texas Dallas Residential | Kerr Hall-Building-B | • Laundry room 619B lint
• Laundry room 519B lint | NA | Facilities will properly seal all penetrations. | NA | 10/25/2018 | Closed |
| State Fire Marshal's Office | Fiscal Year 2017 | RRO15029A | Governance and Regulatory Compliance | Fire Safety Inspection Report - University of North Texas Dallas Residential | Kerr Hall-Building-B | • Mechanical room 641A unsealed sprinkler pipe and standpipe
• Room A763A Several unsealed penetrations
• Room A743A Several unsealed penetrations | NA | Facilities will repair shared and replace parts. | NA | 10/25/2018 | Closed |

Kerr Hall-Building-B is an eight-story high-rise, classified as a mixed occupancy of existing dormitory and existing business. Features of fire protection include a complete fire alarm system, fire sprinkler system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and emergency generator power.
Fiscal Year
FINDING 8
NA 12/1/2016 Closed
FINDING 7
Management acknowledges and agrees with the findings and
Governance and
For 4 (7 percent) of 61 students tested, the University of North Texas
Kerr Hall Building-B
Governance and
State Fire Marshal's
Closed
RRO15029A
Governance and
Accurately determine the number of days in scheduled breaks,
Return Title IV funds within required time frames.
Kerr Hall Building-B
State Auditor's Office Fiscal Year 2017 17-314
RRO15029A
Kerr Hall Building-B
NA NA Closed
State Fire Marshal's
The University of North Texas (University) did not correctly determine
Governance and
Closed
State Auditor's Office Fiscal Year 2017 17-314
RRO15029A
Kerr Hall Building-B
FINDING 6
Kerr Hall Building-B is an eight-story high-rise, classified as a mixed
Governance and
Closed
State Auditor's Office Fiscal Year 2017 17-314
RRO15029A
Kerr Hall Building-B
FINDING 9
State Fire Marshal's
State of Texas Federal
Report for the Fiscal Year Ended August 31, 2016
Statewide Single Audit Report For the Fiscal Year Ended August 31, 2016
Room 213B has a power strip plugged into a multi outlet adapter.
Fire Extinguisher was inspected and tag was added.
Dena Guzman-Torres and Lacey Thompson
State of Texas Federal
Report for the Fiscal Year Ended August 31, 2016
Fire Extinguisher was inspected and tag was added.
Dena Guzman-Torres and Lacey Thompson
State of Texas Federal
Report for the Fiscal Year Ended August 31, 2016
Fire Extinguisher was inspected and tag was added.
Dena Guzman-Torres and Lacey Thompson
State of Texas Federal
Report for the Fiscal Year Ended August 31, 2016
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Dena Guzman-Torres and Lacey Thompson
State of Texas Federal
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Dena Guzman-Torres and Lacey Thompson
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State of Texas Federal
Report for the Fiscal Year Ended August 31, 2016
Fire Extinguisher was inspected and tag was added.
Dena Guzman-Torres and Lacey Thompson
<table>
<thead>
<tr>
<th>External/ External</th>
<th>Reporting Agency</th>
<th>Fiscal Year</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Individuals Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Documentation Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>External</td>
<td>State Auditor’s Office</td>
<td>Fiscal Year 2017</td>
<td>17-046</td>
<td>Governance and Regulatory Compliance</td>
<td>State of Texas Federal Portion of the Statewide Single Audit Report for the Fiscal Year Ended August 31, 2016</td>
<td>UNTHSC</td>
<td>The University should report accurate status changes and effective dates to NSLDS in a timely manner. Management is attentive to the U.S. Department of Education requirements associated with Student Status Changes. Management has updated and implemented business controls to ensure accurate and timely reporting to the National Student Clearinghouse and the National Student Loan Data System for all students who have status changes. The Office of the Registrar has implemented the following to ensure the timely and accurate reporting of enrollment:</td>
<td>NA</td>
<td>Bryan Heard</td>
<td>12/1/2016</td>
<td>Closed</td>
</tr>
<tr>
<td>External</td>
<td>Texas Commission on Environmental Quality</td>
<td>Fiscal Year 2017</td>
<td>1383302</td>
<td>Governance and Regulatory Compliance</td>
<td>Notice of Violation</td>
<td>UNTHSC</td>
<td>Failure to prevent the unauthorized release of laboratory wastewater under the science research building.</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>Texas Department of State Health Services</td>
<td>Fiscal Year 2017</td>
<td>2016005729</td>
<td>Governance and Regulatory Compliance</td>
<td>Inclement Inspection</td>
<td>UNTHSC</td>
<td>This notice is to acknowledge that the Texas Department of State Health Services (TDSHS) conducted an inspection of or visit to your business on the date listed above. The information that has been gathered is subject to further department review, and you may receive additional correspondence as a result.</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>CPRIT</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>Research</td>
<td>Cancer Prevention and Research Institute of Texas Program (CPRIT) - Specific Audit Report for year ended August 31, 2016</td>
<td>UNTHSC</td>
<td>In our opinion, the University of North Texas System complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its CPRIT program for the year ended August 31, 2016. This audit was outsourced to BKD, LLP.</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>Accreditation Council for Pharmacy Education</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>Governance and Regulatory Compliance</td>
<td>Review for Pharmacy Education Accreditation</td>
<td>UNTHSC</td>
<td>Accreditation Council for Pharmacy Education</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>External</td>
<td>Texas Department of Licensing</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>Governance and Regulatory Compliance</td>
<td>Boiler Inspections</td>
<td>UNTHSC</td>
<td>Boiler Inspections</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>Audit Number</th>
<th>Audit Category</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Implementation Status</th>
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</thead>
<tbody>
<tr>
<td>16-11-04</td>
<td>Fire Prevention</td>
<td>University of North Texas</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>16-11-03</td>
<td>Fire Prevention</td>
<td>University of North Texas</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>16-11-02</td>
<td>Roof Inspections</td>
<td>University of North Texas</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>16-11-01</td>
<td>Electrical Preventative Maintenance</td>
<td>University of North Texas</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

**Key Observations**

- **Flammable Liquids Cabinet (Radio TV Film and Performing Arts):** Provide clean agent type extinguishers inside the control rooms and the server rooms of the TV and Film areas according to NFPA 10 - Standard for Portable Fire Extinguishers.
- **Arts (Radio TV Film and Performing Arts):** Store the flammable/combustible liquids (paints, primers, etc.) located in the stage workshop of the Radio, TV, Film, and Performing Arts building in flammable/combustible liquids storage cabinets meeting the requirements of NFPA 30.
- **University of North Texas:*** The inspections should initially focus on identifying water ponding and cleaning drains. The inspections should initially focus on identifying water ponding and cleaning drains as needed.
- **University of North Texas:*** High valued electronic equipment is located in this area. In case of fire in the equipment, the agent inside the ABC extinguisher will immediately damage all of the equipment.

**Recommendation Details**

- **Flammable and combustible liquids present a significant fire over large areas overtaxing sprinkler systems and resulting in significant property damage and interruption to business operations! If these liquids are located in rooms of fire risk potential, a fire extinguishing system may not be able to extinguish a fire if the agent inside the ABC extinguisher will immediately damage all of the equipment.**

**Implementation Status**

- **University of North Texas:** NA
- **University of North Texas:** NA
- **University of North Texas:** NA

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**Participant Costs: Supporting Documentation**

- **Travel:** In accordance with 3 CFR 200.474(a), “Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of the non-federal entity.” The questioned cost is the $0.81 overage for a CAST Participant Costs. The questioned cost is the $0.81 overage for a CAST Participant Costs. The questioned cost is the $0.81 overage for a CAST Participant Costs.
- **Travel:** The participant costs should be justified and documented using adequate backup documentation and be charged to sponsored agreements. The participant costs should be justified and documented using adequate backup documentation and be charged to sponsored agreements. The participant costs should be justified and documented using adequate backup documentation and be charged to sponsored agreements.

**Recommendation Details**

- **Travel:** Reimburse the THECB $0.81 and tighten controls to ensure sufficient internal controls and internal controls over large areas overtaxing sprinkler systems and resulting in significant property damage and interruption to business operations.

**Implementation Status**

- **University of North Texas:** NA
- **University of North Texas:** NA
- **University of North Texas:** NA

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**Participant Costs: Supporting Documentation**

- **Travel:** In accordance with 3 CFR 200.474(a), “Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of the non-federal entity.” The questioned cost is the $0.81 overage for a CAST Participant Costs. The questioned cost is the $0.81 overage for a CAST Participant Costs. The questioned cost is the $0.81 overage for a CAST Participant Costs.
- **Travel:** The participant costs should be justified and documented using adequate backup documentation and be charged to sponsored agreements. The participant costs should be justified and documented using adequate backup documentation and be charged to sponsored agreements. The participant costs should be justified and documented using adequate backup documentation and be charged to sponsored agreements.

**Recommendation Details**

- **Travel:** Reimburse the THECB $0.81 and tighten controls to ensure sufficient internal controls and internal controls over large areas overtaxing sprinkler systems and resulting in significant property damage and interruption to business operations.

**Implementation Status**

- **University of North Texas:** NA
- **University of North Texas:** NA
- **University of North Texas:** NA

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**Participant Costs: Supporting Documentation**

- **Travel:** In accordance with 3 CFR 200.474(a), “Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of the non-federal entity.” The questioned cost is the $0.81 overage for a CAST Participant Costs. The questioned cost is the $0.81 overage for a CAST Participant Costs. The questioned cost is the $0.81 overage for a CAST Participant Costs.
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**Recommendation Details**

- **Travel:** Reimburse the THECB $0.81 and tighten controls to ensure sufficient internal controls and internal controls over large areas overtaxing sprinkler systems and resulting in significant property damage and interruption to business operations.

**Implementation Status**

- **University of North Texas:** NA
- **University of North Texas:** NA
- **University of North Texas:** NA
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<tr>
<th>Audit Category</th>
<th>Report Name</th>
<th>Component</th>
<th>Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation</th>
<th>Management Response</th>
</tr>
</thead>
</table>
| Internal/External | Texas Higher Education Coordinating Board | Final Monitoring Report | 2017-0016-00003 | Texas Department of Family and Protective Services | VFA's, CR's, and UNT staff were unable to agree on the amount of costs that should be included in the cost reimbursement agreement. | NA | Management Response: "During the review, certain reported costs, as noted in the cost reimbursement agreement, could not be agreed upon. This is due to the lack of agreement on the costs covered by the agreement. The costs that were included in the reimbursement agreement will be recalculated and submitted for approval by the THECB."
| | | | | | | |
| Internal/External | Texas Higher Education Coordinating Board | Desk Review | 2017-0016-00003 | Texas Department of Family and Protective Services | UNT has a history of not following the required cost reimbursement procedures. | NA | Management Response: "During the review, it was determined that UNT has not followed the required cost reimbursement procedures. The procedures should be followed in order to ensure that all costs are properly reimbursed."
| | | | | | | |
| Internal/External | Texas Department of Family and Protective Services | Final Monitoring Report | 2017-0016-00003 | Texas Department of Family and Protective Services | Contract administration processes are not fully documented. | NA | Management Response: "During the review, it was determined that the contract administration processes are not fully documented. The documentation of these processes is necessary to ensure that all costs are properly reimbursed."
| | | | | | | |
| Internal/External | Texas Department of Family and Protective Services | Final Monitoring Report | 2017-0016-00003 | Texas Department of Family and Protective Services | The contract administration processes are not fully documented. | NA | Management Response: "During the review, it was determined that the contract administration processes are not fully documented. The documentation of these processes is necessary to ensure that all costs are properly reimbursed."
| | | | | | | |
| Internal/External | Texas Department of Family and Protective Services | Final Monitoring Report | 2017-0016-00003 | Texas Department of Family and Protective Services | The contract administration processes are not fully documented. | NA | Management Response: "During the review, it was determined that the contract administration processes are not fully documented. The documentation of these processes is necessary to ensure that all costs are properly reimbursed."
| | | | | | | |
| Internal/External | Texas Department of Family and Protective Services | Final Monitoring Report | 2017-0016-00003 | Texas Department of Family and Protective Services | The contract administration processes are not fully documented. | NA | Management Response: "During the review, it was determined that the contract administration processes are not fully documented. The documentation of these processes is necessary to ensure that all costs are properly reimbursed."
| | | | | | | |
| Internal/External | Texas Department of Family and Protective Services | Final Monitoring Report | 2017-0016-00003 | Texas Department of Family and Protective Services | The contract administration processes are not fully documented. | NA | Management Response: "During the review, it was determined that the contract administration processes are not fully documented. The documentation of these processes is necessary to ensure that all costs are properly reimbursed."
| | | | | | | |
| Internal/External | Texas Department of Family and Protective Services | Final Monitoring Report | 2017-0016-00003 | Texas Department of Family and Protective Services | The contract administration processes are not fully documented. | NA | Management Response: "During the review, it was determined that the contract administration processes are not fully documented. The documentation of these processes is necessary to ensure that all costs are properly reimbursed."
| | | | | | | |
| Internal/External | Texas Department of Family and Protective Services | Final Monitoring Report | 2017-0016-00003 | Texas Department of Family and Protective Services | The contract administration processes are not fully documented. | NA | Management Response: "During the review, it was determined that the contract administration processes are not fully documented. The documentation of these processes is necessary to ensure that all costs are properly reimbursed."
| | | | | | | |
| Internal/External | Texas Department of Family and Protective Services | Final Monitoring Report | 2017-0016-00003 | Texas Department of Family and Protective Services | The contract administration processes are not fully documented. | NA | Management Response: "During the review, it was determined that the contract administration processes are not fully documented. The documentation of these processes is necessary to ensure that all costs are properly reimbursed."
| | | | | | | |
| Internal/External | Texas Department of Family and Protective Services | Final Monitoring Report | 2017-0016-00003 | Texas Department of Family and Protective Services | The contract administration processes are not fully documented. | NA | Management Response: "During the review, it was determined that the contract administration processes are not fully documented. The documentation of these processes is necessary to ensure that all costs are properly reimbursed."
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| Internal/External | Texas Department of Family and Protective Services | Final Monitoring Report | 2017-0016-00003 | Texas Department of Family and Protective Services | The contract administration processes are not fully documented. | NA | Management Response: "During the review, it was determined that the contract administration processes are not fully documented. The documentation of these processes is necessary to ensure that all costs are properly reimbursed."
| | | | | | | |
| Internal/External | Texas Department of Family and Protective Services | Final Monitoring Report | 2017-0016-00003 | Texas Department of Family and Protective Services | The contract administration processes are not fully documented. | NA | Management Response: "During the review, it was determined that the contract administration processes are not fully documented. The documentation of these processes is necessary to ensure that all costs are properly reimbursed."
<p>| | | | | | | |
| | | | | | | |</p>
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<th>Report Name</th>
<th>Fiscal Year</th>
<th>Key Observations</th>
<th>Recommendation Details</th>
<th>Recommendation Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>External</td>
<td>Fire Alarm and Emergency Communication System Inspection</td>
<td>2017</td>
<td>No findings/deficiencies on UNT May Street &amp; Center for Sleep Medicine buildings.</td>
<td>N/A</td>
<td>N/A N/A N/A N/A N/A</td>
</tr>
<tr>
<td>External</td>
<td>Fire Alarm and Emergency Communication System Inspection</td>
<td>2017</td>
<td>UNTHSC: UNT PCC strobes on fifth floor do not work. Also, some of the strobes on the first floor do not work. Batteries that need to be replaced are: -Parking garage next to panel 4ea. -Sixth floor both sets 4ea. Fire Alarm representative needs to troubleshoot the system in the evening after service hours.</td>
<td>N/A</td>
<td>Testing Complete.</td>
</tr>
<tr>
<td>State Fire Marshal's Office</td>
<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>2017</td>
<td>Bruce Hall is a four story structure classified as a mixed occupancy consisting of living quarters and housing assembly. Features of the protective include a fire alarm system with smoke detection, fire sprinkler system, standpipe, and portable fire extinguishers. The building is equipped with illuminated exit signs, and a generator for back up power in the event of emergencies involving power loss. Finding 1: The basement area located under the kitchen has only one means of egress and was formally considered a normally unoccupied space that was used for storage only. Two offices and a large dishwashing unit have been installed in the area. This changed the area use to a normally occupied area since employees now work in the space and a second approved means of egress is now required. (2013 violation) NFPA 1, Fire Code, Chapter 14.9.1.1</td>
<td>UT will review for accuracy and develop plans.</td>
<td>Work In Progress - Currently out for bidding process - TMA Project # 13639</td>
</tr>
<tr>
<td>State Fire Marshal's Office</td>
<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>2017</td>
<td>Bruce Hall is a four story structure classified as a mixed occupancy consisting of living quarters and housing assembly. Features of the protective include a fire alarm system with smoke detection, fire sprinkler system, standpipe, and portable fire extinguishers. The building is equipped with illuminated exit signs, and a generator for back up power in the event of emergencies involving power loss. Finding 6: The emergency egress floor plans are missing or incorrect and need to be reissue. NFPA 1, Fire Code, Chapter 20.8.2.4.1</td>
<td>UNT will review for accuracy and develop plans.</td>
<td>Work In Progress - Currently out for bidding process - TMA Project # 13639</td>
</tr>
</tbody>
</table>
Respiratory protection: The potential for dust respiratory protection includes a complete fire alarm system, as described above.

Risk Management is working with Facilities to determine a plan of action given the uncertain future use of Oak Street Hall. In addition, the required floors were found to not be below regulatory limits in all areas.

UNT will review for accuracy and develop plans.

UNT will evaluate the latest course of action for completion.

UNT will review for accuracy and develop plans.

UNT will review for accuracy and develop plans.

UNT will review for accuracy and develop plans.
<table>
<thead>
<tr>
<th>Stated/External</th>
<th>Reporting Agency</th>
<th>Fiscal Year</th>
<th>Audit Notes</th>
<th>Audit Number</th>
<th>Audit Category</th>
<th>Report Name</th>
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<td>Ventilation System Assessment Report</td>
<td>UNT</td>
<td>The existing spray booth in the closet is operating as intended and is suitable for spraying glazes. Spraying glazes should only be conducted using a hood that is ducted to a single exhaust system. The room also contains paint sprayer and fume hood, which may also contain toxic air contaminants, including silica and various metal powders. The powder from the pigments should be captured to prevent student and staff exposure to the dusts and to prevent escape of the dusts. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>Installation of a fume hood ventilation system at each workstation is required. The existing spray booth in the closet is operating as intended and is suitable for spraying glazes. Spraying glazes should only be conducted using a hood that is ducted to a single exhaust system. The room also contains paint sprayer and fume hood, which may also contain toxic air contaminants, including silica and various metal powders. The powder from the pigments should be captured to prevent student and staff exposure to the dusts and to prevent escape of the dusts. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>VIOLATION 14</td>
<td>The existing spray booth in the closet is operating as intended and is suitable for spraying glazes. Spraying glazes should only be conducted using a hood that is ducted to a single exhaust system. The room also contains paint sprayer and fume hood, which may also contain toxic air contaminants, including silica and various metal powders. The powder from the pigments should be captured to prevent student and staff exposure to the dusts and to prevent escape of the dusts. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NA</td>
<td>N/A</td>
<td>Closed</td>
<td>NA</td>
<td>Revised: 10/30/18 (Pending Assessment)</td>
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<tr>
<td>Glaze Room - The Glaze Room is used to mix pigments for glazing and coloring of the clay products. The pigments are made of fine powder which may also contain toxic air contaminants, including silica and various metal powders. The powder from the pigments should be captured to prevent student and staff exposure to the dusts and to prevent escape of the dusts. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>Installation of a fume hood ventilation system at each workstation is required. The existing spray booth in the closet is operating as intended and is suitable for spraying glazes. Spraying glazes should only be conducted using a hood that is ducted to a single exhaust system. The room also contains paint sprayer and fume hood, which may also contain toxic air contaminants, including silica and various metal powders. The powder from the pigments should be captured to prevent student and staff exposure to the dusts and to prevent escape of the dusts. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>VIOLATION 13</td>
<td>The existing spray booth in the closet is operating as intended and is suitable for spraying glazes. Spraying glazes should only be conducted using a hood that is ducted to a single exhaust system. The room also contains paint sprayer and fume hood, which may also contain toxic air contaminants, including silica and various metal powders. The powder from the pigments should be captured to prevent student and staff exposure to the dusts and to prevent escape of the dusts. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NA</td>
<td>N/A</td>
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<td>NA</td>
<td>Revised: 10/30/18 (Pending Assessment)</td>
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<tr>
<td>The Glaze Room is used to mix pigments for glazing and coloring of the clay products. The pigments are made of fine powder which may also contain toxic air contaminants, including silica and various metal powders. The powder from the pigments should be captured to prevent student and staff exposure to the dusts and to prevent escape of the dusts. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>Installation of a fume hood ventilation system at each workstation is required. The existing spray booth in the closet is operating as intended and is suitable for spraying glazes. Spraying glazes should only be conducted using a hood that is ducted to a single exhaust system. The room also contains paint sprayer and fume hood, which may also contain toxic air contaminants, including silica and various metal powders. The powder from the pigments should be captured to prevent student and staff exposure to the dusts and to prevent escape of the dusts. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>VIOLATION 13</td>
<td>The existing spray booth in the closet is operating as intended and is suitable for spraying glazes. Spraying glazes should only be conducted using a hood that is ducted to a single exhaust system. The room also contains paint sprayer and fume hood, which may also contain toxic air contaminants, including silica and various metal powders. The powder from the pigments should be captured to prevent student and staff exposure to the dusts and to prevent escape of the dusts. The building is equipped with illuminated exit signs and emergency lighting.</td>
<td>NA</td>
<td>N/A</td>
<td>Closed</td>
<td>NA</td>
<td>Revised: 10/30/18 (Pending Assessment)</td>
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<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>UNT</td>
<td>Finding 2</td>
<td>The emergency egress floor plans are missing or incorrect and need to be revised for all rooms. NFPA 1, Fire Code, Chapter 20.8.2.4.1</td>
<td>UNT will review for accuracy and develop plans. Work In Progress - Currently out for bidding processes - TMA Project # 13639</td>
<td>NA</td>
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<td>Finding 2</td>
<td>The emergency egress floor plans are missing or incorrect and need to be revised for all rooms. NFPA 1, Fire Code, Chapter 20.8.2.4.1</td>
<td>UNT will review for accuracy and develop plans. Work In Progress - Currently out for bidding processes - TMA Project # 13639</td>
<td>NA</td>
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<td>Fiscal Year 2017</td>
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<td>Governance and Regulatory Compliance</td>
<td>Fire Safety Inspections Report - The University of North Texas Denton</td>
<td>Kerr Hall-B</td>
<td>Kerr Hall-B Building is an eight-story high-rise, classified as a mixed occupancy of existing dormitory and existing business. Features of fire protection include a complete fire alarm system, fire sprinkler system, smoke alarms, and an emergency power generator. The building is equipped with illuminated exit signs and emergency generator power.</td>
<td>S/K</td>
<td>Finding 4</td>
<td>The emergency egress floor plans are missing or incorrect and need to be reviewed for all rooms. NFPA 1, Fire Code, Chapter 28.1.2.5.1</td>
<td>UNT will review for accuracy and develop plans. Work in Progress - Out for bidding process. TMA Project # 13639</td>
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<td>Ventilation System Assessment</td>
<td>Kiln Room - The Kiln Room contains six electric kilns used for baking clay products. Temperatures of the kilns can reach over 1,200°F. Each kiln has an individual vent for circulating air through the kiln. When the clay is baked, organic matter in the clay is oxidized which can release carbon monoxide and other combustion gases. In addition, toxic materials in the glazes can vaporize or release toxic gases.</td>
<td>S/K</td>
<td>Modify the current HVAC ventilation to prevent untreated outdoor air from entering the space</td>
<td>Risk Management is working with Facilities to determine a plan of action.</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
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<td>Fiscal Year 2017</td>
<td>NA</td>
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<td>Ventilation System Assessment</td>
<td>The kiln room contains six electric kilns used for baking clay products. Temperatures of the kilns can reach over 1,000°F. Each kiln has an individual vent for circulating air through the kiln. When the clay is baked, organic matter in the clay is combusted which can produce carbon monoxide and other combustion gases. In addition, toxic materials in the glazes can vaporize or release toxic gases. Currently, the kiln room is served by a single supply vent and several return openings. The retuns are not ducted, and there is no supply duct located in a way to minimize the air flow from the kiln room. Total flow in the kiln room was measured at 574 CFM (negative flow), indicating that air was flowing into the room.</td>
<td>NA</td>
<td>NA</td>
<td>Provide treated make-up supply air sufficient to balance the exhaust system(s).</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
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**Legends:**
- NA: Not applicable
- R: Ramboll Environ US Corp.
- F: Facility Management
- E: Environmental Health and Safety
- S: State Fire Marshal’s Office
- UNT: University of North Texas

**Notes:**
- Risk Management is working with Facilities to determine a plan of action given the uncertain future use of Oak Street Hall. In the short term, Risk Management and Art have addressed the issue with housekeeping improvements, engineering controls, PPE and changes to procedures. In addition, the exposure levels were found to be below regulatory limits in all areas.

| External          | State Fire Marshal’s Office | Fiscal Year 2017 | R/2015/08 | Governance and Regulatory Compliance | Fire Safety Inspection Report - University of North Texas Denton - Residential | UNT | Finding 1 | The emergency egress floor plan diagrams signs are missing or incorrect and need to be made for all rooms. NFPA 1, Fire Code, Chapter 20.8.2.4.1 | UNT will review for accuracy and develop plans. | NA | NA | Closed |

<p>| External          | State Fire Marshal’s Office | Fiscal Year 2017 | NA | Governance and Regulatory Compliance | Fire Safety Inspection Report | UNTHSC Library | VIOLATION 11 (Noted on 2011 Inspection report) | There is a lack of the required fire rated separation in the basement area where the building connects to the RES building. NFPA 1, Fire Code, Chapter 10.1.2; and NFPA 101, Life Safety Code, Chapter 8.2.1.3 | A fire separation will be installed. (Note this is on the 1st floor, not the basement). | NA | NA | 4/1/2017 Revised 12/01/2018 Closed |</p>
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<td>5/4/2018</td>
<td>Governance and Regulatory Compliance</td>
<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>Finding 7</td>
<td>The emergency egress floor plans are missing or incorrect and need to be revised for all rooms. (NFPA 1, Fire Code, Chapter 20.8.2.4.1)</td>
<td>UNT will review for accuracy and develop plans.</td>
<td>Work In Progress - Currently out for bidding process - TMA Project # 13639</td>
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<td>Fiscal Year 2017</td>
<td>RRO15029B</td>
<td>5/4/2018</td>
<td>McConnell Hall</td>
<td>McConnell Hall is a three-story mixed occupancy consisting of existing dormitory and residential business. Features of fire protection include a complete fire alarm system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and a generator for back-up power in the event of emergency involving power loss.</td>
<td>Finding 8</td>
<td>The emergency egress floor plan diagrams are missing or incorrect and need to be revised for all rooms. (NFPA 1, Fire Code, Chapter 20.8.2.4.1)</td>
<td>UNT will review for accuracy and develop plans.</td>
<td>Work In Progress - Currently out for bidding process - TMA Project # 13639</td>
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<td>RRO15029B</td>
<td>5/4/2018</td>
<td>McConnell Hall</td>
<td>McConnell Hall is a three-story mixed occupancy consisting of existing dormitory and residential business. Features of fire protection include a complete fire alarm system, standpipe and portable fire extinguishers. The building is equipped with illuminated exit signs and a generator for back-up power in the event of emergency involving power loss.</td>
<td>Finding 12</td>
<td>The emergency egress floor plans are missing or incorrect and need to be revised for all rooms. (NFPA 1, Fire Code, Chapter 20.8.2.4.1)</td>
<td>UNT will review for accuracy and develop plans.</td>
<td>Work In Progress - Currently out for bidding process - TMA Project # 13639</td>
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<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>Governance and Regulatory Compliance</td>
<td>Fire Safety Inspection Report</td>
<td>UNTHSC</td>
<td>The MET Building is a five-story structure classified as a mixed occupancy consisting of existing assembly and existing business. Features of fire protection include a fire sprinkler system, fire alarm system with occupant notification devices and emergency lighting. Fire extinguishers are available. The building is equipped with multidirectional exit signs and emergency lighting.</td>
<td>NA</td>
<td>VIOLATION 1</td>
<td>The door going from the exterior balcony to the main building is equipped with a double-cylinder lock. Balcony occupants could be locked out of the building and unable to egress the balcony. Exterior door assemblies shall be permitted to have operable locks from the egress side, provided the following criteria are met:</td>
<td>Door hardware will be replaced to allow re-entry from the balcony.</td>
<td>NA</td>
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<tr>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>Governance and Regulatory Compliance</td>
<td>Fire Safety Inspection Report - University of North Texas Denton Residential</td>
<td>UNT Mozart Hall</td>
<td>Mozart Hall is a three-story existing dormitory occupancy. Features of the protection include a complete fire alarm system, fire sprinkler system and portable fire extinguishers. The building is equipped with multidirectional exit signs and emergency generator power.</td>
<td>NA</td>
<td>Finding 2</td>
<td>The emergency egress floor plans are missing or incorrect and need to be reviewed for all rooms. NFPA 1, Fire Code, Chapter 20.8.2.4.1</td>
<td>UNT will review for accuracy and develop plans. Work In Progress - Currently out for bidding process - TMA Project # 13639 In process, awaiting signs.</td>
<td>NA</td>
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<td>Ramboll Environ US Corp.</td>
<td>Fiscal Year 2017</td>
<td>Governance and Regulatory Compliance</td>
<td>Ventilation System Assessment</td>
<td>UNT Print Annex - The Print Annex serves as the printmaking workshop. Printmaking types include printing presses, relief printing, intaglio, monoprinting, and lithography. In each of these activities, solvents containing volatile organic compounds (VOCs) are used to clean equipment after use. Some acids are also used in lithography to etch the printing plates. The professor in the Print Annex reported that several activities, such as spray painting and roller washing, are performed outside or next to the open doors outside to minimize contamination of indoor air.</td>
<td>NA</td>
<td>Provide pre-treated make-up supply and ventilation air through either modifications to the air conditioning system or installation of a dedicated outdoor air system, such as a Munters silica gel dehumidification system. The recommended method is the Munters silica gel dehumidification system due to its ability to control humidity independently of air conditioning.</td>
<td>Risk Management is working with Facilities to determine a plan of action given the uncertain future use of Oak Street Hall. In addition, the exposure levels were found to be below regulatory limits in all areas.</td>
<td>NA</td>
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<td>Print Annex</td>
<td>Ramboll Environ US Corp</td>
<td>2017</td>
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<td>56</td>
<td>Work In Progress</td>
<td>The Print Annex serves as the printmaking workshop.</td>
<td>Printmaking types include printing presses, relief printing, intaglio, monoprinting, and lithography. In each of these activities, solvents containing volatile organic compounds (VOCs) are used to clean equipment after use. Some acids are also used in lithography to etch the printing plates. The professor in the Print Annex reported that the ventilation system was ducted to the lab to control airborne vapors, as airflow volumes are high and the costs of providing conditioned outside air volumes sufficient for dilution ventilation are prohibitive.</td>
<td>NA</td>
<td>N/A</td>
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<td>56</td>
<td>Work In Progress</td>
<td>The Print Annex serves as the printmaking workshop.</td>
<td>Printmaking types include printing presses, relief printing, intaglio, monoprinting, and lithography. In each of these activities, solvents containing volatile organic compounds (VOCs) are used to clean equipment after use. Some acids are also used in lithography to etch the printing plates. The professor in the Print Annex reported that the ventilation system was ducted to the lab to control airborne vapors, as airflow volumes are high and the costs of providing conditioned outside air volumes sufficient for dilution ventilation are prohibitive.</td>
<td>NA</td>
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<td>Ramboll Environ US Corp</td>
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<td>Rawlings Hall is a four story new dormitory occupancy. Features of the RES building are the following: a fire pump, standpipe, sprinkler system, standpipe system, fire pump and portable fire extinguishers. The RES building is a five-story structure with a basement classified as office, office, corp.</td>
<td>Cooling and heating are provided to the space by two direct iDX HVAC with capture velocities no less than 100 fpm and duct transport velocities no less than 1,000 fpm.</td>
<td>NA</td>
<td>N/A</td>
<td>N/A</td>
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<td>External</td>
<td>Project # 13639</td>
<td>Work In Progress</td>
<td>Rawlings Hall is a four story new dormitory occupancy. Features of the RES building are the following: a fire pump, standpipe, sprinkler system, standpipe system, fire pump and portable fire extinguishers. The RES building is a five-story structure with a basement classified as office, office, corp.</td>
<td>Cooling and heating are provided to the space by two direct iDX HVAC with capture velocities no less than 100 fpm and duct transport velocities no less than 1,000 fpm.</td>
<td>NA</td>
<td>N/A</td>
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<td>The emergency escape floor plans are missing or incorrect and need to be formulated for all areas. UNT-1, Fire Code, Chapter 20.8.2.4.1</td>
<td>The exposure levels were found to be below regulatory limits in all areas.</td>
<td>NA</td>
<td>N/A</td>
<td>N/A</td>
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<td>The emergency escape floor plans are missing or incorrect and need to be formulated for all areas. UNT-1, Fire Code, Chapter 20.8.2.4.1</td>
<td>The exposure levels were found to be below regulatory limits in all areas.</td>
<td>NA</td>
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<td>Fiscal Year 2017</td>
<td>NA</td>
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<td>UNTHSC</td>
<td>The RES building is a six-story structure classified as a mixed occupancy consisting of existing business and existing assembly. Features of the protection include a fire alarm system, fire sprinkler system, standpipe, and portable fire extinguishers. The building is equipped with identified exit signs and egress lighting units in the event of emergencies involving power loss.</td>
<td>NA</td>
<td>NO</td>
<td>6/5/2017</td>
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<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
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<td>UNTHSC</td>
<td>West Hall is a three-story structure classified as a mixed occupancy consisting of existing apartment occupancy. Features of the protection include a complete fire alarm system, fire sprinkler system, standpipe, and portable fire extinguishers. The building is equipped with identified exit signs, and a generator for back-up power.</td>
<td>NA</td>
<td>NO</td>
<td>6/5/2017</td>
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<tr>
<td>Finding</td>
<td>RRO15029B</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>Governance and Regulatory Compliance</td>
<td>UNTHSC</td>
<td>Traditions Hall is a three-story existing dormitory occupancy. Features of the protection include a fire alarm system, fire sprinkler system, and portable fire extinguishers. The building is equipped with identified exit signs, and a generator for back-up power.</td>
<td>NA</td>
<td>NO</td>
<td>6/5/2017</td>
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<td>Finding</td>
<td>RRO15029B</td>
<td>State Fire Marshal's Office</td>
<td>Fiscal Year 2017</td>
<td>NA</td>
<td>Governance and Regulatory Compliance</td>
<td>UNTHSC</td>
<td>Victory Hall is a six-story mixed occupancy consisting of existing business and existing assembly. Features of the protection include a fire alarm system, fire sprinkler system, standpipe, fire pump, and portable fire extinguishers. The building is equipped with identified exit signs and emergency generator power.</td>
<td>NA</td>
<td>NO</td>
<td>6/5/2017</td>
</tr>
</tbody>
</table>

**Recommendation Details**

**Compliance**

1. The emergency exit floor plans are missing or incorrect and need to be created for all rooms.
   - NFPA 1, Fire Code, Chapter 8.2.6.1

**Regulatory Fire Safety Inspection Report - University of North Texas Denton Residential**

- NFPA 1, Fire Code, Chapter 20.8.2.4.1
- NFPA 1, Fire Code, Chapter 8.2.6.1
- NFPA 1, Fire Code, Chapter 20.8.2.4.1

**UNTHSC Enterprise Audit Report Inventory**

- Project # 13639
- Work In Progress - Currently out for bidding process - TMA

- Project # 13639
- Work In Progress - Currently out for bidding process - TMA

- Project # 13639
- Work In Progress - Currently out for bidding process - TMA

- Project # 13639
- Work In Progress - Currently out for bidding process - TMA

**Analyst**

Bill Jones, Senior Systems Analyst

**Implementation Date**

4/1/2017

**Date Revised**

6/5/2017

**Date Closed**

6/5/2017 Revised 12/31/2018

**Recommendation Status**

Closed
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<th>Fiscal Year</th>
<th>Recommendations for Associate Vice President, Information Governance and Individual Responsible for</th>
<th>Issue Case</th>
<th>Recommendation Status</th>
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<td>Finding 10: The “California emergency exit door threshold is covered, approximately four inches above the floor level creating a trip hazard.”</td>
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<td>such as smoke or carbon monoxide detectors to the building. The building is equipped with sprinkler and emergency lighting systems in the event of emergencies.</td>
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<td>Richard and Stephanie Helms, Director of Lifelong Learning and Professional Development (LLPD):</td>
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<td>High</td>
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<tr>
<td></td>
<td>1.1.b. Ensure all LLPD funds in the account.</td>
<td>UNT</td>
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<td>1.1.d. Ensure all LLPD activities are moved into separate chart strings to be tracked and reported individually.</td>
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<td>Building emergency exit door thresholds provided in UNT Housing and Residence Life policy.</td>
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**Note:** Some text may have been truncated or omitted for brevity. The full document is available for review upon request.
Internal
UNT System Internal Audit
Fiscal Year 2017
ISSUE 1.931 UNT
Governance and Regulatory Compliance
Faculty and Staff Support Services
UNT

1. Computer Use policy needs clarification

UNT 14.003 Computer Use policy needs clarification. The University will not limit access to any information due to its content as long as it meets the standard of legality. Such activity is further defined in section II.A, which states "Criminal and illegal use may involve, but is not limited to, unauthorized access, unauthorized computer use, or receipt of inappropriate messages, theft, dishonesty and child pornography."

High
Recommendations for Associate Vice President, Information Services & Accreditation:
1.1.b. Assign responsibility for amending UNT 14.003 Computer Use policy to the controller's office.

Doug Welch, Executive Director for Information Services & Transportation, UNT
12/31/2017
Closed

Internal
UNT System Internal Audit
Fiscal Year 2017
ISSUE 1.921 UNT
Governance and Regulatory Compliance
Faculty and Staff International Travel Audit
UNT

1. International Travel Registration Control Process

An internal control process is not established to ensure that all individuals traveling internationally as either UNT System, UNT, UNTM Houston or UNT Dallas business have registered with UNT Risk Management prior to departure. Thus, UNT Risk Management does not know the total number and location of individuals traveling internationally.

Additionally, there are no travel policies that address international travel registration control process.

Currently, the international traveler acknowledges they will register their international travel prior to departure and identified, which includes contacting and directing traveler to register their international travel registration at the UNT System, UNTM, UNT Dallas. Currently, the international traveler acknowledges they will register their travel plans with UNT Risk Management using the TBA form acknowledgement statement. However, there is no certification that the international traveler has registered prior to departure.

High
Recommendations for Doug Welch, Executive Director Risk Management Services:
1.2.a. Develop a procedure to reconcile TBA forms received from UNT System Business Support Services Travel Department, to UNT Risk Management's international travel registration database.

Doug Welch, Executive Director Risk Management Services
4/20/2018
Closed

Internal
UNT System Internal Audit
Fiscal Year 2017
ISSUE 1.921 UNT
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Faculty and Staff International Travel Audit
UNT

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Additionally, there are no travel policies that address international travel registration at the UNT System, UNTM, UNT Dallas. Currently, the international traveler acknowledges they will register their travel plans with UNT Risk Management using the TBA form acknowledgement statement. However, there is no certification that the international traveler has registered prior to departure.

High
Recommendations for Doug Welch, Executive Director Risk Management Services:
1.2.b. Develop a procedure to follow up on any discrepancies identified, which includes contacting and directing traveler to register their international travel prior to departure and notification to supervisor and/or management if necessary.

Doug Welch, Executive Director Risk Management Services
4/20/2018
Closed
<table>
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<th>Internal/ External</th>
<th>Reporting Agency</th>
<th>Fiscal Year</th>
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<th>Audit Category</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
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<td>17-415 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Faculty and Hall International Travel Audit</td>
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<td>Recommendation for Rachel Burlage, UNT System Policy Manager: 1.3.a. Revise UNT System travel policy for consistency with UNT System Regulation 08.15000.</td>
<td>3/16/2018</td>
<td>Rachel Burlage, UNT System Policy Manager</td>
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<td>Recommendation for Stephanie McDonald, UNT Policy Manager: 1.4.a. Revise UNT travel policy for consistency with UNT System Regulation 08.15000.</td>
<td>5/1/2018</td>
<td>Stephanie McDonald, UNT Policy Manager</td>
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Internal UNT System Internal Audit Fiscal Year 2017 17-415 UNT Governance and Regulatory Compliance Faculty and Staff International Travel Audit UNT Dallas 1. International Travel Registration Control Process An internal control process is not established to ensure that all individuals traveling internationally on either UNT System, UNT, UNTHSC or UNT Dallas business have registered with UNT Risk Management prior to departure. Thus, UNT Risk Management does not know the total number and location of individuals traveling internationally. Additionally, there are no travel policies that address international travel registration at the UNT System, UNT, UNTHSC, and UNT Dallas. Currently, the international traveler acknowledges they will register their travel plans with UNT Risk Management using the TBA form acknowledgement statement. However, there is no certification that the international traveler has registered prior to departure. High Recommendation for Desiree Ramirez, Chief Compliance and Enterprise Risk Officer, UNTHSC 1.5.a. Establish a UNTHSC travel policy consistent with UNT System Regulation 08.15000. 5a. UNTHSC will work with the other campuses to create a consistent policy with applicable procedures and related policies.

Greg Anderson, Executive Vice President for Finance and Chief Financial Officer and Anuja Ghorpade, Interim Vice President for Research

Exp: 4/1/2018 Rev.: 09/01/2018 Closed

Internal UNT System Internal Audit Fiscal Year 2017 17-415 DAL Governance and Regulatory Compliance Faculty and Staff International Travel Audit UNT Dallas 1. International Travel Registration Control Process An internal control process is not established to ensure that all individuals traveling internationally on either UNT System, UNT, UNTHSC or UNT Dallas business have registered with UNT Risk Management prior to departure. Thus, UNT Risk Management does not know the total number and location of individuals traveling internationally. Additionally, there are no travel policies that address international travel registration at the UNT System, UNT, UNTHSC, and UNT Dallas. Currently, the international traveler acknowledges they will register their travel plans with UNT Risk Management using the TBA form acknowledgement statement. However, there is no certification that the international traveler has registered prior to departure. High Recommendation for HD Stearman, Assistant Vice President for Accreditation, Planning and Policy: 1.6.a. Establish a UNT Dallas travel policy consistent with UNT System Regulation 08.15000. 6a. The management action plan is to look at the UNT System regulation and tailor our policy to track the regulation.

H.D. Stearman, Assistant Vice President Accreditation, Planning, Office of Provost (UNT Dallas)

Internal UNT System Internal Audit Fiscal Year 2017 17-013 DAL Governance and Regulatory Compliance Community Counseling Clinic Audit UNT Dallas 1. Protected Health Information During our review of the Clinic, we noted that the patient health information (PHI) is not protected sufficiently to ensure compliance with the Texas Medical Records Privacy Act (Texas House Bill 300/Texas Health & Safety Code § 181). Specifically, we noted the following: a. Graduate students were asked to purchase their own flash drive to store PHI. High Recommendations for the Provost: 1.1.a. Prohibit Clinic personnel (i.e. faculty, staff and students) from using any personal electronic and external devices (i.e. iPad, smartphones, laptops, flash and hard drives, etc.) to record and/or store PHI. 1a. To ensure security, we discontinued the use of personal devices and external drives to record or store PHI in the clinic. We have purchased four (4) University Mini IPads to be used in therapy rooms. We need to purchase additional university equipment for the remaining therapy rooms.

Betty Stewart, Provost/Executive Vice President of Academic Affairs

Exp: 8/31/2019 Rev.: — Closed
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<td>High</td>
<td>Recommendations for the Provost:</td>
<td>To work with the University of North Texas at Dallas (UNT) to develop and implement training, equipment and secure recording software. Panopto, which works well for general recording and remote viewing technology, is used in all University (UPNT, PhD, etc.) courses by faculty and staff in the online therapy courses. To ensure security we discontinue the using personal devices outside of the clinic to record PHI. We will also develop a log to document all devices checked out to faculty, staff, or students for clinical use. We will develop a corresponding policy and procedure manual steps for enforcing issued devices and recording all information and delete each semester. We will work with UNT to ensure all devices are erased after each semester.</td>
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<td>During our review of the Clinic, we noted that the patient health information (PHI) was not protected sufficiently to ensure compliance with the Texas Medical Records Privacy Act (Texas House Bill 300, Texas Health &amp; Safety Code § 181). Specifically, we noted the following: 1. Graduate students were asked to purchase their own flash drive to store Clinic’s PHI. Although graduate students were instructed in the course syllabus to purchase an encrypted flash drive, no authorized Clinic personnel (i.e., faculty, staff) verified what type of flash drive the students were using. The students kept their own flash drive after the course completion and the Clinic did not have a protocol or procedure for ensuring that the patient health information on the students’ personal flash drives were encrypted or properly controlled after the course.</td>
<td>High</td>
<td>Recommendations for the Provost:</td>
<td>To work with the University of North Texas at Dallas (UNT) to develop and implement training, equipment and secure recording software. Panopto, which works well for general recording and remote viewing technology, is used in all University (UPNT, PhD, etc.) courses by faculty and staff in the online therapy courses. To ensure security we discontinue the using personal devices outside of the clinic to record PHI. We will also develop a log to document all devices checked out to faculty, staff, or students for clinical use. We will develop a corresponding policy and procedure manual steps for enforcing issued devices and recording all information and delete each semester. We will work with UNT to ensure all devices are erased after each semester.</td>
</tr>
<tr>
<td>2021</td>
<td>Governance and Audit 2021</td>
<td>Internal</td>
<td>Governance and Audit</td>
<td>During our review of the Clinic, we noted that the patient health information (PHI) was not protected sufficiently to ensure compliance with the Texas Medical Records Privacy Act (Texas House Bill 300, Texas Health &amp; Safety Code § 181). Specifically, we noted the following: 1. Graduate students were asked to purchase their own flash drive to store Clinic’s PHI. Although graduate students were instructed in the course syllabus to purchase an encrypted flash drive, no authorized Clinic personnel (i.e., faculty, staff) verified what type of flash drive the students were using. The students kept their own flash drive after the course completion and the Clinic did not have a protocol or procedure for ensuring that the patient health information on the students’ personal flash drives were encrypted or properly controlled after the course.</td>
<td>High</td>
<td>Recommendations for the Provost:</td>
<td>To work with the University of North Texas at Dallas (UNT) to develop and implement training, equipment and secure recording software. Panopto, which works well for general recording and remote viewing technology, is used in all University (UPNT, PhD, etc.) courses by faculty and staff in the online therapy courses. To ensure security we discontinue the using personal devices outside of the clinic to record PHI. We will also develop a log to document all devices checked out to faculty, staff, or students for clinical use. We will develop a corresponding policy and procedure manual steps for enforcing issued devices and recording all information and delete each semester. We will work with UNT to ensure all devices are erased after each semester.</td>
</tr>
</tbody>
</table>
During our review of the Clinic, we noted that the patient health information (PHI) is not protected sufficiently to ensure compliance with the Texas Medical Records Privacy Act (Texas Health & Safety Code § 181) and the federal law training for Clinic personnel (i.e. faculty, staff) in order for them to properly carry out their duties at the Clinic. For students, this training should be mandatory each semester.

Recommendations for the Provost:

1.1.1. Require all Clinic personnel (i.e. faculty, staff) and students to sign a written or electronic statement attesting to the completion of the training and upload the documentation in accordance with the Texas Medical Records Privacy Act.

Recommends to the Provost:

1.1.2. Develop a University policy regarding PHI privacy regulations. Once the documents are created, the administrative specialists will retain documentation of written or electronic statements, attesting to the completion of the course and the Clinic did not have a protocol or procedure to carry out the action on the student. The University policy will be submitted to the Office of General Council for review and approval.

Recommends to the Provost:

1.1.3. Develop a University policy regarding PHI privacy regulations and upload the to the Office of General Council for review and approval.

Recommends to the Provost:

1.1.4. Develop and provide a mandatory annual PHI state and federal law training for Clinic personnel (i.e. faculty, staff) in order for them to properly carry out their duties at the Clinic.

Recommends to the Provost:

1.2.a. Sanitize and re-image all computer workstations and servers.

Recommends to the Provost:

1.2.b. Institute an annual PHI state and federal law training for Clinic personnel and for students each semester. Policies and procedures related to mandatory training will be located in the Clinic director’s office.

Recommends to the Provost:

1.3. To ensure students and faculty receive appropriate training on confidentiality, we are conducting research to access the most applicable package of training and certification materials, develop procedures for administering the training and testing, and develop a process for tracking completion of training.

Recommends to the Provost:

2.1. Require all Clinic personnel (i.e. faculty, staff) and students to sign a written or electronic statement attesting to the completion of the training and upload the documentation in accordance with the Texas Medical Records Privacy Act.

Recommends to the Provost:

2.2. Institute an annual PHI state and federal law training for Clinic personnel and for students each semester. Policies and procedures related to mandatory training will be located in the Clinic director’s office.

Recommends to the Provost:

3.1. Require all Clinic personnel (i.e. faculty, staff) and students to sign a written or electronic statement attesting to the completion of the training and upload the documentation in accordance with the Texas Medical Records Privacy Act.

Recommends to the Provost:

3.2. Institute an annual PHI state and federal law training for Clinic personnel and for students each semester. Policies and procedures related to mandatory training will be located in the Clinic director’s office.

Recommends to the Provost:

4.1. Require all Clinic personnel (i.e. faculty, staff) and students to sign a written or electronic statement attesting to the completion of the training and upload the documentation in accordance with the Texas Medical Records Privacy Act.

Recommends to the Provost:

4.2. Institute an annual PHI state and federal law training for Clinic personnel and for students each semester. Policies and procedures related to mandatory training will be located in the Clinic director’s office.

Recommends to the Provost:

5.1. Require all Clinic personnel (i.e. faculty, staff) and students to sign a written or electronic statement attesting to the completion of the training and upload the documentation in accordance with the Texas Medical Records Privacy Act.

Recommends to the Provost:

5.2. Institute an annual PHI state and federal law training for Clinic personnel and for students each semester. Policies and procedures related to mandatory training will be located in the Clinic director’s office.
<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Governance and Regulation Compliance</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>Unsystematic Health Information</td>
<td></td>
<td>UNT System Internal</td>
<td>During our review of the Clinic, we noted that the patient health information (PHI) is not protected sufficiently to ensure compliance with the Texas Medical Records Privacy Act (Texas House Bill 806). Specifically, we noted the following:</td>
<td>High</td>
<td>High recommendations for the chief financial officer and the director of office of information technology.</td>
<td>To ensure security of computers will authenticate students at login so that student use their own encrypted computer accounts if the clinic's shared computer account is disabled. No computers will be available on lab desktops and are not reinstalled after sanitization.</td>
<td>8/31/2019</td>
</tr>
<tr>
<td>2017</td>
<td>Unsystematic Health Information</td>
<td></td>
<td>UNT System Internal</td>
<td>The students kept their own flash drive after the completion of the course and the Clinic did not have a protocol or procedure to sanitize sensitive information on the student's flash drive to permanently delete patient PHI. It was informed by the Interim Director and the Administrative Specialist that graduate students were asked to record counseling sessions on their personal computer/laptop. This practice stopped at the beginning of Spring 2017 semester.</td>
<td>High</td>
<td>High recommendations for the chief financial officer and the director of office of information technology.</td>
<td>To ensure security of computers will authenticate students at login so that student use their own encrypted computer accounts if the clinic's shared computer account is disabled. No computers will be available on lab desktops and are not reinstalled after sanitization.</td>
<td>8/31/2019</td>
</tr>
<tr>
<td>Component Institution</td>
<td>Key Observations</td>
<td>Risk Level</td>
<td>Recommendation Details</td>
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<tr>
<td>College of Music</td>
<td>1. Segregation of Duties: Segregation of duties did not exist between the development of new code to bring the code into the production environment. No incidence was produced to show that segregation of duties existed during change management between the development and production environments.</td>
<td>High</td>
<td>Recommendations for Chief Information Officer, P2O</td>
<td>None</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UNT System Internal Audit</td>
<td>1. The box offices in the College of Music are in noncompliance with the Payment Card Industry Data Security Standard (PCI DSS). The review covered various areas, including the box office in the Murchison Performing Arts Center (MPAC). The CampusGuard PCI DSS compliance review identified various instances of noncompliance with PCI DSS, including: - General use workstations being used for payment processing - Procedures related to a monitoring program for point-of-sale devices - A need to verify that there is an annual check of compliance for third-party service providers with whom cardholder data is shared. Based on communication with the Associate Dean for Operations, MPAC Business Manager, and Network Manager, the College of Music did not receive the CampusGuard PCI DSS compliance review report. The MPAC Business Manager said that he was not aware of any corrective action taken to address the issues identified during the compliance review. In addition to the box office in the MPAC, the College of Music maintains a box office in Voertman Hall. Estimated completion date of December 31, 2017.</td>
<td>High</td>
<td>Recommendations for C. Aaron LeMay, Associate Vice Chancellor for Finance and System Controller, Chancellor for Finance and System Controller</td>
<td>None</td>
<td></td>
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<td></td>
<td></td>
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<td>UNT System Internal Audit</td>
<td>1. The box offices in the College of Music are in noncompliance with the Payment Card Industry Data Security Standard (PCI DSS). The review covered various areas, including the box office in the Murchison Performing Arts Center (MPAC). The CampusGuard PCI DSS compliance review identified various instances of noncompliance with PCI DSS, including: - General use workstations being used for payment processing - Procedures related to a monitoring program for point-of-sale devices - A need to verify that there is an annual check of compliance for third-party service providers with whom cardholder data is shared. Based on communication with the Associate Dean for Operations, MPAC Business Manager, and Network Manager, the College of Music did not receive the CampusGuard PCI DSS compliance review report. The MPAC Business Manager said that he was not aware of any corrective action taken to address the issues identified during the compliance review. In addition to the box office in the MPAC, the College of Music maintains a box office in Voertman Hall. Estimated completion date of December 31, 2017.</td>
<td>High</td>
<td>Recommendations for C. Aaron LeMay, Associate Vice Chancellor for Finance and System Controller</td>
<td>None</td>
<td></td>
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</tbody>
</table>

For the College of Music Voertman Concert Hall box office, estimated completion date of September 29, 2017.

For the Murchison box office, estimated completion date of September 29, 2017.

For the College of Music Virtuoso Concert Hall box office, estimated completion date of December 31, 2017.

For the Virtuoso Concert Hall box office, estimated completion date of December 31, 2017.

Recommendations for Chief Information Officer, P2O: Develop comprehensive controls to strengthen PCI compliance at the Box Office. This will be a part of a campus wide effort. Estimated completion date of December 31, 2017.

Recommendations for C. Aaron LeMay, Associate Vice Chancellor for Finance and System Controller: Develop comprehensive controls to strengthen PCI compliance at the Box Office. This will be a part of a campus wide effort. Estimated completion date of December 31, 2017.


<table>
<thead>
<tr>
<th>Audit Number</th>
<th>Audit Category</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Key Findings</th>
<th>Risk Level</th>
<th>Recommendations Status</th>
<th>Management Response</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>16-108 SYS</td>
<td>Governance and Regulatory Compliance</td>
<td>SYS</td>
<td>Student Data Access Audit</td>
<td>Unauthorized (38) users with access</td>
<td>High</td>
<td>Recommendations for UNT Senior Director, Registrar: 1.1. Separate the certification of completed FERPA training from the form to obtain access to student data, so that all users trained do not automatically receive access.</td>
<td>We agree. The registrar’s office will separate current procedures so they will require the certification of completed FERPA training from the form to obtain access to student data, so that all users trained do not automatically receive access.</td>
<td>12/15/2017</td>
</tr>
<tr>
<td>17-007 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT</td>
<td>Joint Admission Medical Program Audit</td>
<td>Unauthorized (38) users with access</td>
<td>Moderate</td>
<td>1a and 1b - Implement a “Business Expense Reimbursement Checklist” to help reinforce important steps in processing, including masking bank account and credit card information. The checklist will be used by all President Office staff members responsible for preparing reimbursement requests for the president’s business expenses and travel expenditures.</td>
<td>Susan Ross, Executive Director, Office of the President</td>
<td>10/27/2016</td>
</tr>
<tr>
<td>17-001 SYS</td>
<td>Governance and Regulatory Compliance</td>
<td>SYS</td>
<td>Chancellor’s Expenditure Review</td>
<td>Personally identifiable information (40) users with access</td>
<td>Moderate</td>
<td>Recommendations for the University:</td>
<td>1a and 1b - Implement a “Business Expense Reimbursement Checklist” to help reinforce important steps in processing, including masking bank account and credit card information. The checklist will be used by all President Office staff members responsible for preparing reimbursement requests for the president’s business expenses and travel expenditures.</td>
<td>Susan Ross, Executive Director, Office of the President</td>
</tr>
<tr>
<td>17-003 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>HSC</td>
<td>President’s Expenditure Review</td>
<td>Personally identifiable information (36) users with access</td>
<td>Moderate</td>
<td>Recommendations for the University:</td>
<td>1a and 1b - Implement a “Business Expense Reimbursement Checklist” to help reinforce important steps in processing, including masking bank account and credit card information. The checklist will be used by all President Office staff members responsible for preparing reimbursement requests for the president’s business expenses and travel expenditures.</td>
<td>Susan Ross, Executive Director, Office of the President</td>
</tr>
</tbody>
</table>
**UNT Enterprise Audit Report Inventory**

<table>
<thead>
<tr>
<th>Issue Date</th>
<th>Audit Category</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Personally Identifiable Information - During our review of travel, business and entertainment reimbursement support documentation for the Enterprise Information System and/or ImageNow, we noted Personally Identifiable Information was not redacted prior to upload in the system. Specifically, the bank account number on two personal checks was not redacted.</td>
<td>Moderate</td>
<td>1. Recommend to ImageNow for the UNT System:</td>
<td>2. Provide training to individuals processing reimbursement to ensure all supporting documentation reviewed/generated does not contain personally identifiable information (PII). Additionally, when support documentation containing PII is received, we recommend returning the documentation back to the submittor with explanation for the PII to be redacted.</td>
<td>67</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **5 out of 30 (10%) invoices reviewed had credit card statements with credit card numbers not redacted.**
- **3 out of 30 (10%) invoices reviewed had personal checks with checking account numbers not redacted.**
- **15 out of 30 (50%) invoices reviewed had personal checks with business and entertainment reimbursement support documentation containing Personally Identifiable Information (PII) on supporting documents submitted and if any PII is received without redaction, documents will be returned back to the submittor with explanation requiring required PII redacted prior to final processing.**

- **6 out of 15 (40%) invoices reviewed had credit card statements with credit card numbers not redacted.**

- **6 out of 15 (40%) invoices reviewed had personal checks with checking account numbers not redacted.**

- **3 out of 15 (20%) invoices reviewed had personal checks with business and entertainment reimbursement support documentation containing Personally Identifiable Information (PII) on supporting documents submitted and if any PII is received without redaction, documents will be returned back to the submittor with explanation requiring required PII redacted prior to final processing.**

**Recommendation Status**

- Closed
- Open

**Administrative Resources**

- UNT S.M. Abdul N. Mohammad, Sr. Director, Office of Operations, UNT System, Office of the Controller

**Issued Date**

<table>
<thead>
<tr>
<th>Date</th>
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</tr>
</thead>
<tbody>
<tr>
<td>4/30/2017</td>
<td>Closed</td>
</tr>
<tr>
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<tr>
<td>Internal/External</td>
<td>Reporting Agency</td>
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<tr>
<td>Internal</td>
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<tr>
<td>Fiscal Year</td>
<td>Recommendation Status</td>
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<tr>
<td>17-408 UNT</td>
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<td>17-408 UNT</td>
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</tbody>
</table>

### Scholarships and Awards

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Recommendation Status</th>
<th>Implementing Agency</th>
<th>Recommended for Implementation</th>
<th>Expected Implementation Date</th>
<th>Recommendation Brief</th>
</tr>
</thead>
<tbody>
<tr>
<td>17-408 UNT</td>
<td>Closed</td>
<td>Governance and Compliance</td>
<td>College of Visual Arts and Design Transitional Audit</td>
<td>4/30/2017</td>
<td>UNT</td>
</tr>
</tbody>
</table>

### Compliance

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Recommendation Status</th>
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<th>Recommended for Implementation</th>
<th>Expected Implementation Date</th>
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<td>College of Visual Arts and Design Transitional Audit</td>
<td>4/30/2017</td>
<td>UNT</td>
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</table>

### Data Analytics & Institutional Research and Grants Accounting

<table>
<thead>
<tr>
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<th>Expected Implementation Date</th>
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<tr>
<td>17-408 UNT</td>
<td>Closed</td>
<td>Governance and Compliance</td>
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<td>4/30/2017</td>
<td>UNT</td>
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</tbody>
</table>
### Audit Findings:

<table>
<thead>
<tr>
<th>Audit Findings</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Recommendation Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Unauthorized Users with Access to Personal Student Data</td>
<td>Review scholarship database to ensure criteria correspond with donor agreements and other support documentation.</td>
<td>We agree. The registrar's office will redesign the access authorization form to include the user's job and employment status.</td>
<td>Closed</td>
</tr>
<tr>
<td>2. 1a. Establish a consistent practice that specifically addresses the classification process and documenting changes.</td>
<td>Document the justification for the change and the impact to the business, including the information security impact of the change; Requirement for all changes to be documented and kept in one central location; Classification process to determine the level of risk and impact.</td>
<td>We will transition change management approval and documentation to a centralized location (probably Jira) and educate ITS staff on entering and documenting changes.</td>
<td>Closed</td>
</tr>
<tr>
<td>2. 1b. Document Scholarship Committee meeting minutes.</td>
<td></td>
<td></td>
<td>Closed</td>
</tr>
</tbody>
</table>

### Unresolved Findings:

<table>
<thead>
<tr>
<th>Audit Findings</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Recommendation Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Scholarships: Student Financial Aid and Scholarship design function for scholarships and awards are not consistently followed within the College of Visual Arts and Design.</td>
<td></td>
<td></td>
<td>Unresolved</td>
</tr>
<tr>
<td>4. Scholarship Committee minutes are not maintained; and</td>
<td></td>
<td></td>
<td>Unresolved</td>
</tr>
<tr>
<td>4. There are no working departmental scholarship polices;</td>
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<td></td>
<td>Unresolved</td>
</tr>
<tr>
<td>4. Scholarship Committee minutes are not maintained, and</td>
<td></td>
<td></td>
<td>Unresolved</td>
</tr>
<tr>
<td>4. Scholarship criteria listed in the CVAD scholarship database did not match all the criteria in the corresponding donor agreements and other support documentation.</td>
<td></td>
<td></td>
<td>Unresolved</td>
</tr>
<tr>
<td>4. Scholarships: Student Financial Aid and Scholarship design function for scholarships and awards are not consistently followed within the College of Visual Arts and Design.</td>
<td></td>
<td></td>
<td>Unresolved</td>
</tr>
</tbody>
</table>

### Notes:

- Unresolved Findings are uncorrected issues that need to be addressed.
- Recommendations are actions that need to be taken to resolve identified issues.
<table>
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<tr>
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<th>Audit Number</th>
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<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
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<th>Individual Responsible for Implementation</th>
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</tr>
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>16-109 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>UNTHSC IT Change Management</td>
<td>Inconsistent Process and Documentation: The change management processes and documentation requirements were not being followed. ITS used a combination of software to communicate internally and manage their projects. Documentation for record changes that were identified as formal could not be produced to prove that the business impact was considered, a back-out plan existed, segregation of duties was maintained, or peer review was conducted. HIM and ITS improvement charges to the NextGen applications. When a high-impact change requires the approval of the NextGen Task Force Committee. Representatives from each clinic attended, and a vote was taken.</td>
<td>Moderate</td>
<td>Recommendations for Chief Operations Officer, UNT Health: 2. 2a. Follow UNTHSC Policy 14.650 UNT Health IT Change Management Policy, specifically: • Document all changes in one central location regardless of classification; • Create a back-out plan as required for changes classified as major; • Document who will be responsible for creating, testing, and implementing the change as part of the implementation plan; • Require a test plan for standard and major changes; and • Retain evidence of approvals.</td>
<td>As we work all issues described listed and report to have the following items implemented by March 31, 2017: • Create a back-out plan as required for changes classified as major; • Document who will be responsible for creating, testing, and implementing the change as part of the implementation plan; • Require a test plan for standard and major changes; and • Retain evidence of approvals.</td>
<td>Cynthia Loza, HIM Template Editor, Central Business Services</td>
<td>9/1/2017</td>
<td>Closed</td>
</tr>
<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>16-118 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>UNTHSC IT Change Management</td>
<td>Administration on Risk Assessment: The assessment of mission critical applications and services has not been reviewed by UNTHSC Administration in over a year. After meeting with the Chief Information Officer, it was noted that ITS has not had the opportunity to discuss which applications and services are most critical with administrators of UNTHSC. The Chief Information Officer formulated a risk assessment of UNTHSC applications and services based on her expertise, however it would be beneficial to have an assessment with senior leadership. According to the CIO, input was given by the Business Continuity Lead over a year ago, but there has been no further follow-up.</td>
<td>Moderate</td>
<td>Recommendations for Chief Information Officer, ITS: 3. 1a. Perform a risk assessment with UNTHSC Administration to risk rank applications and services and formally identify those critical to the institution.</td>
<td>The Information Security and Privacy Committee will be assessing and assigning risk for applications and services beginning in the first quarter of 2017.</td>
<td>Information Security and Privacy Committee (Co-Chairs: Chief Compliance Officer and Chief Information Officer).</td>
<td>3/31/2017</td>
<td>Closed</td>
</tr>
</tbody>
</table>
Recommendation for the Associate Vice Chancellor for Treasury:

1. Conflict of Interest- SYS/UNT/DAL/HSC: Testing identified that all of System Investment Advisory, Foundation endowments and component Investment Officers did not complete Conflict of Interest disclosure forms for FY 2016 indicating any personal business relations with a business organization offering to engage in an investment transaction with UNT System, UNT Dallas and UNTHSC. This finding was also identified on last year's Internal Audit Report 16-004 UNT System, UNT, UNT Dallas and UNTHSC. In August 2016, Human Resources, they were not able to fully implement a Conflict of Interest Disclosure process by the final implementation date of August 15, 2016. Furthermore, UNTHSC Management concurred with Internal Audit's recommendations and implemented a process, however due to employee turnover, the implemented monitoring process was not currently being utilized.

Management Response: Ongoing monitoring of Conflict of Interest disclosure is occurring.

1a. Work with the UNTHSC Institutional & Clinical Compliance Officer to implement a monitoring process to ensure applicable staff complete an annual Conflict of Interest disclosure form. The Compliance office will ensure 100% of the forms are completed going forward. Any forms not returned by the due date (January 31st for FY 2017) will be followed up by the Compliance officer shortly after January 31st with prompt evaluation to confirm completeness and correct any omissions.

3/31/2017 Closed

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1a. Work with the UNTHSC Institutional & Clinical Compliance Officer to implement a monitoring process to ensure applicable staff complete an annual Conflict of Interest disclosure form. The Compliance office will ensure 100% of the forms are completed going forward. Any forms not returned by the due date (January 31st for FY 2017) will be followed up by the Compliance officer shortly after January 31st with prompt evaluation to confirm completeness and correct any omissions.

3/31/2017 Closed
<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Audit Category</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
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<th>Expected Implementation Date</th>
<th>Individual Responsible for Implementations</th>
<th>Report was Issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-005 SYS, UNT, HSC, DAL</td>
<td>UNT System</td>
<td>1. Lack of Permanent Standards: Standard being used for ServiceNow</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT System</td>
<td>Two Board of Regents Public Funds investment Ad 17-005 Public Funds invested for PHIRE (97%) having been full of the county.</td>
<td>Moderate</td>
<td>Recommendation to the Secretary to the UNT System Board of Regents.</td>
<td>The Office of the Board Secretary will create a training system that will be used to ensure the completion of the county of required trainings. If a Board Member does not complete required training, the Board of Regents will be notified and will work with the UNT System Board of Regents to ensure completion of training.</td>
<td>06/30/2017</td>
<td>Closed</td>
</tr>
</tbody>
</table>

| 2018-004 UNT System, UNT, UNT Dallas | UNT System | 2. Lack of Script Standards: There are no standards for Script type. 3. Annual Review and Adoption of Financial Institutions and Broker/Dealers: The Board of Regents has not reviewed and adopted the list of financial institutions and broker/dealers qualified and authorized to engage in investment transactions with the county. | Governance and Regulatory Compliance | UNT System | The script workflow within PHIRE provides Separation of Duties (SoD), and during changes not detailed, current or approved. | Moderate | Recommendation for the Associate Vice Chancellor for Treasury. | The investment policy will be revised to reflect that only the list of approved/qualified broker/dealers requires Board of Regents approval. This revision and the list of broker/dealers will be provided to the Board of Regents for review and approval at the May 2017 Board of Regents meeting. | 06/30/2017 | Closed |

| 2019-001 SYS, UNT | UNT System | 1. Ineffective procedures to ensure compliance with system Regulation 08.2000, Paragraph 10 and ensure the required investment compensating controls required for ongoing changes to vendor supplied applications | Governance and Regulatory Compliance | IT Change Management | A lack of internal authority, limited training, and unacceptable changes not detailed, current or approved. | Moderate | Recommendation for IT Change Management. | The IT Office will create a tracking system to include documentation necessary to specify additional controls required during changes to the Script type. | 10/01/2017 | Open |

| 2017-009 UNTHSC | UNT System | 2. Board of Regents Public Funds Investment Act Testing: Public Funds invested for Investment Compliance Audit. | Governance and Regulatory Compliance | IT Change Management | 3. 1a. Update and finalize a detailed policy and associated standards for vendor supplied applications, as recorded in ServiceNow. | Moderate | Recommendation for IT Change Management. | The IT Office will create a tracking system to include documentation necessary to specify additional controls required during changes to the Script type. | 10/01/2017 | Open |

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**Recommendations**: The Office of the Board Secretary will create a training system that will be used to ensure the completion of the county of required trainings. If a Board Member does not complete required training, the Board of Regents will be notified and will work with the UNT System Board of Regents to ensure completion of training.

**Management Response**: The investment policy will be revised to reflect that only the list of approved/qualified broker/dealers requires Board of Regents approval. This revision and the list of broker/dealers will be provided to the Board of Regents for review and approval at the May 2017 Board of Regents meeting.

**Due Date**: 06/30/2017

**Closed**
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<tr>
<th>Internal/External</th>
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>16-103 SYS</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT System</td>
<td>A lack of Segregation of Duties: The same person assigned to and completing the change in the development environment moved it to the production environment. The serviceNow tool does not actually move changes from one environment to another, including the production. For the change record, the same person assigned to and performing the change also moved the change into production, resulting in a lack of Segregation of Duties (SOD).</td>
<td>Moderate</td>
<td>Recommendation for IT Shared Services: 3a. Strengthen controls around moving code changes into production for applications using ServiceNow by designating more resources over critical applications or cross-training existing resources.</td>
<td>ITSS will revise standards to comply with Separation of Duties based on Texas Administrative Code Chapter 153, “Security Controls Standards Catalog”, Section CM-3 Separation of Duties and ISO 27002, Section 6.1.2. ITSS IT Service Management will follow the ITILv3 framework for change management and identify all aspects of the service design and service transition requirements, including planning for (or after) the live production environment. There are changes to the environments that are outside project work and reside in operational work, these changes will also follow the ITILv3 change management framework.</td>
<td>Kendra Ketchum, Chief Technology Officer</td>
<td>8/31/2017</td>
<td>Closed</td>
</tr>
<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>16-103 SYS</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT System</td>
<td>4. Backout plans and post-implementation reviews are not required or recorded: Backout Plans and Post-Implementation reviews are not required for changes made in Phire, and no records limited contained these details. In ServiceNow, three of seven (43%) changes tested did not indicate a Post Implementation Review was conducted, as required by ITIL. In Phire, Backout Plans and Post-Implementation reviews are not required, and none of the records tested contained these items. A Post Implementation review is indicated in ServiceNow by a task called “Post Implementation Testing”. During testing, this was considered a “Yes” if the State indicated “Closed Complete”. Three of seven (43%) changes tested did not contain this indication.</td>
<td>Moderate</td>
<td>Recommendation for IT Shared Services: 4a. Include requirements for backout plans and post-implementation reviews for changes recorded in Phire in the CM standards.</td>
<td>ITSS will revise standards to include backout plans and post-implementation reviews for changes recorded in Phire in the CM standards, and will include post-implementation reviews that are conducted during Change Management meetings and documented in ServiceNow. To clarify, ITILv3 has Continuous Improvement as the last development cycle and we will use that to identify our post-implementation reviews. ITILv3 has requirements for changes moving into production, ISO 27002, Section 12.2.1 Change Management, Texas Administrative Code Chapter 153, “Security Controls Standards Catalog”, and ITILv3 Framework will be utilized to address this observation.</td>
<td>Charlotte Russell, Chief Information Security Officer</td>
<td>8/31/2017</td>
<td>Closed</td>
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<td>A backout plan and post-implementation review were not required or recorded. Backout Plans and Post-Implementation reviews are not required for changes made in Phire, and no records listed contained Failure Levels. In ServiceNow, three of seven (43%) change requests did not indicate a Post Implementation Review was conducted, as required by ITSS.</td>
<td>Moderate</td>
<td>Recommendation for IT Shared Services: 4b. Ensure post implementation reviews conducted during weekly Change Management meetings are documented in ServiceNow.</td>
<td>ITSS will revise standards to include backout plans and post-implementation reviews for changes recorded in Phire in the ITSS standards, and will include post-implementation reviews that are conducted during Change Management meetings are documented in ServiceNow. To clarify, ITILv3 Change Management is the last development cycle and we will focus on identifying our post-implementation reviews as part of the Service Lifecycle, i.e. ITILv3 Framework will be utilized to address this observation.</td>
<td>Charlotte Russell, Chief Information Security Officer</td>
<td>7/31/2017</td>
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<td>UNT System Internal Audit</td>
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<td>16-103 SYS</td>
<td>Governance and Regulatory Compliance</td>
<td>IT Change Management</td>
<td>UNT System</td>
<td>Stakeholders and Communication Plan not included in change requests: Stakeholders and Communication Plan not included in change requests as required by standards. The ServiceNow records tested did not have a field or indicate in the record who were the Stakeholders of the change. Two of six (33%) changes tested did not contain a Communication Plan. ITSS provided external communication of the change, which occurred as part of the change process. While the ServiceNow records may serve as a communication of the change taking place, there was not a specific plan indicated.</td>
<td>Moderate</td>
<td>Recommendation for Chief Technology Officer: 5a. Identify a location in the ServiceNow change request to identify stakeholders of the change.</td>
<td>ITSS will use the ITILv3 framework to identify all necessary requirements in the service design process, this includes developing a communication plan. We will ensure that the stakeholders are identified and included in that communication plan and we will attach the plan to the ServiceNow ticket for the change.</td>
<td>Kendra Ketchum, Chief Technology Officer</td>
<td>7/31/2017</td>
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<td>Moderate</td>
<td>Recommendation for Chief Technology Officer: 5b. Include a Communication Plan and communication of the change to interested parties in the ServiceNow change request. ITSS will use the ITILv3 framework to identify all necessary requirements in the service design process, this includes developing a communication plan. We will ensure that the stakeholders are identified and included in the communication plan and we will attach the plan to the ServiceNow ticket for the change.</td>
<td>Kendra Ketchum, Chief Technology Officer</td>
<td>7/31/2017</td>
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<td>16-103 SYS</td>
<td>Governance and Regulatory Compliance</td>
<td>IT Change Management</td>
<td>UNT System</td>
<td>Specifications and Notes not included in change requests: Specifications and Notes were not included in change requests as required by standards. The EA Development Standards require Specifications and Notes to be included in all Change Requests. 48 of 50 (98%) of records did not include Specifications. 45 of 50 (90%) of records did not include Notes.</td>
<td>Moderate</td>
<td>Recommendation for IT Shared Services: 6a. Either enforce the standard requiring specifications and notes in a change request, or eliminate this requirement from the standards. ITSS will review and update the standards document as needed to indicate the purpose of specifications and notes within PHIRE CR’s. The Software Development Lifecycle (SDLC) process currently utilized for coding changes captures requirements and other specifications that document the change.</td>
<td>Dorothy Flores, Executive Director of Enterprise Applications</td>
<td>7/31/2017</td>
<td>Closed</td>
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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>17-1981 MBI</td>
<td>Governance and Regulatory Compliance</td>
<td>Behavioral Analysis PhD Program Funding Review, Management Advisory Service Report I</td>
<td>UNT</td>
<td>This was a management advisory service.</td>
<td>NA</td>
<td>NA</td>
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<td>Fiscal Year 2017</td>
<td>17-1981 MBI</td>
<td>Governance and Regulatory Compliance</td>
<td>International Sponsored Students Process Review</td>
<td>UNT</td>
<td>Internal Audit noted personally identifiable information (PII) (i.e. passports, social security numbers, bank account numbers) on UNT International (UNT-I) support documentation was being transmitted insecurely via email. Additionally, copies of checks containing PII were located in the UNT-I main office and not properly secured.</td>
<td>High</td>
<td>Recommendations for Interim Vice Provost for International Affairs: 1.1.a Develop procedures to help ensure that all personally identifiable information (PII) is appropriately protected.</td>
<td>1.1a. Management agrees and will be taking action to implement within 90 days. UNT-I staff and ITSS have met with representatives from AITS, ITSS and Internal Audit on 11/18/16, to review UNT-I's handling of sensitive data. In follow up to this meeting, UNT-I made changes to all UNT-I printers so that scanned documents are scanned using &quot;secure&quot; channels. The IT department is in the process of changing the settings on all UNT-I printers to use &quot;#secure&quot; channels for handling Sensitive/Confidential information. Additionally, UNT-I staff were advised to &quot;secure&quot; when emailing PII, the email included a link to a video resource on secure messaging. UNT-I completed a Sensitive/Confidential Information assessment of all units as requested and submitted it to UNT System Internal Audit on 12/15/16. UNT-I has not received further guidance from AITS regarding secure shared drive storage of PII.</td>
<td>Amy Shenberger, Interim Vice Provost for International Affairs</td>
<td>11/22/2016</td>
</tr>
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<td>Fiscal Year 2017</td>
<td>16-108 SYS</td>
<td>Governance and Regulatory Compliance</td>
<td>Student Data Access Audit</td>
<td>UNT</td>
<td>1. Unauthorized access</td>
<td>High</td>
<td>Recommendations for UNT Senior Director, Registrar:</td>
<td>We agree. The registrar will require all students to submit their student records from the registrar's office in HIPAA-protected form and upon completion of all requirements, will verify the job and employment status of the individual. Access will be removed if the individual no longer has access to the student data.</td>
<td>12/15/2017</td>
<td>Closed</td>
</tr>
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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>17-409 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>International Sponsored Students Process Review</td>
<td>UNT</td>
<td>1. Personally Identifiable Information</td>
<td>High</td>
<td>Recommendations for Interim Vice Provost for International Affairs:</td>
<td>1b. Management agrees. UNT-I has complied fully with ongoing training requirements from AITS including the annual Security Awareness Training. The VP expects further guidance in this area as part of standard security training for all UNT faculty and staff who handle sensitive/confidential information.</td>
<td>11/22/2016</td>
<td>Closed</td>
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<td>Governance and Regulatory Compliance</td>
<td>Student Data Access Audit</td>
<td>Unauthorized Users with Access</td>
<td>High</td>
<td>Recommendations for UNT Senior Director, Registrar:</td>
<td>We agree. The Registrar’s office will annually review access lists based on documented risk management decisions.</td>
<td>Lynn McCreary, Registrar, UNT</td>
<td>12/15/2017</td>
<td>Closed</td>
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<td>Governance and Regulatory Compliance</td>
<td>Student Data Access Audit</td>
<td>Unauthorized Users with Access</td>
<td>High</td>
<td>Recommendations for UNT Dallas, Registrar:</td>
<td>We agree. There will be an annual review of all UNT Dallas employees with EIS security to ensure access is accurate and appropriate and any foreseeable risk mitigated.</td>
<td>Karen Jarrell, Registrar, UNT Dallas</td>
<td>9/1/2017</td>
<td>Closed</td>
</tr>
</tbody>
</table>

75 unauthorized users had access to personal student data including cell phone numbers on February 3, 2017.

- Non-employees with the Authorization: Internal Audit requested the authorization form for the access granted to non-employees. The authorization form is called the FERPA Training Completion and Request for EIS Access to View Basic Student Records Form (FERPA Form).

- "Non-employees" as used here is defined as users that have no record in the HR database and no vendor authorization form with ITSS.

- Information Owners and departmental Access Control Executives (ACEs) at each entity worked with Internal Audit to locate the FERPA Form. There were 42 instances where an authorization form could not be located.

- Former Employees Access Never Revoked: Internal Audit worked with ITSS to determine the employment status of all users with access and identified 29 users that had been former employees. The reason for the inappropriate access was the failure of an automated tool, and in one case, oversight of a manual process.

- ITSS created a PeopleSoft bolt-on to deprovision access accounts immediately upon a change of employment status in 2005. During the audit, it was discovered that the automated tool occasionally failed to deprovision access accounts immediately upon a change of employment status in 2005.
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<td>17-409 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>International Sponsored Students Process Review</td>
<td>During the course of this review, Internal Audit noted that multiple employees in different departments throughout UNT International (UNT-I) were using a generic, shared PeopleSoft Enterprise Information System (EIS) login. Additionally, Internal Audit noted the department thought the access was exclusively read-only; however, based on further review it appeared to be more than read-only.</td>
<td>High</td>
<td>Recommendations for Interim Vice Provost for International Affairs: 4.1.a. Discontinue the use of the generic, shared login for PeopleSoft Enterprise Information System (EIS). 1a. Management agrees that the generic EIS log-in inappropriately gave staff access to modify student information. UNT-I addressed the concern that the generic log in to EIS was unintentionally assigned broader access than needed to complete tasks and took the following action. UNT-I Database/EIS Manager Tam Vo requested that ITSS remove any ability to modify information assigned to the generic, shared login for PeopleSoft Enterprise Information System (EIS) and requested that it be restricted to batch processing as was originally intended. As of 12/16/2016, it was confirmed that permissions assigned to this login no longer included the ability to modify any student records or information and that the access was read-only. Amy Shenberger, Interim Vice Provost for International Affairs 12/16/2016</td>
<td>Closed</td>
<td></td>
</tr>
<tr>
<td>17-409 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>International Sponsored Students Process Review</td>
<td>During the course of this review, Internal Audit noted that multiple employees in different departments throughout UNT International (UNT-I) were using a generic, shared PeopleSoft Enterprise Information System (EIS) login. Additionally, Internal Audit noted the department thought the access was exclusively read-only; however, based on further review it appeared to be more than read-only.</td>
<td>High</td>
<td>Recommendations for Interim Vice Provost for International Affairs: 4.1.b. Evaluate job duties and grant PeopleSoft EIS access for employees as appropriate to align with job duties. 1b. Management agrees. UNT-I has directed staff and supervisors to evaluate and request individual PeopleSoft EIS access as needed for employees to complete their job duties with a goal of eliminating the need for any generic access. Amy Shenberger, Interim Vice Provost for International Affairs 12/1/2017</td>
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<td>Fiscal Year 2017</td>
<td>17-409 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>International Sponsored Students Process Review</td>
<td>Moderate</td>
<td>Recommendation for Director of Sponsored Student Programs and Director of Financial Services, Student Finance: 10.1.a. Coordinate to determine what information needs to be included in the query used to invoice sponsors and develop an updated, accurate query.</td>
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<td>Governance and Regulatory Compliance</td>
<td>International Sponsored Students Process Review</td>
<td>Moderate</td>
<td>Recommendations for Director of Sponsored Student Programs: 6.1.a. Update procedure manual to reflect current program processes.</td>
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<td>Fiscal Year 2017</td>
<td>17-409</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT Sponsored Students - Procedure Review</td>
<td>UNT</td>
<td>UNT International (UNT) sponsored students and special programs. The procedure manual was outdated and did not reflect actual processes, including guidelines for reporting financial guarantors.</td>
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<td>Fiscal Year 2017</td>
<td>17-412</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT College of Music - Scholarship Policy</td>
<td>UNT</td>
<td>The College of Music scholarship policy does not contain all the elements as set forth in Student Financial Aid and Scholarships’ Best Practices for Scholarships and Awards. The process for the selection of scholarship committee members and the length of appointment for committee members are not included in the College of Music Scholarship Policy. Additionally, there is no process for appeals in the policy.</td>
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<td>Major Observations</td>
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<td>Fiscal Year 2017</td>
<td>17-409 UNT Governance and Regulatory Compliance</td>
<td>International Sponsored Students Process Review</td>
<td>Moderate</td>
<td>Recommendations for Director of Sponsored Student Programs: 11.1.a. Ensure all sponsor forms (the Office of General Counsel (OGC) approved forms) are completed and submitted by all sponsors. The forms were only being incorporated with new sponsors. Additionally, the UNT International Students and Scholar Programs office has recently added a Parent’s Program; however, the forms for the Parent’s Program have not been reviewed by OGC and have not received OGC approval.</td>
<td>Management agrees with the recommendation. The Director of Sponsored Students will instruct all sponsors in the Office of International Students and Scholar Programs to sign the OGC approved forms and that the forms are completed and submitted. Additionally, in the event that agreements are not signed, SSP will meet with Larry Stobart, Special Assistant to the CFO, to determine if the current process of collecting a financial guarantee from the sponsor for each student is permissible.</td>
</tr>
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<td>17-409 UNT Governance and Regulatory Compliance</td>
<td>International Sponsored Students Process Review</td>
<td>Moderate</td>
<td>Recommendations for Director of Sponsored Student Programs: 8.2.a. Establish a deadline to provide advance notification to students when payment has not been received from their sponsor and charges will be placed onto their account. Document in procedure manual.</td>
<td>Management agrees with the recommendation. The Director of Sponsored Students has established a deadline to provide advance notification to students when payment has not been received from their sponsor and charges will be placed onto their account. Notifications will be issued 15 business days before balances are reflected on the student accounts. In addition, they will determine guidelines for exceptions based on determining the student’s name country (impacting a sponsor’s ability to reasonably meet the payment deadline). The template will be added to the Financials procedures manual by July 30, 2017.</td>
</tr>
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<td>Fiscal Year 2017</td>
<td>17-409 UNT Governance and Regulatory Compliance</td>
<td>International Sponsored Students Process Review</td>
<td>Moderate</td>
<td>Recommendations for Director of Sponsored Student Programs: 8.2.b. Develop and utilize a template to provide advance notification to students when payment has not been received from their sponsor and charges will be placed onto their account. Document in procedure manual.</td>
<td>Management agrees with the recommendation. The Director of Sponsored Students has developed a template, currently in use, to notify students about non-payment of tuition by their sponsor, allowing them 15 business days to correspond with their sponsor and resolve the situation. The template will be added to the Financials procedures manual by July 30, 2017.</td>
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<td>Sponsored and Regulatory Compliance</td>
<td>International Sponsored Student Process Review</td>
<td>UNT</td>
<td>8. Communication with Students</td>
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<td>International Sponsored Student Process Review</td>
<td>UNT</td>
<td>11. Sponsor Forms</td>
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<td>Fiscal Year 2017</td>
<td>17-401 UNT</td>
<td>Sponsored and Regulatory Compliance</td>
<td>Residence Hall - Student Safety Practices</td>
<td>UNT</td>
<td>14. Maple Hall Circuit Breaker Box</td>
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<td>Audit Number</td>
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</tbody>
</table>
| Internal         | UNT System Internal Audit | Fiscal Year 2017 | 17-021 | Governance and Regulatory Compliance | Residence Hall - Student Safety Practices | UNT | 16. Fire Extinguishers  
Two resident halls lack a fire extinguisher in certain areas:  
1) No fire extinguisher in laundry room at Traditions;  
2) No fire extinguisher in the common area at Santa Fe Square; and  
3) No fire extinguishers for the resident rooms in Santa Fe Square that have built-in clothe top burners. | Moderate | Recommendation for Gina Vanacore, Director of Housing and Residence Life:  
16.1.a. Coordinate with Risk Management to evaluate the areas in residence halls where fire extinguishers should be placed or added. | Gina M. Vanacore, Director of Housing and Residence Life |
|                   |                  |             |             |               |             |                       |                 |           | 1a. Currently all residence halls are in compliance with risk management’s guidelines about the placement of fire extinguishers, as indicated on the site review forms. The Auditors will coordinate with Risk Management to re-evaluate the areas in residence halls where fire extinguishers should be placed or added. |                   |
|                   |                  |             |             |               |             |                       |                 |           | Exp. Impl. Date: 12/31/2017  
Revised Impl. Date: 07/31/2018 |                   |
| Internal         | UNT System Internal Audit | Fiscal Year 2017 | 17-021 | Governance and Regulatory Compliance | Residence Hall - Student Safety Practices | UNT | 17. Site Review  
Concerns with outdoor lighting, exit lighting, surveillance cameras, and exit door closures. Auditors conducted interviews with Hall Directors, administered questionnaires, and performed walkthroughs of residence halls. As a result, the following concerns and/or communications were expressed:  
▪ Two of fourteen residence Hall Directors requested additional outdoor and exit door lighting. The Hall Director for Traditions and Santa Fe expressed a desire for additional lighting in the courtyard between Traditions and Santa Fe Halls. Hall Director indicated this area is prone to bicycle thefts.  
▪ Nine of fourteen Hall Directors requested additional surveillance cameras at emergency exit doors, stairwells, common areas, elevators and outside courtyards. Four cameras in total all located in elevators (two in Legends Hall and two in Victory Hall) were non-operational.  
▪ The corridor leading from the back of Clark Hall down to a dumpster located on Avenue C is isolated. | Moderate | Recommendation for Gina Vanacore, Director of Housing and Residence Life:  
17.1.a. Coordinate and conduct a safety site review at all the residence halls and their surrounding areas. Housing should include the following departments: UNT Police, Risk Management, and Facilities. | Gina M. Vanacore, Director of Housing and Residence Life |
|                   |                  |             |             |               |             |                       |                 |           | 1a. Director Vanacore will coordinate a residence hall safety advisory committee to review and evaluate recommendations for safety additions and enhancements. Members of this advisory committee will include students of the residence hall association, UNT Police, Risk Management, and Facilities staff. Facilities will coordinate to make sure that housing facilities meet all applicable codes. UNT has a standard for outdoor lighting.  
                             |                   |
### Internal UNT System Internal Audit

**Fiscal Year**: 2017  
**Audit Number**: 17-407 SYS

<table>
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<tr>
<th>Component Institution</th>
<th>Observations</th>
<th>Risk Level</th>
<th>Recommendations for the Assistant Vice Chancellor of Total Rewards</th>
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<tbody>
<tr>
<td>Governance and Regulatory Compliance</td>
<td>Inappropriate logical access to benefit plan tables exists and a contribution rate change review process is not in place.</td>
<td>High</td>
<td>Recommendations for the Assistant Vice Chancellor of Total Rewards:</td>
</tr>
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</table>
| Retirement Contributions | During our review of user logical access and change controls as they relate to retirement certifications and payroll adjustments within Enterprise Information System (EIS) PeopleSoft, we noted the following:  
  ➢ 2 out of a total population of 17 (12%) users tested have edit rights to the Retirement Plan Tables. This user access allows individuals to alter the ORP contribution rates which affect ORP payroll deductions. | High       | 1.1.a. Remove access rights from users which are not commensurate with their job function. |
| Retirement Contributions | ➢ 5 out of a total population of 94 (5%) users tested have edit rights to update the participant’s benefits eligibility on the Personal Data Jr. tab. This user access allows individuals to override the participant’s benefits eligibility on the Personal Data Jr. tab. | High       | 1a. The Total Rewards HRIS team removed write access from users not in a bona-fide Super User position.  
Christopher DeClerk, Assistant Vice Chancellor of Total Rewards  
2/28/2017  
Closed  
Recommendations for the Assistant Vice Chancellor of Total Rewards: |
| Retirement Contributions | During our review of user logical access and change controls as they relate to retirement certifications and payroll adjustments within Enterprise Information System (EIS) PeopleSoft, we noted the following:  
  ➢ 2 out of a total population of 17 (12%) users tested have edit rights to the Retirement Plan Tables. This user access allows individuals to alter the ORP contribution rates which affect ORP payroll deductions. | High       | Recommendations for the Assistant Vice Chancellor of Total Rewards: |
| Retirement Contributions | ➢ 5 out of a total population of 94 (5%) users tested have edit rights to update the participant’s benefits eligibility on the Personal Data Jr. tab. This user access allows individuals to override the participant’s benefits eligibility on the Personal Data Jr. tab. | High       | 1b. Develop and implement a review and approval process when updates are made to the ORP contribution percentage table.  
In the future, table entries required by legal limits will be entered by a Senior Benefits Consultant and verified by the Benefits Manager. The Benefits Manager will retain a signed screen shot verifying this step occurred.  
Christopher DeClerk, Assistant Vice Chancellor of Total Rewards  
2/28/2017  
Closed  
Recommendations for the Assistant Vice Chancellor of Total Rewards: |
| Retirement Contributions | During our review of user logical access and change controls as they relate to retirement certifications and payroll adjustments within Enterprise Information System (EIS) PeopleSoft, we noted the following:  
  ➢ 2 out of a total population of 17 (12%) users tested have edit rights to the Retirement Plan Tables. This user access allows individuals to alter the ORP contribution rates which affect ORP payroll deductions. | High       | Recommendations for the Assistant Vice Chancellor of Total Rewards: |
| Retirement Contributions | ➢ 5 out of a total population of 94 (5%) users tested have edit rights to update the participant’s benefits eligibility on the Personal Data Jr. tab. This user access allows individuals to override the participant’s benefits eligibility on the Personal Data Jr. tab. | High       | 1c. On an annual basis, perform a review of user access rights based on job functions.  
The HRIS team has added annual access review to the operating calendar.  
Christopher DeClerk, Assistant Vice Chancellor of Total Rewards  
2/28/2017  
Closed |
### COMMISSIONER'S REPORT

**Date Issued**: 8/31/2017

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
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| **1. Logical Access and Change Controls** | Inappropriate logical user access to benefit plan tables exists and a certification rate change review process is not in place. During our review of user logical access and change controls as they relate to retirement contributions tables and payroll adjustments within Enterprise Information System (EIS) PeopleSoft, we noted the following:  
  ➢  2 out of a total population of 17 (12%) users tested have edit rights to the Retirement Tables. This user access allows individuals to alter the ORP contribution rates which affect ORP payroll deductions.  
  ➢  2 out of a total population of 17 (12%) users tested have edit rights to the Retirement Transactions. This user access allows individuals to alter the ORP contribution rates which affect ORP payroll deductions.  
  ➢  2 out of a total population of 17 (12%) users tested have edit rights to the Retirement Plan Classification. This user access allows individuals to alter the ORP contribution rates which affect ORP payroll deductions.  
  ➢  Access rights to certain users who were part of the beta testing team for the PeopleSoft Human Capital Management (HCM) module upgrade to version 8.9 were not removed. Specifically,  
  1. Forty-five employees did not receive the correct employer payroll deductions.  
  2. PeopleSoft EIS to identify years with errors in the ORP Medium rate contribution.  
  2a. We evaluated and due to the system limitations, found we cannot remove super users' access to update retirement tables as indicated in the audit report. In our EIS configuration, super users such as the Benefits Manager and Associate Director of Controller Operations (Payroll) must have access to make changes for their respective areas and specific access cannot be carved-out. Thus they must have access to all of these tables.  
  2b. Because technology does not allow to remove super users' access as indicated above in point 2a, payroll is working with ITSS to develop a report for HRIS to monitor the activities of the super users who have access to Retirement Tables.  
  1.2.a. Evaluate and remove any super user's access to this functionality when it is not essential to their job function.  
  1.2.b. Develop a tool to monitor the activities of super users on a monthly basis.  
  1.2.c. Work with the Controller Operations team to review and determine if the ORP contribution rate for the ORP Medium classification employee group in FY2003 through FY2005 was accurate in accordance to the Texas Administrative Code and the General Appropriations Act. | High |
| **Recommendation Status**: | Recommendations for the Assistant Vice Chancellor of Total Rewards and Senior Director of Controller Operations  
1.2.a. Evaluate and remove any super user's access to this functionality when it is not essential to their job function.  
1.2.b. Develop a tool to monitor the activities of super users on a monthly basis.  
1.2.c. Work with the Controller Operations team to review and determine if the ORP contribution rate for the ORP Medium classification employee group in FY2003 through FY2005 was accurate in accordance to the Texas, Administrative Code and the General Appropriations Act. | |
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<th>Individual Responsible for Implementation</th>
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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>17-407 SYS</td>
<td>Governance and Regulatory Compliance</td>
<td>Retirement Contributions</td>
<td>Forty-five employees did not receive the correct employer contribution amounts due to an incorrect contribution rate set in EIS.</td>
<td>The contribution rate for the ORP Medium classification was set at 6.58% and should have been 6.6%. ORP employees are classified in three groups in EIS:</td>
<td>High</td>
<td>Recommendations for the Assistant Vice Chancellor of Total Rewards:</td>
<td>Closed</td>
<td>8/31/2017</td>
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<td>Forty-five employees did not receive the correct employer contribution amounts due to an incorrect contribution rate set in EIS.</td>
<td>The contribution rate for the ORP Medium classification was set at 6.58% and should have been 6.6%. ORP employees are classified in three groups in EIS:</td>
<td>High</td>
<td>Recommendations for the Vice Chancellor for Finance:</td>
<td>Closed</td>
<td>9/30/2017</td>
<td>Closed</td>
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Fiscal Year 2017
17-404 SYS
Governance and Regulatory Compliance
•ORP High - Employees who participated in the ORP retirement system prior to September 1, 1995 and are not subject to the IRS maximum salary amount. The employer contribution rate for this group is 8.5% as of FY1980.
•ORP Medium - Employees who participated in the ORP retirement system between September 1, 1995 and August 31, 1996 and are not subject to the IRS maximum salary amount. The employer contribution rate for this group is 6.6% as of FY2014.
•ORP Low - Employees who participated in the ORP retirement system after September 1, 1996 and are subject to the IRS maximum salary amount. The employer contribution rate for this group is 6.6% as of FY2014.

The employer ORP contribution rates as set in the General Appropriations Act were:
•6.58% for FY2008/2009;
•6.4% for FY2010/2011;...

Recommendations for the Vice Chancellor for Finance:
2.2.b. Ensure internal payroll records are corrected.
2b. Payroll will make necessary corrections to the employee payroll records if an entry is found in the line adjustment amount to the employee.

Janet Waldron, Vice Chancellor for Finance
9/30/2017
Closed

Fiscal Year 2017
17-415 UNT
Governance and Regulatory Compliance
Faculty and Staff International Travel Audit
2. Communication is insufficient to ensure that all individuals traveling internationally on UNT System, UNT, UNTHSC, and/or UNT Dallas business have registered with UNT Risk Management prior to departure.
UNT Risk Management currently cannot ensure that faculty, staff, and individuals are registering. Therefore, it appears there is the need to improve communication to ensure the UNT System, UNT, UNTHSC, and UNT Dallas faculty and staff are fully aware of the new requirement to register international travel. This will ensure that faculty, staff, and individuals are notified of the need to register prior to departure and noting the benefits of international travel registration which includes:
• Insurance coverage;
• Medical requirements;
• Travel warning information; and
• Extraction / evacuation assistance if necessary.

Doug Welch, Executive Director Risk Management Services
1a. UNT Risk Management Services will establish point of contacts at UNT System, UNT, UNTHSC, UNT Dallas to help further communication about international health and safety in regards to university related foreign travel.
2.1.a. Increase and improve awareness/communication thru meetings with Provost, Deans Council, faculty and staff with UNT System, UNT, UNTHSC, and UNT Dallas. These communications should include:
• The requirement to register international travel prior to departure;
• University provided international insurance coverages;
• Additional resources available to travelers;

Doug Welch, Executive Director Risk Management Services
4/20/2018
Closed
## Recommendations for the Dean of GSBS and Senior Director of Controller Operations

### Recommendation Details

- **1.a.** The Graduate School of Biomedical Sciences (GSBS) will establish a committee consisting of key administrative staff (chief of staff, associate deans, and department chairs) to review all current and terminated employees within the GSBS between September 1, 2015, and August 31, 2016 to ensure leave forms are accurately entered into EIS.

- **1.b.** The Dean of the GSBS will identify key staff members to review all current and terminated employees within GSBS and Institute Directors (with prior experience in personnel) to recommend a standard operating procedure for leave requests as required by UNTHSC policies and procedures.

- **2.1.a.** Use and retain appropriate approved support documents for leave requests as required by UNTHSC policies and procedures.

- **2.1.b.** Review all current and terminated employees within GSBS between September 1, 2015, and August 31, 2016 to ensure leave forms are accurately entered into EIS.

### Management Response

- **Date:** 9/1/2017
- **Recommendation Status:** Closed

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<td>2.1.a.</td>
<td>Use and retain appropriate approved support documents for leave requests as required by UNTHSC policies and procedures.</td>
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<tr>
<td>2.1.b.</td>
<td>Review all current and terminated employees within GSBS between September 1, 2015, and August 31, 2016 to ensure leave forms are accurately entered into EIS.</td>
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### Observations

- **2.** Inaccurate recording of leave of absences from the HRM-64 Leave Request forms to Enterprise Information System (EIS) PeopleSoft: 25 employees who had leave of the former department of Molecular and Medical Genetics were not recorded in EIS. Specifically, 1 employee of the former department of Molecular and Medical Genetics entered their leave directly in EIS and communicated leave either verbally or by e-mail to their supervisor. Molecular and Medical Genetics entered their leave directly in EIS and communicated leave either verbally or by e-mail to their supervisor. As result, Internal Audit was unable to validate whether leave taken was recorded accurately in EIS. For 3 employees of the former department of Cell Biology & Molecular and Medical Genetics entered their leave directly in EIS and communicated leave either verbally or by e-mail to their supervisor. As result, Internal Audit was unable to validate whether leave taken was recorded accurately in EIS. Specifically, 2 employees of the former department of Molecular and Medical Genetics entered their leave directly in EIS and communicated leave either verbally or by e-mail to their supervisor. As result, Internal Audit was unable to validate whether leave taken was recorded accurately in EIS.

- **3.** Review of current and terminated employees within the GSBS between September 1, 2015, and August 31, 2016 to ensure leave forms are accurately entered into EIS.
<table>
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<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
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</thead>
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<tr>
<td>Mehravan Singh, Dean of GSBS, and Abdul Mohammad, Senior Director of Controller Operations</td>
<td>1/31/2018</td>
<td>Closed</td>
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Inaccurate Recording of Leave of Absences in EIS

Inaccurate recording of leave of absences from the HRM-64 Leave Request forms to Enterprise Information System (EIS) PeopleSoft was identified for 4 out of 59 active employees resulting in incorrect leave accrual balances for these employees from September 1, 2015 through August 31, 2016. Additionally, we noted that each department within UNTHSC had different procedures of leave request forms usage including departments where they either did not keep records of the HRM-64 Leave Request forms as required by UNTHSC Policy or HRM-64 Leave Request forms were not used. As a result, Internal Audit was unable to validate whether leave was recorded accurately in EIS for 25 of 59 employees who had leave in EIS.

Specifically,

- For 3 employees of the former department of Cell Biology & Immunology, vacation and sick leave time taken on HRM-64 forms were not recorded in EIS.
- 1 employee of the former department of Molecular and Medical Genetics resigned after 60 hours of vacation leave taken and communicated leave verbally or by e-mail to their supervisor. As a result, Internal Audit was unable to validate whether leave taken was recorded in EIS for 25 employees who had leave in EIS.

Recommendations for the Dean of GSBS and Senior Director of Controller Operations:

2.1.d. For those employees identified with overpayments, collaborate with UNT System Controller Operations department to recover funds.

1d. Payroll General Accounting, UNT System Controller Operations will follow a standardized procedure in recovering overpayments from employees resulted due to the correcting actions taken in EIS.
Internal Audit
Fiscal Year 2017
17-409 UNT
Recommendations for the Dean of GSBS and Senior Director of UNT System Internal
Closed
UNT System Internal
2. Inconsistently Working Past Due Amounts
Governance and Regulatory Compliance
High
Recommendations for the Dean of GSBS and Senior Director of Controller Operations:
2.1.b. Coordinate to obtain an accounts receivable query for use with the Office of General Counsel to determine whether it is allowable to place the charges back on students' accounts. It is recommended that the Office of General Counsel modify the accounts receivable query to list past due charges back on the students' accounts that are allowable to place back on the students' accounts to obtain payment.
High
Recommendations for Director of Sponsored Student Programs and Director of Financial Services, Student Finance:
2.1.a. Review past due tuition and fee charges and coordinate with the Office of General Counsel to determine whether it is allowable to place the charges back on the students' accounts and consult with the Office of General Counsel to determine if placing charges back on students' accounts is in compliance with current University and State policies.
Internal Audit
Fiscal Year 2017
17-401 HSC
Recommendations for Director of Sponsored Student Programs
Closed
Individual Responsible for Reporting Agency
High
Recommendations for Director of Sponsored Student Programs and Director of Financial Services, Student Finance:
2.1.b. Coordinate to obtain an accounts receivable query for use with the Office of General Counsel to determine whether it is allowable to place the charges back on students' accounts. It is recommended that the Office of General Counsel modify the accounts receivable query to list past due charges back on the students' accounts to obtain payment.
High
Recommendations for Director of Sponsored Student Programs and Director of Financial Services, Student Finance:
2.1.a. Review past due tuition and fee charges and coordinate with the Office of General Counsel to determine whether it is allowable to place the charges back on the students' accounts and consult with the Office of General Counsel to determine if placing charges back on students' accounts is in compliance with current University and State policies.
Internal Audit
Fiscal Year 2017
17-401 HSC
Recommendations for Director of Sponsored Student Programs
Closed
Individual Responsible for Reporting Agency
High
Recommendations for Director of Sponsored Student Programs and Director of Financial Services, Student Finance:
2.1.b. Coordinate to obtain an accounts receivable query for use with the Office of General Counsel to determine whether it is allowable to place the charges back on students' accounts. It is recommended that the Office of General Counsel modify the accounts receivable query to list past due charges back on the students' accounts to obtain payment.
High
Recommendations for Director of Sponsored Student Programs and Director of Financial Services, Student Finance:
2.1.a. Review past due tuition and fee charges and coordinate with the Office of General Counsel to determine whether it is allowable to place the charges back on the students' accounts and consult with the Office of General Counsel to determine if placing charges back on students' accounts is in compliance with current University and State policies.

Addressing Inconsistencies of Leave

• For 3 employees of the former department of Cell Biology & Immunology, vacation and sick leave time taken on HRM-64 forms were not recorded in EIS.
• 1 employee of the former department of Molecular and Medical Genetics entered internal leave that 40 hours of vacation leave taken did not exist in EIS.
• 25 employees who had leave of the former department of Molecular and Medical Genetics entered internal leave inaccurately in EIS and were not recorded accurately in EIS. Additionally, Internal Audit was unable to validate whether leave was recorded accurately in EIS for 25 of 59 employees who had leave in EIS.

Similarly,

• 25 employees who had leave of the former department of Cell Biology & Immunology notified Internal Audit that 40 hours of vacation leave taken did not exist in EIS.
• 1 employee of the former department of Molecular and Medical Genetics entered internal leave that 40 hours of vacation leave taken did not exist in EIS.

The following actions.

1a. Management agrees with the recommendations and are taking the following actions.

1b. SSPO will share current manually maintained report with Student Finance for evaluation. They will work together to determine how a system-generated accounts receivable query that provides the required information within the limitations of current technologies to obtain payment.

Management Response
Internal Audit: Dean of GSBS and Senior Director of Controller Operations
6/30/2018
Done
Internal Audit: Dean of GSBS and Senior Director of Controller Operations
6/30/2018
Done
Internal Audit: Dean of GSBS and Senior Director of Controller Operations
6/30/2018
Done
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<td>Internal</td>
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<td>Fiscal Year</td>
<td>17-407 SYS</td>
<td>Governance and</td>
<td>Retirement Contributions</td>
<td>UNT System</td>
<td>A manual process breakdown in updating the year-to-date contribution amount in PeopleSoft caused two employees’ ORP accounts to be over contributed by both the Institution and employee. This occurred when employee benefit changes were not entered into PeopleSoft, and the process is manual rather than system configuration which automatically calculates contribution amounts. In detail, testing identified 2 out of 64 employees (3%) exceeded the annual IRS dollar compensation limitations based on 403(b) Contributions for Calendar Year 2015. These two employees elected a different financial services company in October 2015; however, notification was not provided to the Controller Operations team in order to manually update the year-to-date contribution amount in PeopleSoft. Therefore, PeopleSoft calculated their maximum contribution inaccurately.</td>
<td>High</td>
<td>Recommendations for the Assistant Vice Chancellor of Total Rewards: 6.2.a. Work with the IRS to determine how excess contributions should be reported for these two employees. 2a. We will work with appropriate parties, both internally and externally, to determine and execute any needed reporting.</td>
<td>Janet Waldron, Vice Chancellor of Finance</td>
<td>12/31/2017</td>
<td>Closed</td>
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<td>Internal</td>
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<td>High</td>
<td>Recommendations for the Assistant Vice Chancellor of Total Rewards: 6.2.b. Work with the Office of General Counsel to determine if corrected W-2 statements should be issued to employees and ensure internal payroll records are corrected.</td>
<td>Janet Waldron, Vice Chancellor of Finance</td>
<td>12/31/2017</td>
<td>Closed</td>
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<td>Governance and Regulatory Compliance</td>
<td>Retirement Contributions</td>
<td>UNT System</td>
<td>Insufficient Documentation</td>
<td>Moderate</td>
<td>Recommendations for the Assistant Vice Chancellor of Total Rewards: 8.1.a. Validate with prior state institutions of the ORP participant's grandfather status and adjust the ORP non-grandfather rate going forward, if needed. If grandfather status is confirmed, contribute additional funds starting from the employee's hire date.</td>
<td>Christopher DeClerk, Assistant Vice Chancellor of Total Rewards</td>
<td>4/30/2017</td>
<td>Closed</td>
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<td>Governance and Regulatory Compliance</td>
<td>Retirement Contributions</td>
<td>UNT System</td>
<td>Insufficient Documentation</td>
<td>Moderate</td>
<td>8.1.b. Ensure sufficient documentation is maintained on file.</td>
<td>Christopher DeClerk, Assistant Vice Chancellor of Total Rewards</td>
<td>4/30/2017</td>
<td>Closed</td>
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<td>Governance and Regulatory Compliance</td>
<td>UNT System</td>
<td>Sufficient documentation was not maintained for 1 out of a sample population of 71 employee's tested for the purpose of determining the participant's proper contributions rate as required by the Texas Administrative Code.</td>
<td>Moderate</td>
<td>Recommendations for the Assistant Vice Chancellor of Total Rewards: 8.1.c. Update the 'Prior State Service Verification and Release Information' form to reflect the correct ORP non-grandfather rate. This should be reviewed every biennium and updated accordingly.</td>
<td>1c. The prior state service form has been updated and will be reviewed as appropriate when state contributions change as a result of a legislative session. Prior state service is part of the formal onboarding process. Additionally, the Total Rewards Records Team initiated a process to ask employees to review their state service record and report inaccuracies. Christopher DeClerk, Assistant Vice Chancellor of Total Rewards</td>
<td>4/30/2017</td>
<td>Closed</td>
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<td>UNT System</td>
<td>Refund contribution checks received from financial service companies are held by the Institution for an extended period of time and not deposited on a timely basis.</td>
<td>Moderate</td>
<td>Recommendation for the Senior Director of Controller Operations and Assistant Vice Chancellor of Total Rewards: 9.1.a. Develop internal procedures on how to process retirement refund and secure checks.</td>
<td>1a. Payroll has already implemented the practice to deposit any received refund checks within five business days of the date of receipt. The checks are deposited in organizations’ payroll clearing account pending receipt from HR Benefits to take the appropriate action. When these situations arise, HR Benefits researches the situation with the retirement vendor and determines the reason for the returned check. HR Benefits then communicates appropriate corrective action with the Payroll team. These processes are already in place. Abdul Mohammad, Senior Director of Controller Operations, and Christopher DeClerk, Assistant Vice Chancellor of Total Rewards</td>
<td>1/2/2017</td>
<td>Closed</td>
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<td>Retirement Contributions</td>
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<td>On 409(a) Plans submitted to Texas Higher Education Coordinating Board (THECB)</td>
<td>Inaccurate information documented on the 409(a) report was submitted to the THECB. Reconciliation testing of UNT System FY2016 409(a) Report submitted to the THECB identified the 409(a) contributions by the employee were overstated on the report by $3,857. This was based on a comparison of the amounts submitted on the FY2016 409(a) Report to the actual 409(a) payroll deductions submitted to the financial service companies.</td>
<td>Moderate</td>
<td>Recommendation for the Senior Director of Controller Operations and Assistant Vice Chancellor of Total Rewards: 10.1.a. Develop a collaborative process to accurately record contributions/participants' and 'eligibility' data in the UNT System, UNT, UNT Dallas and UNTHSC 409(a) reports. 1a. Develop a collaborative process so HR and Payroll are each providing and checking information pertinent to their areas to ensure report accuracy. The next annual 409(a) report is due October 1, 2017. The plan will be implemented for the next reporting cycle, completed by the due date.</td>
<td>Abdul Mohammad, Senior Director of Controller Operations and Christopher DeClerk, Assistant Vice Chancellor of Total Rewards</td>
<td>10/1/2017</td>
<td>Closed</td>
</tr>
</tbody>
</table>

<p>| Internal | UNT System Internal Audit | Fiscal Year 2017 | 16-108 SYS | Governance and Regulatory Compliance | Student Data Access Audit | UNT | 75 unauthorized users had access to personal student data including cell phone numbers on February 3, 2017. Non-Employees with No Authorization (42) Internal Audit requested the authorization form for the access granted to non-employees. The authorization form is called the FERPA Training Completion and Request for EIS Access to View Basic Student Records Form (FERPA Form). &quot;Non-employees&quot; as used here is defined as users that have no record in the HR database and no vendor authorization form with ITSS. Information Owners and departmental Access Control Executives (ACEs) at each entity worked with Internal Audit to locate the FERPA Form. There were 42 instances where an authorization form could not be located. Former Employees Access Never Revoked (29) Internal Audit worked with ITSS to determine the employment status of all users with access and identified 29 users that had been former employees. The review for the inappropriate access was the failure of an automated tool, and in one case, oversight of a manual process. ITSS created a PeopleSoft bolt-on to deprovision access accounts immediately upon a change of employment status in 2005. During the audit, it was discovered that the automated tool occasionally failed to | High | Recommendations for UNT Senior Director, Registrar: 1.1.a. Revoker access on the provided list of 75 users that fall under your authority. | Lynn McCreary, Registrar, UNT | 12/15/2017 | Closed |</p>
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<th>Risk Level</th>
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There is no background check performed for either a non-employee spouse or a non-employee resident of a UNT employee whose staff are living in a UNT residence hall.
This includes Hall Directors, Assistant Hall Directors, and Faculty-in-Residence. The current practice is to perform background checks of employees. | High | Recommendation for Gina Vanacore, Director of Housing and Residence Life:
2.1.a. Coordinate with UNT System Human Resources to ensure that a background check for either the spouse or the non-employee acquaintance of a UNT employee living in a residence hall be performed. | Gina M. Vanacore, Director of Housing and Residence Life | Exp. Impl. Date: 12/31/2017 | Revised Impl. Date: 07/31/2018 | Closed |
| Internal          | UNT System Internal Audit | Fiscal Year 2017 | 17-413 DAL | Governance and Regulatory Compliance | Community Counseling Clinic Audit | UNT Dallas | Personally identifiable information.
During our walk-through of the Clinic site, we identified personally identifiable information (PII) (i.e. copies of checks that contain name, address, and bank account information) related to patient payments which dates back to 2010. Specifically, copies of checks can be kept in the Director’s office in binders located on a shelf and in envelops located in the filing cabinet, which may be accessible to non-authorized personnel when the Director is not present. PII information should be stored and protected against inappropriate access and use in compliance with applicable laws and regulations. | High | Recommendations for the Provost:
2.1.a. Develop procedures to help ensure that all PII is appropriately protected against inappropriate access and use in compliance with applicable laws and regulations. | Betty Stewart, Provost/Executive Vice President of Academic Affairs | Orig. Exp. Impl. Date: 8/31/2019 | Rev. Impl. Date: 02/10/2020 | Open |
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<td>16-108 SYS</td>
<td>Governance and Regulatory Compliance</td>
<td>Student Data Access Audit</td>
<td>UNTHSC</td>
<td>75 unauthorized users had access to personal student data including cell phone numbers on February 3, 2017.</td>
<td>High</td>
<td>Recommendations for UNTHSC Executive Director, Enrollment Services:</td>
<td></td>
<td>A.J. Randolph, Registrar, UNTHSC</td>
<td>9/1/2017</td>
<td>Closed</td>
</tr>
<tr>
<td>Non-employees with the Authorization</td>
<td>Internal Audit requested the authorization form for the access granted to non-employees. The authorization form is called the FERPA Training Completion and Request for EIS Access to View Basic Student Records Form (FERPA Form).</td>
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<td>1.2.a. Revoke access on the provided list of 75 users that fall under your authority.</td>
<td></td>
<td>2a. We agree. All roles for the users that fall under my authority (HSC), will be revoked. To my knowledge, this has already been completed.</td>
</tr>
<tr>
<td>Internal Audit worked with ITSS to determine the employment status of all users with access and identified 29 users that had been former employees. The reason for the inappropriate access was identified as the failure of an automated tool, and in one case, oversight of a manual process. ITSS created a PeopleSoft bolt-on to deprovision access accounts immediately upon a change of employment status in 2005. During the audit, it was discovered that the automated tool occasionally failed to deprovision access accounts</td>
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<td>A.J. Randolph, Registrar, UNTHSC</td>
<td>9/1/2017</td>
<td>Closed</td>
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<tr>
<td>Former Employees Access Never Revoked</td>
<td>Internal Audit worked with ITSS to determine the employment status of all users with access and identified 29 users that had been former employees. The reason for the inappropriate access was the failure of an automated tool, and in one case, oversight of a manual process. ITSS created a PeopleSoft bolt-on to deprovision access accounts immediately upon a change of employment status in 2005.</td>
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<td>1.2.b. Separate the certification of completed FERPA training from the form to obtain access to student data, so that all users trained do not automatically receive access.</td>
<td></td>
<td>2b. We agree. The responsible individual will separate the access authorization form from the FERPA form. Both will be required for users to obtain access.</td>
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</table>

**Summary:**
- 75 unauthorized users had access to personal student data on February 3, 2017.
- 42 instances where authorization forms could not be located.
- 29 former employees with access had never had their access revoked.
- Access was deprovisioned immediately upon a change of employment status in 2005.
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>Governance and Regulatory Compliance</td>
<td>Student Data Access Audit</td>
<td>Unauthorized users had access to personal student data including cell phone numbers on February 3, 2017.</td>
<td>High</td>
<td>Recommendations for UNTHSC Executive Director, Enrollment Services: 1.2.e. Annually review access lists based on documented risk management decisions.</td>
<td>2e. We agree. Responsible individual(s) will work to develop a process to annually review user access to determine if access remains appropriate according to documented risk management decisions.</td>
<td>A.J. Randolph, Registrar, UNTHSC</td>
<td>9/1/2017</td>
<td>Rev. Date: 11/15/2017</td>
</tr>
<tr>
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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>Governance and Regulatory Compliance</td>
<td>Student Data Access Audit</td>
<td>Unauthorized users had access to personal student data including cell phone numbers on February 3, 2017.</td>
<td>High</td>
<td>Recommendations for UNT Dallas Registrar: 1.3.a. Revoke access on the provided list of 75 users that fall under your authority.</td>
<td>1a. We agree and will immediately revoke access on the list of 75 users that fall under your authority.</td>
<td>Karen Jarrell, Registrar, UNT Dallas</td>
<td>9/4/2017</td>
<td></td>
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</tbody>
</table>
## Student Data Access Audit

**Audit Number:** 16-108 SYS

**Audit Category:** Governance and Regulatory Compliance

**Report Name:** Student Data Access Audit

### Key Observations

**1. Unauthorized Users with Access**

- 75 unauthorized users had access to personal student data including cell phone numbers on February 3, 2017.

**Non-Employees with No Authorization (42)**

- Internal Audit requested the authorization form for the access granted to non-employees. The authorization form is called the FERPA Training Completion and Request for EIS Access to View Basic Student Records Form (FERPA Form).

- "Non-employees" as used here is defined as users that have no record in the HR database and no vendor authorization form with ITSS.

- Information Owners and departmental Access Control Executives (ACEs) at each entity worked with Internal Audit to locate the FERPA Form. There were 42 instances where an authorization form could not be located.

**Former Employees Access Never Revoked (29)**

- Internal Audit worked with ITSS to determine the employment status of all users with access and identified 29 users that had been former employees. The reason for the inappropriate access was the failure of an automated tool, and in one case, oversight of a manual process.

- ITSS created a PeopleSoft bolt-on to deprovision access accounts immediately upon a change of employment status in 2005. During the audit, it was discovered that the automated tool occasionally failed to update the status.

### Risk Level: High

**Recommendations for UNT Dallas, Registrar:**

- **1.3.b.** Separate the certification of completed FERPA training from the form to obtain access to student data, so that all users trained do not automatically receive access.

**Karen Jarrell, Registrar, UNT Dallas**

**9/1/2017**

**Recommendation Status:** Closed
### Individual/Entity

- Internal
- UNT System Internal Audit
- Fiscal Year 2017
- Audit Number: 16-108 SYS
- Audit Category: Governance and Regulatory Compliance
- Report Name: Student Data Access Audit
- Component Institution: UNT Dallas

### Key Observations

1. Unauthorized access

- Unauthorized users had access to personal student data including cell phone numbers on February 3, 2017.

### Risk Level

- High

### Recommendation Details

**Recommendations for UNT Dallas, Registrar:**

1. Before granting access, verify the job and employment status are accurate and reasonable to justify access to student data.

**3.**_def

- We agree. Prior to granting access, the user’s job and employment status will be verified in the request form to ensure it is appropriate, accurate, and will ensure the completion of the position’s job task.

### Management Response

Karen Jarrell, Registrar, UNT Dallas

9/1/2017
Closed

### Individual/Entity

- Internal
- UNT System Internal Audit
- Fiscal Year 2017
- Audit Number: 17-413 DAL
- Audit Category: Governance and Regulatory Compliance
- Report Name: Community Counseling Clinic Audit
- Component Institution: UNT Dallas

### Key Observations

2. Personally Identifiable Information

- During our walk-through of the Clinic site, we identified personally identifiable information (PII) (i.e. copies of checks that contain name, address, and bank account information) related to patient payments which dates back to 2010. Specifically, copies of checks were kept in the director’s office in binders located on a shelf and in envelopes located in the filing cabinet, which may be accessible to non-authorized personnel when the director is not present.

### Risk Level

- High

### Recommendation Details

**Recommendations for the Provost:**

2.1.b. Collaborate with the Office of General Counsel to determine whether these documents are needed in the evaluation of information for PHI notification.

**1b.** We will submit drafts of all newly developed procedures to General Counsel for review. Additionally, we need to work with General Counsel to determine what documents are needed in the evaluation of information for PHI notification.

Betty Stewart, Provost/Executive Vice President of Academic Affairs

8/31/2019
Closed
### Recommendations for Chief Information Security Officer, ITSS:

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<thead>
<tr>
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<tr>
<td></td>
<td>Non-employees were granted access by parties external to UNT for personal student data including cell phone numbers on February 3, 2017.</td>
<td>High</td>
<td>Following Red flag for vendors with expired authorization forms and the removal of Oracle access.</td>
<td>Acknowledged. ITSS will develop processes to capture these exceptions to ensure that access is reviewed and removed, where appropriate. In regard to the 4 vendors whose authorization had expired, their access was revoked immediately upon discovery during this audit.</td>
</tr>
<tr>
<td></td>
<td>Former Employees Access Never Revoked (29)</td>
<td>High</td>
<td>Formalize the internal review process for removing access has been broadened to include those that are external (e.g., former employees, guests, contractors)</td>
<td>Acknowledged. Corrective action has been taken.</td>
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<td>Former Employees Access Never Revoked (29)</td>
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- **Fiscal Year 2017**
- **Controlled Access with Access to Personal Student Data (29)**

- **UNTS Enterprise Audit Report Inventory**

- **Recommendation Comments**

  1. **Recommendation Status**

     - **Implementation Date**
     - **Expected Implementation**

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<thead>
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<td>Governance and Regulatory Compliance</td>
<td>Student Data Access Audit</td>
<td>UNT System</td>
<td>1. Unauthorized users have access.</td>
<td>1. Unauthorized users had access to personal student data including cell phone numbers on February 3, 2017.</td>
<td>High</td>
<td>Recommendation for Executive Director of Enterprise Applications, ITSS:</td>
<td>1.5.a. Correct the identified coding issue with the automated deprovisioning bolt-on named &quot;Role Removal&quot; and validate it is effectively removing access on terminated employees.</td>
<td>We agree. Efforts are currently underway to correct programming code in the &quot;Role Removal&quot; process, to ensure that all appropriate employee termination records are identified and processed accordingly. Remediation work is expected to be completed and in production within the next six months.</td>
<td>Dorothy Flores, Executive Director of Enterprise Applications, ITSS</td>
</tr>
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<td>Governance and Regulatory Compliance</td>
<td>Student Data Access Audit</td>
<td>UNT</td>
<td>2. Lack of review of access controls for non-employees.</td>
<td>20 non-employee had access to personal student data including cell phone numbers and their need for access had not been verified in over a year. See final report for details.</td>
<td>High</td>
<td>Recommendations for UNT Senior Director, Registrar:</td>
<td>2.1.a. Verify the 20 non-employee users have a legitimate business need for access.</td>
<td>We agree. The registrar’s office will verify the 20 non-employee users have a legitimate business need for access.</td>
<td>Lynn McCreary, Registrar, UNT</td>
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<td>Governance and Regulatory Compliance</td>
<td>Student Data Access Audit</td>
<td>UNT</td>
<td>3. Lack of accountability for data controls for backup employees.</td>
<td>20 non-employee had access to personal student data including cell phone numbers and the need for access had not been verified in over a year.</td>
<td>High</td>
<td>Recommendation for the Registrar, Registrar:</td>
<td>3.1.a. Verify the 20 non-employee users have a legitimate business need for access.</td>
<td>We agree. The registrar’s office will verify the 20 non-employee users have a legitimate business need for access.</td>
<td>Lynn McCreary, Registrar, UNT</td>
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<td>Student Data Access Audit</td>
<td>UNTHSC</td>
<td>A lack of review of access controls for non-employees. 20 non-employee had access to personal student data including cell phone numbers, and their need for access had not been verified in over a year. See Final report for table. Internal Audit requested any documentation to support the authorization for the non-employees on the access list. Student data information owners provided 20 authorizations forms which were completed over a year ago. These authorizations forms did not have an authorization expiration date and the majority of them were over five years old, see the chart above for a breakdown of their age.</td>
<td>High</td>
<td>Recommendations for UNTHSC Executive Director, Enrollment Services: 2.2.a. Require an access expiration date for all users that are not active employees and create a process to revoke the access as it expires.</td>
<td>We agree. Responsible individual will create a documented process that will grant access based on a finite period of time. At the end of that period, access will be revoked for non-employees (those requiring access but not considered active HSC employees e.g. contractors, consultants, etc.).</td>
<td>A.J. Randolph, Registrar, UNTHSC</td>
<td>9/1/2017</td>
<td>Closed</td>
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<td>Student Data Access Audit</td>
<td>UNTHSC</td>
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<td>High</td>
<td>Recommendations for UNTHSC Executive Director, Enrollment Services: 2.2.a. Require an access expiration date for all users that are not active employees and create a process to revoke the access as it expires.</td>
<td>We agree. Responsible individual will create a documented process that will grant access based on a finite period of time. At the end of that period, access will be revoked for non-employees (those requiring access but not considered active HSC employees e.g. contractors, consultants, etc.).</td>
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<td>High</td>
<td>Recommendations for UNTHSC Executive Director, Enrollment Services: 2.2.a. Require an access expiration date for all users that are not active employees and create a process to revoke the access as it expires.</td>
<td>We agree. Responsible individual will create a documented process that will grant access based on a finite period of time. At the end of that period, access will be revoked for non-employees (those requiring access but not considered active HSC employees e.g. contractors, consultants, etc.).</td>
<td>A.J. Randolph, Registrar, UNTHSC</td>
<td>9/1/2017</td>
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<td>16-108 SYS</td>
<td>Governance and Regulatory Compliance</td>
<td>Student Data Access Audit</td>
<td>UNT Dallas</td>
<td>2. Lack of Review of Access Controls for Non-Employees. 10 non-employee had access to personal student data including cell phone numbers and their need for access had not been verified in over a year.</td>
<td>High</td>
<td>Recommendation for UNT Dallas, Registrar: 2.3.a. Require an access expiration date for all users that are not active employees, and define users whose access is not needed at least annually.</td>
<td>We agree. Prior to awarding access to any EIS data, access for non-employees, on contract work will have an expiration date set based on the dates of the contract. This date will be communicated with the individual responsible for the contract. Should the contract employee require data access for an additional period, a new contract will be provided with specified dates of termination. There will be a process to ensure access is revoked and any risk mitigated.</td>
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<td>17-413 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Community Counseling Clinic Audit</td>
<td>UNT Dallas</td>
<td>2. Personally Identifiable Information (PII). During our walk-through of the Clinic site, we identified personally identifiable information (PII) (i.e. copies of checks that contains name, address, and bank account information) related to patient payments which dates back to 2010. Specifically, copies of checks are kept in the Director’s office in binders located on a shelf and in envelops located in the filing cabinet, which may be accessible to non-authorized personnel when the Director is not present. PII information should be removed and protected against inappropriate access and use in compliance with applicable laws and regulations.</td>
<td>High</td>
<td>Recommendation for the Provost: 2.1.c. Once appropriate action is determined, work with the Director of Compliance to properly dispose records in accordance with state retention requirements.</td>
<td>The clinic director and counseling director are working on the implementation of the approved recommendations with the Director of Compliance.</td>
<td>Closed</td>
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## UNT System Enterprise Audit Report Inventory

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<tr>
<td>Governance and Regulatory Compliance</td>
<td>System OFPC, or the Board of Regents.</td>
<td>to either the UNT Vice President for Finance and Administration, UNT Facilities to receive information on project financial status.</td>
<td>PeopleSoft is unreliable. University management and UNT System</td>
<td>High</td>
<td>High</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>None</td>
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<td></td>
<td>Office of Facilities Planning and Construction (OFPC)</td>
<td>must contact</td>
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<td>Office of Facilities Planning and Construction.</td>
<td>There is no consistent reconciliation of project financial information. Additionally, there is no efficient way for management to obtain and perform periodic review of the financial status of projects. UNT Facilities has a software application called TMA (The Maintenance Authority) that was purchased to track project expenses.</td>
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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>17-015-UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Minor Capital Projects</td>
<td>UNT</td>
<td>2. Project Tracking &amp; Reporting</td>
<td>There is no consistent reconciliation of project financial information. Additionally, there is no efficient way for management to obtain and perform periodic review of the financial status on projects. UNT Facilities and software application. There is no consistent reconciliation of project financial information. There is no efficient way for management to obtain and perform periodic review of the financial status on projects. UNT Facilities and software application.</td>
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<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>17-414-UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Classroom Support Services</td>
<td>UNT</td>
<td>2. Unique authentication not required in classrooms</td>
<td>Unique authentication is not required for use in classroom computers. A user is not required to log in or authenticate to use classroom computers, just hitting a key on the keyboard or jostling the mouse will activate the computer, and the user then has unlimited access to the internet via several browsers. If a logon is required, a generic user id and password is available and published on the CSS website.</td>
<td>High</td>
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<td>Component Institution</td>
<td>Key Observations</td>
<td>Risk Level</td>
<td>Recommendation Details</td>
<td>Management Response</td>
<td>Individual Responsible for Implementation</td>
<td>Expected Implementation Date</td>
<td>Recommendation Status</td>
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<td>Classroom Support Services</td>
<td>Unique authentication not required in classrooms. Unique authentication is not required to use classroom computers. A user is not required to log in or authenticate to use classroom computers. Just hitting a key on the keyboard or jostling the mouse will activate the computer, and the user then has unlimited access to the internet via several browsers. Even if a logon was required, a generic user ID and password is available and published on the CSS website.</td>
<td>High</td>
<td>Recommendation for Classroom Support Services Director: 2.1.b. CSS should work with UNT’s Chief Information Security Officer (CISO) to ensure compliance with all applicable laws and regulations.</td>
<td>1b. We agree. CSS will work with the CISO to ensure that classroom use computers are utilized in a manner that does not violate any known laws, policies, and procedures.</td>
<td>Dr. Allen Clark, Associate Vice President for Information Services and Transportation, UNT</td>
<td>3/1/2018</td>
<td>Closed</td>
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<td>College of Music Transition Audit</td>
<td>Requirements relating to criminal background checks, sexual abuse and child molestation awareness training, medical insurance, and hold harmless and indemnification agreements for external camps were not fulfilled. Specifically, camp workers had contact with minors prior to having criminal background checks performed. During the camp period, camp workers had contact with minors prior to having had criminal background checks performed. The Internal Audit identified and reported these issues for the Camp Director of Choir camps, who is responsible for ensuring that all camp participants have medical insurance. Camp participants who did not already have personal medical insurance were not medically insured during the camps.</td>
<td>High</td>
<td>Recommendation for John Richmond, Dean of the College of Music: 3.1.a. Designate a single point of contact for camps and workshops in the College of Music. This individual should coordinate with Risk Management Services regarding requirements relating to criminal background checks, sexual abuse and child molestation awareness training, and medical insurance.</td>
<td>1a. The Summer Camps Coordinator will be the single point of contact with Risk Management regarding requirements relating to criminal background checks, sexual abuse and child molestation awareness training, and medical insurance beginning September 1, 2017.</td>
<td>Anne Oncken, Summer Camps Coordinator and Assistant to the Dean</td>
<td>1/31/2018</td>
<td>Closed</td>
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### 3. Camps and Workshops

- **Recommendations for John Richmond, Dean of the College of Music**

  - **Governance and Regulatory Compliance**

  - **Institution**
    - UNT

  - **Audit Number**
    - 17-412

  - **Internal Audit**

  - **Audit Category**
    - Report Name
    - College of Music Transition Audit

  - **Key Observations**
    - Compliance
    - Regulatory

  - **Risk Level**
    - High

  - **Recommendation Details**
    - 3.1.b. Establish procedures to ensure that Risk Management Services receives the necessary information for all music camp workers to have criminal background checks performed for the start of the music camp.

  - **Management Response**
    - Expected Implementation Date: 07/4/2018
    - Exp. Impl. Date: 07/4/2018
    - Recommendation Status: Closed

  - **Observations**
    - 5 of 251 camp workers (10.0%) had criminal background checks completed either on the day the camp started or after the camp started.

  - **Implementation**
    - Department of Education, Summer Camp Coordinator and Assistant to the Dean

  - **Supporting Documentation**
    - UNTS Enterprise Audit Report Inventory

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**Observations**

- Internal Audit identified and reviewed 16 music camps and workshops and completed either on the day the camp started or after the camp started.

- 5 of 251 camp workers (10.0%) had criminal background checks completed either on the day the camp started or after the camp started.

- There was no process, and there is currently no process for verifying that all camp participants have medical insurance. Camps may purchase medical insurance for camp participants through Risk Management Services (RMS) or other methods.

- 34 of 251 camp workers (13.5%) completed sexual abuse awareness training on the day the camp started or after the camp started.

- Hospital purchased medical insurance through RMS for Choir camps.

- If the camp director for Choir camps indicated to Internal Audit that the Camp Coordinator and Assistant to the Dean purchased medical insurance for camp participants through RMS, that camp participant was not medically insured during the camp.

- There was no process, and there is currently no process for verifying that camp participants have medical insurance. Camps may purchase medical insurance for camp participants through RMS or other methods.

- There was no process, and there is currently no process for verifying that camp participants have medical insurance. Camps may purchase medical insurance for camp participants through RMS or other methods.

- Typographical error in the report: "Camp workers complete the required sexual abuse and child molestation awareness training prior to the start of the music camp." should be corrected to read: "Camp workers complete the required sexual abuse and child molestation awareness training prior to the start of the music camp."
### 3. Camps and Workshops

- **Requirements relating to criminal background checks, sexual abuse and child molestation awareness training, medical insurance, and hold harmless and indemnification agreements for external camps were not followed.** Specifically, camp workers had contact with minors prior to having had criminal background checks performed.
- **Internal Audit identified and reviewed 16 music camps and workshops involving minors for fiscal year 2016. The following issues were noted:**
  - 5 of 251 camp workers (10.0%) had criminal background checks completed either on the day the camp started or after the camp started.
  - 5 of 251 camp workers (10.0%) had criminal background checks completed either on the day the camp started or after the camp started.
  - 34 of 251 camp workers (13.5%) completed sexual abuse awareness training on the day the camp started or after the camp started.
  - There was no process, and there is currently no process for verifying that all camp participants have medical insurance. Coaches may purchase medical insurance for camp participants through RMS. However, RMS does not follow up with those camps who do not purchase medical insurance through RMS. The Summer Camps Coordinator for Choir camps indicated to Internal Audit that medical insurance were not medically insured during the camps. This means that camp participants who did not already have personal medical insurance were not medically insured during the camps.
  - There was no process, and there is currently no process for verifying that all camp participants have medical insurance. Coaches may purchase medical insurance for camp participants through RMS. However, RMS does not follow up with those camps who do not purchase medical insurance through RMS. The Summer Camps Coordinator for Choir camps indicated to Internal Audit that medical insurance were not medically insured during the camps. This means that camp participants who did not already have personal medical insurance were not medically insured during the camps.

#### Risk Level
High

#### Recommendation Details
- **Recommendations for John Richmond, Dean of the College of Music:**
  - 3.1.d. Establish procedures to ensure that all music camp directors know how to properly report known or suspected abuse or neglect of a minor.
  - 3.1.e. Purchase medical insurance through Risk Management Services for all minor music camp participants.

#### Management Response
- **Dean Division, Summer Camps Coordinator and Assistant to the Dean:**
  - Rev. Impl. Date: 01/31/2018
  - Exp. Impl. Date: 01/31/2018

<table>
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<th>Date</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
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<tbody>
<tr>
<td>01/31/2018</td>
<td>01/31/2018</td>
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**Remarks:**
- Attendees at the Risk Management workshops will be mandatory in 2018 and the Summer Camps Coordinator will ensure that all directors and assistants know how to properly report known or suspected abuse or neglect of a minor.
- Attendees at the Risk Management workshops will be mandatory in 2018 and the Summer Camps Coordinator will ensure that all directors and assistants know how to properly report known or suspected abuse or neglect of a minor.

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<th>Internal / External</th>
<th>Reporting Agency</th>
<th>Fiscal Year</th>
<th>Audit Number</th>
<th>Audit Category Report Name</th>
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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>17-412 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>College of Music Transition Audit</td>
<td>UNT</td>
<td>3. Camps and workshops: Requirements relating to criminal background checks, sexual abuse and child exploitation awareness training, medical insurance, and hold harmless and indemnification agreements for external camps were not fulfilled.</td>
<td>High</td>
<td>Recommendations for John Richmond, Dean of the College of Music: 3.1.f. Develop and implement facility use agreements for external camps and other external events.</td>
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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>17-410-0001</td>
<td>Governance and Regulatory Compliance</td>
<td>Classroom Support Services</td>
<td>UNT</td>
<td>3. Classroom usage schedule not complete</td>
<td>Multiple classrooms use scheduling applications in use at UNT. UNT currently uses 7 to 10 different scheduling systems for various activities around campus. CSS uses the scheduler utilized by the Registrar and Ross, or the RM system to determine if a room is being utilized. However, there is no consolidated calendar that shows all room usage across campus and some areas post a piece of paper outside the classroom for scheduling. A task force being led by the Associate VP Student Affairs is underway to consolidate all scheduling, and start doing activity at UNT into one campus-wide system.</td>
<td>Moderate</td>
<td>Recommendation for Classroom Support Services Director: 3.2.a. CSS should use the campus-wide calendar developed by the task force to monitor classroom activity.</td>
<td>We Agree. Classroom Support will utilize the calendar scheduling system resources made available by the task force in determining the occupation of each classroom.</td>
<td>Ashley Olsberg, Director Classroom Support Services</td>
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>17-401-0001</td>
<td>Governance and Regulatory Compliance</td>
<td>Graduate School of Biomedical Sciences Review</td>
<td>UNTHSC</td>
<td>3. Course Fees</td>
<td>The course fee account set-up promotes commingling of course fee revenues and expenditures. Furthermore, there is no reimbursable process to ensure course fees collected are spent for course specific related costs. In addition, there is no course fee cost assessment process in place to determine if the fees charged to students reasonably reflect the actual cost to the University. Therefore, the audit team was unable to determine the account balances on each course fee collected which had a total accumulated unexpended balance of $145,291.</td>
<td>High</td>
<td>Recommendations for the Dean of GSBS: 3.1.a. Utilize course fee information tracked per semester and develop procedures to periodically conduct fee cost assessments to ensure that fees are set in accordance with the cost recovery nature of the fees.</td>
<td>The Dean of Biomedical Sciences will work with the Director of Budgets, and the Director of Revenue to reconcile the fee structure. The Dean will also work with the Office of Student Success to ensure that the Dean of Biomedical Sciences will work with the Director of Budgets, and the Director of Revenue to reconcile the fee structure. The Dean will also work with the Office of Student Success to ensure that the Dean of Biomedical Sciences will work with the Director of Budgets, and the Director of Revenue to reconcile the fee structure.</td>
<td>Meharvan Singh, Dean of GSBS</td>
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<td>Component Institution</td>
<td>Key Observations</td>
<td>Risk Level</td>
<td>Recommendation Details</td>
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<tr>
<td>Graduate School of Biomedical Sciences</td>
<td>The current course fee account set up promotes commingling of course fee revenues and expenditures. Furthermore, there is no reconciliation process to ensure course fees collected are spent for course-specific related cost. In addition, there is no course fee cost assessment process in place to assess if the existing course fee rates are reasonable. Therefore, it was unable to ensure that rates set for each course fee are in accordance with the cost recovery nature of incidental fee.</td>
<td>High</td>
<td>Recommendations for the Dean of GSBS: 3.1.b. Develop reconciliation procedures for fees bundled in one account to help ensure that documentation is available to demonstrate the cost recovery nature of each fee collected.</td>
<td>Meharvan Singh, Dean of GSBS</td>
<td>Exp. Impl. Date: 02/28/2018, Rev. Impl. Date: 04/13/2018, Status: Closed</td>
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<td>High</td>
<td>Recommendations for the Dean of GSBS: 3.1.c. Review course fee accumulated unexpended balances at least annually to ensure course fees are set in accordance with applicable laws and policies.</td>
<td>Meharvan Singh, Dean of GSBS</td>
<td>Exp. Impl. Date: 02/28/2018, Rev. Impl. Date: 04/13/2018, Status: Closed</td>
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<td>17-401 HSC</td>
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<td>Graduate School of Biomedical Sciences Review</td>
<td>UNTHSC</td>
<td>3. Course Fees</td>
<td>The current course fee account set up promotes commingling of course fee revenues and expenditures. Furthermore, there is no reconciliation process to ensure course fees calculated are spent per course-specific related cost. In addition, there is no course fee cost reconciliation process in place to make sure that existing course fee revenues and expenditures are spent in proportion to fees collected within the time frame the fees were collected (e.g., semester). Therefore, GSBS is unable to ensure that rates set for each course fee are in accordance with the cost recovery nature of incidental fees required by Texas Education Code Section 54.504.</td>
<td>High</td>
<td>Recommendation for the Vice President of Finance &amp; Planning: 3.2.a. Establish an annual requirement for account holders to provide a formal justification or action plan for accumulated unexpended course fee balances over an established threshold amount. 2a. During the annual budget process, the Budget Office of the Health Science Center will provide to each School or College that charges course fees a Course Fee Packet, containing the current available balance for each fee, the fee’s estimated threshold amount, and a template for the account holder. The template, which will detail the justification or action plan to be submitted to the Budget Office as part of the Budget Review process.</td>
<td>Jeff Scarpelli, Vice President of Finance and Planning</td>
<td>6/1/2018</td>
<td>Closed</td>
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<td>Internal</td>
<td>17-413 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Community Counseling Clinic Audit</td>
<td>UNT Dallas</td>
<td>3. Family Educational Rights and Privacy Act</td>
<td>During our walk through of the Clinic site, we noted that student education records related to the graduate Counseling Program offered by the Department of Counseling (e.g., graduate applications with social security numbers, transcripts, recommendation letters) were stored in a filing cabinet in the Clinic Director’s office, located in the unlocked server room, which was accessible to students, faculty, staff and patients. Additionally, we were informed by the Interim Director, due to the location of the student education records in the Clinic, other Counseling faculty not working in the Clinic have access to the Clinic. Student education records should be safeguarded and protected against inappropriate access and use in compliance with applicable law and regulations.</td>
<td>High</td>
<td>Recommendation for the Provost: 3.1.a. Relocate the student education records out of the Clinic and ensure they are adequately protected against inappropriate access and use in compliance with applicable law and regulations. 1a. To ensure security of students’ records, files are relocated to a locked file cabinet in the Clinic Director’s office. The locks on the Clinic Director’s office are changed. Only the Clinic Director and Administrative Specialist have access to student files.</td>
<td>Betty Stewart, Provost/Executive Vice President of Academic Affairs</td>
<td>8/31/2019</td>
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<td>17-403 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Texas College of Osteopathic Medicine Financial Review</td>
<td>UNTHSC</td>
<td>Inaccurate recording of leave of absences in EIS: Accurate recording of leave of absences from the HRM-64 Leave Request form to Enterprise Information System (EIS) PeopleSoft were identified in 7 out of 13 departments within TCOM resulting in overpayments of terminated employees and incorrect leave balances for active employees. Internal audit tested a sample of 60 out of 307 (20%) benefits eligible employees from September 1, 2015 through August 31, 2016. TCOM utilizes departmental timekeepers to enter employees' leave from HRM-64 Leave Request form to EIS. During our review, we noted that 10 employees' leave was either entered incorrectly or not entered at all. Specifically, • For 6 terminated employees with approved leave request forms indicating that vacation time had been taken, vacation time was not recorded in EIS. As a result, the final vacation lump sum payout was not accurate due to overstatement of vacation leave balances totaling $8,918 in overpayment. • For 3 active employees, vacation leave and compensation time taken on HRM-64 forms were not recorded in EIS. Furthermore, for one of the three employees, 16 hours of 'floating holiday' was requested; however, it was recorded as 'vacation taken' in EIS. • For 1 active employee, 8 hours of compensation time earned reported on the HRM-64 form was recorded as 5 hours in EIS. High</td>
<td>Recommendations for the Dean of TCOM and Senior Director of Controller Operations: 3.1.a. Review all current and terminated employees within TCOM from September 2015 - August 2016 to ensure the HRM-64 Leave forms are accurately reviewed. 3.1.b. Collaborate with UNT System Controller Operations to update employee's leave of absences in EIS to reflect the correct leave balances.</td>
<td>Recommended for implementation: Exp: 3/1/2018 Rev: 6/01/2018</td>
<td>Closed</td>
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Inaccurate Recording of Leave of Absences in EIS
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Specifically,
• For 6 terminated employees with approved leave request forms indicating that vacation time had been taken, vacation time was not recorded in EIS. As a result, the final vacation lump sum payout was not accurate due to overstatement of vacation leave balances totaling $8,918 in overpayment.
• For 3 active employees, vacation leave and compensation time taken on HRM-64 forms were not recorded in EIS. Furthermore, for one of the three employees 8 hours of ‘floating holiday’ was requested; however it was recorded as ‘vacation taken’ in EIS.
• For 1 active employee, 8 hours of compensation time earned reported on the HRM-64 form was recorded as 5 hours in EIS.

Recommendations for the Dean of TCOM and Senior Director of Controller Operations:
3.1.c. For those employees identified with overpayments, collaborate with UNT System Controller Operations department to recover funds.
1c. Corrected entries for individuals no longer employed by the health science center will be reviewed by the Controller in cooperation with the Office of General Counsel to determine if recoupment of funds is feasible and determine strategy for such recovery.

Payroll General Accounting, UNT System Controller Operations will follow a standardized procedure in recovering overpayments from employees resulted due to the correcting actions taken in EIS.

Frank Filipetto, Interim Dean of TCOM and Abdul Mohammad, Senior Director of Controller Operations
Exp: 3/1/2018
Rev: 6/01/2018
Closed
### 3. Project Documentation

<table>
<thead>
<tr>
<th><strong>Component</strong></th>
<th><strong>Observations</strong></th>
<th><strong>Risk Level</strong></th>
<th><strong>Recommendation Details</strong></th>
<th><strong>Management Response</strong></th>
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<tbody>
<tr>
<td>Project File Management</td>
<td>Documentation for projects is either missing or incomplete. Project documentation for minor capital projects is currently maintained by Project Managers in the UNT Facilities network drive. There is a filing system in place for organizing and maintaining project documentation. However, the filing system is not consistently followed by the Planning, Design &amp; Construction group and not followed by the Maintenance group. Internal audit performed walkthroughs of five projects and noted that documents were missing from several projects. For one project, internal audit noted that numerous documents were missing which included: Project Budget Forms, Certification for project delivery methods, Expense Tracking Spreadsheet, and Piping and Piping Details. Additionally, Project Managers maintained in their completed project files copies of Project Initiation Worksheet (PIW) Forms. However, the forms did not contain the required signatures approved from the Office of Space Management &amp; Planning (OSMP). UNT Facilities was able to later provide copies of the PIW forms with the required OSMP approved signatures. Project Managers were not maintaining the final approval signatures. Project Managers were not maintaining the final version of the PIW forms in their completed project files. During the course of this audit, we noted that documentation was not maintained in one central location. During a project walkthrough,</td>
<td>High</td>
<td>Recommendations for David Reynolds, Associate Vice President of Facilities: U.S. &amp; Internally consistent procedures that comply with the Texas State Records Retention Schedule and UNT Records Retention Schedule.</td>
<td>UNT Facilities will ensure comprehensive record retention per stated record retention regulations. Current procedures require complete construction project record files to be digitally archived and retained for the life of the building in a central Facilities database. Helen Bailey, Director, Facilities Planning, Design and Construction 6/15/2018 Not feasible</td>
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3.1. Develop a process to ensure that Project Managers utilize the centralized UNT Facilities project filing system.

3.1.c. Develop a process to ensure that all Project Managers of Facilities:

- Maintain the final version of project documentation in their completed project files.
- Maintain documentation completeness.
- Interpret and utilize the centralized UNT Facilities project filing system.
- Maintain documentation in accordance with regulations, filing system procedures and project documentation.

Facilities will conduct random self-audits annually to measure compliance with facilities construction project records retention regulations, filing system procedures and project documentation. Facilities will annually conduct self-audits to ensure project documentation completeness. Facilities will annually conduct self-audits to ensure project documentation completeness.

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<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
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<td>Helen Bailey, Director, Facilities</td>
<td>6/15/2018</td>
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
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Recommendations for the Vice Chancellor of Finance:

1.1.c. Conduct process re-engineering in the UNT System Business/Quality Initiatives team to help ensure that ORP contributions are performed efficiently and effectively between the Benefits/HRIS and Payroll teams.

1b. Business Process Improvement (BPI) will map the current state of our payroll process and perform feasibility analysis. The BPI will be developed incrementally during the project.

➢ Task force should meet at a minimum, on a quarterly basis, to determine if processes across all Institutions to verify accuracy of employee count and payroll Action Requests (ePar) submitted at the departmental level. ORP contributions are a percentage of the employee’s monthly salary. This cut-off time for when common remittance file and payroll Action Requests (ePar) is submitted at the departmental level.

➢ Develop a task force to remediate findings in this report. The task force model as possible, solutions will continue to be developed and implemented incrementally during the project.

➢ Develop a task force to remediate findings in this report. A 1b. Business Process Improvement (BPI) will map the current state of our payroll process and perform feasibility analysis. The BPI will be developed incrementally during the project.

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<p>| Internal   | UNT System Internal Audit | Fiscal Year 2017 | 17-415 UNT | Governance and Regulatory Compliance | Faculty and IHS International Travel Audit | UNT System | 3. UNT System Travel Training | The Travel Budget Authorization (TBA) form used in the Business Support Services (BSS) online Travel Training presentation is not the most current form. The TBA form used in the training presentation did not have the check box acknowledging international travel or a web link reference. [<a href="https://emergency.unt.edu/international-travel-registration">https://emergency.unt.edu/international-travel-registration</a>]. | Moderate | Recommendation for Abdul Mohammad, Senior Associate Controller for Operations: 3.1.a. Ensure the most current TBA form is included in the online UNT System Travel Training presentation. | 1a. Accounts Payable Travel (AP) team will coordinate and work with BSS Training team to update online UPK (User Productivity Kit) training for Travel. AP will make sure that the most current TBA form is included in the online training. | Abdul Mohammad, Sr. Associate Controller of Operations | 10/30/2017 | Closed |
| Internal   | UNT System Internal Audit | Fiscal Year 2017 | 17-409 UNT | Governance and Regulatory Compliance | International Sponsored Students Process Review | UNT | 3. Checks Not Deposited Timely | UNT International (UNT-I) Main Office that received payments from sponsors had difficulty depositing over 300 checks received from sponsors within the required timeframe. Internal Audit was unable to identify when the checks were issued because a cash receipt log was not maintained. Checks were issued in November 2016 and were not deposited until January and February 2017. As checks were deposited, credit amounts were created due to the athletic fee adjustment. The credit amounts on the sponsored students' accounts were manually applied to past due student balances. Additionally, 28 checks totaling $75,400, and corrected invoices were sent back to the sponsor for new payment due to the checks expiring after a 90-day void date. The sponsor has provided updated payment to the University. | High | Recommendation for Intern Vice Provost for International Affairs and UNT Controller: 3.1.a. Coordinate to correct the refund amounts incorrectly applied to sponsored student's past due amounts. | 1a. Management agrees to take the following action: UNT-I will work with the UNT Controller's Office to develop a process for determining how to correct the refund amounts applied to sponsored students' past due amounts. | Pia Wood, Vice Provost for International Affairs and Jennifer Stevenson, UNT Controller | 6/30/2018 | Closed |</p>
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<th>Reporting Agency</th>
<th>Fiscal Year Report Issued</th>
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<th>Management Response</th>
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<td>Audit 17-015 UNT</td>
<td>UNT</td>
<td>A. Construction Projects Policies</td>
<td>UNT System Administration Policy 06.200 is contradictory, outdated, and potentially confusing; and B. UNT Policy 11.009 is outdated and contains an inaccurate reference.</td>
<td>Medium</td>
<td>Recommendation for Brandi Renton, UNT Assistant Vice President for Organizational Behavior: 4.2.a. Coordinate with the Office of Facilities Planning and Construction and UNT Facilities to revise UNT Policy 11.009. Revision of UNT System Administration Policy 06.200 is underway to clarify responsibility and clarify potential confusion.</td>
<td>Stephanie McDonald, UNT Policy Manager</td>
<td>8/1/2018</td>
<td>Closed</td>
</tr>
<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>Governance and Regulatory Compliance</td>
<td>Registrar’s Office Business Process Review</td>
<td>Audit 17-019 DAL</td>
<td>UNT Dallas</td>
<td>None</td>
<td>None</td>
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<td>None</td>
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<td>None</td>
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</tr>
</tbody>
</table>
4. Course Fees

The current course fee structure and account set-up promotes cross-subsidization of course fee revenues and expenditures. Furthermore, there is no reconciliation process to ensure course fees collected are spent for the intended purposes. Additionally, there is no course fee assessment process to ensure that fees are set in accordance with the cost-recovery nature of the fee.

In detail, TCOM has the following four course fee group accounts:

- **General Course Fee** - this includes an annual fee for all four academic years that ranges from $100 to $650 depending on the academic year. The purpose of these fees is to cover simulation lab and technology materials, supplies, and services (e.g., simulation patient program).

- **Course Fee - TCOM** - this group encompasses fees associated with four specific course fee names (e.g., MEDE 7510, MEDE 7615, MEDE 7620, MEDE 8400) where the rate ranges from $50 to $250 depending on the course. The purpose of these fees is to cover materials, supplies, and services associated with these courses.

- **Course Fee -** this group includes fees associated with eleven specific course fee names (e.g., MEDE 7650, MEDE 7660, MEDE 7670, MEDE 8400) where the rate ranges from $10 to $250 depending on the course. The purpose of these fees is to cover materials, supplies, and services associated with those courses.

Recommendations for the Dean of TCOM:

4.1.a. Develop procedures to periodically conduct fee cost assessments to ensure that fees are set in accordance with the cost-recovery nature of the fee.

4.1.b. Work with the UNTHSC Enrollment Services and Provost to simplify the current course fee structure of TCOM. Consult with the Office of General Counsel whether creating fees under TEC Section 55.16 will provide more flexibility and help eliminate the large number of course-specific fees.

Frank Filipetto, Interim Dean of TCOM
7/1/2018
Closed
The current course fee structure and account set-up promotes comingling of course fee revenues and expenditures. Furthermore, there is no reconciliation process to ensure course fees collected are used only for course specific related cost. In addition, there is no course fee cost assessment process in place to review whether existing course fee rates clearly reflect the actual cost to the University. Moreover, course fee rates for four primary care partnership courses were never submitted for approval and students were charged for the primary care partnership fee after the courses discontinued.

In detail, TCOM has the following four course fee group accounts:

- General Course Fee - this includes an annual fee for all four academic years that ranges from $100 to $650 depending on the academic year. The purpose of these fees are to cover simulation lab and technology materials, supplies and services related to TCOM's simulation patient program.

- Course Fee-TCOM – this group encompasses fees associated with four specific course fee names (i.e. MEDE 7510, MEDE 7615, MEDE 7620, MEDE 8400) where the rate ranges from $50 to $250 depending on the course. The purpose of these fees are to cover materials, supplies and services associated with these courses.

- Course Fee - this group includes fees associated with eleven specific course fee names (i.e. MEDE 7510, MEDE 7615, MEDE 7620, MEDE 8400) where the rate ranges from $50 to $250 depending on the course. The purpose of these fees are to cover materials, supplies and services associated with these courses.

Recommendations for the Dean of TCOM:

4.1.c. Develop reconciliation procedures for fees bundled in groups to help ensure that documentation is available to demonstrate the cost recovery nature of each fee collected.

Frank Filipetto, Interim Dean of TCOM
7/1/2018
Closed
<table>
<thead>
<tr>
<th>Audit Number</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>17-015</td>
<td>Governance and Regulatory Compliance</td>
<td>Capital Projects</td>
<td>Only minor capital projects with an initial cost of $100,000 or greater are assigned project ID numbers. Currently, projects of $100,000 or greater are assigned a project ID number, but not all capital projects are captured. PeopleSoft is used for tracking building improvements. Chapter 1 of the State Comptroller of Public Accounts State Property Accounting Process Chart notes the threshold at $100,000. The project ID allows for separate tracking of the project by assigning unique budget lines. Costs for projects less than $100,000 are recorded under generic accounts and cannot be easily tracked.</td>
<td>High</td>
<td>Recommendation for David Reynolds, Associate Vice President of Facilities: 1.1.a. Establish an appropriate lower threshold under $100,000 for requesting a project ID number.</td>
<td>After consulting with UNT System Capital Asset Reporting Analyst and determining that our threshold for requesting a project ID number will be set at $85,000. This new threshold will ensure that all project expenses that reach the capital asset level will be accurately captured and reported.</td>
</tr>
<tr>
<td>17-403</td>
<td>Governance and Regulatory Compliance</td>
<td>Texas College of Osteopathic Medicine</td>
<td>The current course fee structure and account set-up promote commingling of course fee revenues and expenditures. Furthermore, there is no reconciliation process to ensure course fees charged to students reasonably reflect the actual cost to the University. Course fee rates for four primary care partnership courses were never submitted for approval and students were charged for the primary care partnership fee after the courses were discontinued.</td>
<td>High</td>
<td>Recommendations for the Dean of TCOM: 4.1.e. Review course fee accumulated unexpended balances at least annually to ensure course fees are set in accordance with applicable laws and policies.</td>
<td>Course fee balances are reviewed monthly by the TCOM Dean as part of budget reconciliation. Balances are occasionally allowed to accumulate in order to meet anticipated extraordinary expenditures that may occur less frequently than annually but are properly charged to these fees. This practice is in compliance with health science center policies and applicable statutes.</td>
</tr>
</tbody>
</table>
**Course Fees**

The current course fee structure and account set-up prioritizes handling of course fees for the benefit of students and institutions. Fundamentally, there is no reconciliation process to ensure course fees collected are accurately matched to the corresponding academic year. This can result in student accounts being overcharged or undercharged, which is a significant risk to the University. Moreover, course fee rates for any primary care partnership courses were never validated for approval and students were charged regardless of the primary care partnership fee after the courses were approved.

To mitigate the risks associated with course fees, the University will develop and implement a process to ensure course fees are accurately matched to the corresponding academic year and approved fees are validated for accuracy. Additionally, a reconciliation process will be established to ensure course fees collected are accurately matched to the corresponding academic year and course fees charged to students reasonably reflect the actual cost to the University.

**Faculty and Staff Restricted Travel**

There is no process or procedure restricting faculty and staff from traveling internationally to countries or areas deemed unsafe. UNT Risk Management monitors world events and traveling conditions, current travel risks, and promotes safe travel. However, there is no process or procedure to raise the risk to a UNT System or UNT level, or to disapprove travel to countries that are deemed unsafe based on the University’s insurance.

It is UNT Risk Management’s recommendation that UNT System, UNTHSC and UNT Dallas develop similar committees/methods with the assistance of UNT Risk Management to regulate and/or prohibit university-related travel to various foreign countries that pose a safety and/or health concern to travelers. In addition to developing IROC, the department will also develop and establish an International Crises Advisory Team (ICAT), which will be responsible for regulating and/or prohibiting university-related travel to various foreign countries that pose a safety and/or health concern to travelers. The committees will be empowered to make decisions or recommend decisions to senior officials at each institution/system.

<table>
<thead>
<tr>
<th>Audit Category</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Institution Key Observations</th>
<th>Risk Level</th>
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<th>Management Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty and High International Travel Audit</td>
<td>UNTHSC</td>
<td>UNTHSC Risk Management Services</td>
<td>Inadequate risk management policies and procedures. The University is not adequately aware of the potential risks associated with international travel.</td>
<td>High</td>
<td>Recommendation for the Executive Director of Enrollment Services &amp; Registrar, Student Affairs.</td>
<td>Services &amp; Registrar, Student Affairs: A.J. Randolph, Executive Director.</td>
</tr>
</tbody>
</table>

**Simulation Patient Program**

The purpose of these fees are to cover simulation lab academic years that ranges from $100 to $650 depending on the course. The purpose of these fees is to cover materials, supplies and technology materials, supplies and services associated with these courses.

While UNT Risk Management monitors world events and traveling conditions, faculty or staff may still travel to unsafe countries or areas, on a case-by-case basis, providing they are traveling on their own accord to areas acknowledged that they are traveling on their own accord to areas deemed unsafe and not on behalf of the University.

### Course Fee Changes

<table>
<thead>
<tr>
<th>Audit Number</th>
<th>Compliant/Late</th>
<th>Implementation Date</th>
<th>Recommendation Status</th>
<th>Expected Implementation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>17-403 HSC</td>
<td>Compliant</td>
<td>4/20/2018</td>
<td>Closed</td>
<td>5/1/2018</td>
</tr>
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It is UNT Risk Management’s recommendation that UNT System, UNTHSC and UNT Dallas develop similar committees/methods with the assistance of UNT Risk Management to regulate and/or prohibit university-related travel to various foreign countries that pose a safety and/or health concern to travelers. In addition to developing IROC, the department will also develop and establish an International Crises Advisory Team (ICAT), which will be responsible for responding to crises that affect university travelers.

The committees will be empowered to make decisions or recommend decisions to senior officials at each institution/system.

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<tr>
<td>Internal/ External</td>
<td>Reporting Agency</td>
<td>Fiscal Year</td>
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<td>Audit Category</td>
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>2017-021</td>
<td>17-415 UNT</td>
<td>Governance and Regulatory Compliance</td>
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<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>2017-021</td>
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</tr>
<tr>
<td>1</td>
<td>Lack of Construction Project Policies for Larger Construction Projects</td>
<td>University Counseling, Clinic Audit</td>
<td>UNT Dallas</td>
<td></td>
</tr>
<tr>
<td>2</td>
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<td>UNT Dallas</td>
<td></td>
</tr>
</tbody>
</table>


A. The UNT System, Office of Facilities Planning and Construction (OFPC), shall direct the preparation of plans, specifications, and contract documents, as well as manage the construction administration for all larger construction projects at each institution. Larger construction projects are defined as any which exceed $1,000,000 in overall budget or $2,000,000 for renovations.

B. The UNT System, Office of Facilities Planning and Construction, shall direct the preparation of plans, specifications, and contract documents, as well as manage the construction administration for all larger projects at each institution. Large construction projects are defined as any which exceed $2,000,000 in overall budget for new construction, or $1,000,000 for renovations.

C. The UNT System, Office of Facilities Planning and Construction and the Program Coordinator (when the clinic director is not available) will verify amounts received and make the deposit.

D. Ensuring internal controls are in place.

E. The clinic director or the Program Coordinator (when the clinic director is not available) will verify amounts received and make the deposit.

F. The Program Coordinator will participate in training regarding the appropriate segregation of duties, internal controls and cash handling. The training will be provided to ensure that adequate segregation of duties is in place.

G. Ensuring proper segregation of duties are in place.

H. Ensuring that the clinic director or the Program Coordinator (when the clinic director is not available) will verify amounts received and make the deposit.

I. The clinic director or the Program Coordinator (when the clinic director is not available) will verify amounts received and make the deposit.

J. The clinic director or the Program Coordinator (when the clinic director is not available) will verify amounts received and make the deposit.

K. The clinic director or the Program Coordinator (when the clinic director is not available) will verify amounts received and make the deposit.

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<tr>
<th>Audit Number</th>
<th>Component</th>
<th>Institution</th>
<th>Risk</th>
<th>Key Observations</th>
<th>Recommendation Details</th>
<th>Management Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>17-413 DAL</td>
<td>Governance and Internal Compliance</td>
<td>UNT Dallas</td>
<td>High</td>
<td>4. Lack of Cash Controls</td>
<td>Safeguarding measures of payments received are not adequate during the collection, remitting, depositing, and reconciliation processes. The Clinic changes a fee of US$ to the community for providing services and counseling. The Clinic accepts cash, check, or money order.</td>
<td>Ongoing research to determine the viability of using a Patient Management System in the Clinic will take place with the support of OIT personnel. The UNT System is not needed, enhance the Excel spreadsheet to include the required fields indicated in the recommendation.</td>
</tr>
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</tr>
</tbody>
</table>
Although an Excel spreadsheet is currently used to track collections, the clinic does not have a system to database identifying services rendered and amount collected. Specifically, the following were noted:

a. There is no segregation of duties, one person is responsible for scheduling patient appointments, collecting money, updating the client's financial record. The clinic accepts cash, check or money order.

b. Prior to January 2017, there was no patient and/or collection amount collected, as well as preparing deposits.

c. Information recorded on the Excel spreadsheet is not independently reconciled between the appointment schedule and the funds collected. This can easily be altered by the Administrative Specialist.

d. Prior to January 2017, there was no reconciliation to ensure that the delivery of the purchase order is equal to the NTPs, including that the contractor to initiate work before the purchase order has been completed and received by the contractor's office.

Additionally, based on conversation with the UNT System Senior Director of Procurement Services, the current position is that the purchase order serves as sufficient documentation when UNT Facilities sends a contractor as an approved cooperation. This is because the contractor's agreement is primarily between the contractor and the Facilities. However, if work started before the purchase order has been completed and received by the contractor's office, the contractor's agreement is primarily between the Facilities and the contractor when Facilities sends a contractor as an approved cooperation. Internal Audit has not yet been a decision regarding a specific dollar threshold for this requirement.

Our review of one of the project files found the NTP was dated within 30 days of the purchase order. Therefore, the purchase order is to be initiated as soon as the NTP is submitted after the contractor has received the completed PO.

It is required to verify that the Notice to Proceed is satisfied after the contractor has received the completed PO.

6.1.a. Establish a process to ensure that the Notice to Proceed is completed and received before the contractor starts the work.

6.1.b. Ensure that the Notice to Proceed is always submitted after the contractor has received the purchase order, executed by UNT System and the contractor when Facilities uses a contractor on an approved cooperative. Additionally, based on conversation with the UNT System Senior Director of Procurement Services, the current practice is that the contractor to initiate work before the purchase order is complete and received by the contractor's office.

According to the UNT System Senior Director of Procurement Services, Facilities personnel will request a separate contract to the contractor, as an approved cooperative contract, if the contractor is not the contracted by UNT System and the contractor when Facilities uses a contractor on an approved cooperative. Therefore, there has not yet been a decision regarding a specific dollar threshold for this requirement.

Additionally, based on conversation with the UNT System Senior Director of Procurement Services, the current practice is that the contractor to initiate work before the purchase order is complete and received by the contractor's office.

According to the UNT System Senior Director of Procurement Services, the current practice is that the contractor to initiate work before the purchase order is complete and received by the contractor's office.

According to the UNT System Senior Director of Procurement Services, facilities personnel will request a separate contract to the contractor, as an approved cooperative contract, if the contractor is not the contractor of Facilities to develop reconciliation procedures for fee collection in the clinic. The Clinic Director or the Program Coordinator will work with the Administrative Specialist and the Controller's office to develop reconciliation procedures for fee collection in the clinic. This also includes the Office of Facilities to initiate work before the purchase order is complete and received by the contractor's office.
### UNT System Enterprise Audit Report Inventory

<table>
<thead>
<tr>
<th>Audit Number</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Actual Implementation Date</th>
<th>Recommendation Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>17-413 DAL</td>
<td>4. Lack of Cash Controls</td>
<td>Internal / External Reporting Agency</td>
<td>Safeguarding measures of payments received are not adequate during the collection, remitting, and reconciliation process. Prior to January 2017, the Clinic charged a fee of $10 to the community for providing services. Additionally, the Clinic's University account is where any funds collected for services rendered were entered into the spreadsheet, and all funds collected were deposited.</td>
<td>High</td>
<td>Recommendations for the Chief Financial Officer and Provost in collaboration with the UNT System Associate Vice Chancellor &amp; Controller:</td>
<td>8/31/2019</td>
<td>Closed</td>
<td></td>
</tr>
</tbody>
</table>

#### Additional Notes
- **d.i.** Provide a University issued receipt to all patients.
- **4.1.e.** Develop reconciling procedures to help ensure that all funds collected for services rendered were entered into the spreadsheet, and all funds collected were deposited.
- **4.1.f.** The Administrative Specialist will conduct research to identify a viable fireproof safe to present to the administrative leadership for future consideration.
<table>
<thead>
<tr>
<th>Internal/External</th>
<th>Reporting Agency</th>
<th>Fiscal Year Covered</th>
<th>Audit Number</th>
<th>Audit Category</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Key Observations</th>
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<th>Implementation Status</th>
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<tbody>
<tr>
<td>Internal</td>
<td>UNT System Human Audit</td>
<td>Fiscal Year 2017</td>
<td>17-413 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT Dallas</td>
<td>Community Counseling Clinic Audit</td>
<td><strong>4. Lack of Cash Controls</strong></td>
<td>High</td>
<td>Recommendations for the Chief Financial Officer and Provost in UNT System Internal Governance and Administration Services to develop reconciling procedures related to ensuring that deposits are turned in to the Cashiering office and posted to the Clinic’s University Account.</td>
<td>On Ben, UNT Finance Office and Betty Stewart, UNT System Associate Vice President of Academic Affairs in collaboration with Accounts Payable, UNT System Accounts Payable and Controller</td>
<td>8/31/2019</td>
<td>Dallas</td>
</tr>
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Although an Excel spreadsheet is currently used to track collections, the spreadsheet does not have a database identifying services rendered and amount collected. 

b. Prior to January 2017, there was no patient and/or collection reconciliation to ensure that all funds collected for services rendered were entered into the spreadsheet, and all funds collected were deposited. 

Prior to January 2017, there was no reconciliation to ensure that deposits from the appointment schedule and the prepared deposits to help ensure that all funds collected for services rendered were entered into the spreadsheet, and all funds collected were deposited.

Prior to January 2017, there was no reconciliation to ensure that deposits were turned in to the Cashiering office and posted to the Clinic’s University Account.

c. Information recorded on the spreadsheet is not independent and can be manipulated by the Administrative Specialist. Additionally, the spreadsheet only includes the patient’s first name and no medical record is cross-referenced to help ensure information collected is accurate and complete.

Additionally, the spreadsheet only includes the patient’s first name and no medical record is cross-referenced to help ensure information collected is accurate and complete.

Safeguarding measures of payments received are not adequate during the collection, reimbursing, depositing and reconciliation processes. The Clinic charges a fee of $10 to the community for providing counseling and mental health services. Additionally, the Clinic offers a discounted fee and/or pro bono services to limited clients based on the client’s financial need. The Clinic accepts cash, check, or money order.

Specifically, the following were noted:

a. There is no segregation of duties, one person is responsible for scheduling patient appointments, collecting money, updating the patients’ spreadsheet which details services rendered and amount collected, as well as preparing deposits. 

b. Prior to January 2017, there was no patient and/or collection reconciliation to ensure that all funds collected for services rendered were entered into the spreadsheet, and all funds collected were deposited.

Prior to January 2017, there was no reconciliation to ensure that deposits from the appointment schedule and the prepared deposits to help ensure that all funds collected for services rendered were entered into the spreadsheet, and all funds collected were deposited.

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Specifically, the following were noted:

a. There is no segregation of duties, one person is responsible for scheduling patient appointments, collecting money, updating the patients’ spreadsheet which details services rendered and amount collected, as well as preparing deposits. 

b. Prior to January 2017, there was no patient and/or collection reconciliation to ensure that all funds collected for services rendered were entered into the spreadsheet, and all funds collected were deposited.

Prior to January 2017, there was no reconciliation to ensure that deposits from the appointment schedule and the prepared deposits to help ensure that all funds collected for services rendered were entered into the spreadsheet, and all funds collected were deposited.

Prior to January 2017, there was no reconciliation to ensure that deposits were turned in to the Cashiering office and posted to the Clinic’s University Account.

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<tr>
<th>Fiscal Year Closed</th>
<th>Governance and Audit Category</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>4. Lack of Cash Controls</td>
<td>Community Counseling Clinic Audit</td>
<td>a. There is no segregation of duties, one person is responsible for scheduling patient appointments, collecting money, updating the patients' treatment spreadsheet which details services rendered and amounts collected, as well as preparing deposits. b. Prior to January 2017, there was no patient and/or collection database identifying services rendered and amounts collected. Although an Excel spreadsheet is currently used to track collections, the spreadsheet can only be verified by the administrative assistant, the Administrative Specialist will create and maintain an appointment schedule log in a binder for reconciliation purposes. This process will be implemented until a systematic solution is developed. c. Information recorded on the Excel spreadsheet is not accurate and complete.</td>
<td>High</td>
<td>Recommendations for the Chief Financial Officer and Provost in collaboration with the UNT System Associate Vice Chancellor &amp; Controller: 1. i. Retain appointment schedules for reconciliation purposes 2. ii. Seek guidance from the UNT System University Cashiering Deposit Handbook.</td>
<td>The Clinic Director, Program Coordinator and Administrative Specialist will work with UNT System Controller's office to develop procedures managing cash control for the counseling clinic.</td>
<td>8/31/2019</td>
<td>Done</td>
</tr>
<tr>
<td>2017</td>
<td>4. Lack of Cash Controls</td>
<td>Community Counseling Clinic Audit</td>
<td>a. There is no segregation of duties, one person is responsible for scheduling patient appointments, collecting money, updating the patients' treatment spreadsheet which details services rendered and amounts collected, as well as preparing deposits. b. Prior to January 2017, there was no patient and/or collection database identifying services rendered and amounts collected. Although an Excel spreadsheet is currently used to track collections, the spreadsheet can only be verified by the administrative assistant, the Administrative Specialist will create and maintain an appointment schedule log in a binder for reconciliation purposes. This process will be implemented until a systematic solution is developed. c. Information recorded on the Excel spreadsheet is not accurate and complete.</td>
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<td>The Clinic Director, Program Coordinator and Administrative Specialist will work with UNT System Controller's office to develop procedures managing cash control for the counseling clinic.</td>
<td>8/31/2019</td>
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<td>Reporting Agency</td>
<td>Fiscal Year</td>
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>17-414</td>
<td>Governance and Regulatory Compliance</td>
<td>Classroom Support Services</td>
<td>UNT</td>
<td>4. Lack of training documentation for RM system. There is no training documentation for the Room Monitor system used by CSS. The Room Monitor (RM) system was written in-house and no physical documentation exists to train its users. Developers include comments in their code and maintain a change log, both of which serve as system documentation. CSS is in the process of developing Blackboard video courses to train their employees in using the RM system.</td>
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<tr>
<td>Moderate</td>
<td>Recommendations for Classroom Support Services Director: 4.1.a. Complete development of Blackboard courses and implement their use in training CSS personnel.</td>
<td>We agree and will continue to develop and conduct training in the use of the RM system. Since the review of the Classroom Support training documentation, Classroom Support incorporated the use of Lynda.com (a web-based training service) which allows for an index of training options and retains documentation of each employee's training progression.</td>
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<tr>
<td>Ashley Olsberg, Director Classroom Support Services</td>
<td>11/30/2018</td>
<td>Closed</td>
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<tr>
<td>Moderate</td>
<td>Recommendations for Classroom Support Services Director: 4.1.b. Create a punch list, outline, or talking points to cover during training to ensure consistency.</td>
<td>We agree. Given that each employee has different responsibilities and training requirements, training models for Lynda.com will be indexed for each employee.</td>
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<td>Report Number</td>
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<td>Risk Level</td>
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<td>17-401 HSC</td>
<td>05/25/2018</td>
<td>2017</td>
<td>17-401 HSC</td>
<td>Failed to follow financial policies and procedures.</td>
<td>High</td>
<td>Recommendations for the UNTHSC Executive Vice President for Finance &amp; Chief Financial Officer and Interim Provost:</td>
<td>9/30/2018</td>
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<tr>
<td>17-412 UNT</td>
<td>05/1/2018</td>
<td>2017</td>
<td>17-412 UNT</td>
<td>Copies of checks containing Personally Identifiable Information (PII), including names, addresses, and bank account information, are not properly secured.</td>
<td>High</td>
<td>Recommendations for the UNTHSC Executive Vice President for Finance &amp; Chief Financial Officer and Interim Provost:</td>
<td>9/30/2018</td>
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<tr>
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<td>Audit Number</td>
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<td>Internal</td>
<td>Internal</td>
<td>2017</td>
<td>17-401 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>UNTHSC Graduate School of Biomedical Sciences Review</td>
<td>STA was neither an agreement nor documentation in place that provided a basis for the rate used for Service Teaching Assessment (STA). This issue was reported in the Texas College of Osteopathic Medicine Financial Review, Audit No. 17-403 HSC report as issue #5. STA is the redistribution of General Appropriation Act (GAA) funds to support collaborative teaching initiatives of instructional services between Texas College of Osteopathic Medicine (TCOM), Graduate School of Biomedical Sciences (GSBS) and School of Health Professions (SHP). The GSBS has its roots in TCOM where basic science courses were taught by TCOM faculty. The STA began in 2000 when the past President, and Deans of TCOM and GSBS agreed to move the faculty, who taught basic science courses, out of TCOM into the GSBS. This collaborative initiative was intended to provide a better professional/research environment to basic science faculty by GSBS. The faculty in the basic science departments continued to contribute to the teaching of the pre-clinical part of TCOM's medical curricula, oversee prospective medical students, provide research opportunities for TCOM students and serve on TCOM's Committees. Similarly, another collaboration began where TCOM and GSBS faculty teach courses to School of Health Professions (SHP) students. The purpose of this collaboration initiative was to promote economies of scale and an efficient use of faculty resources by eliminating duplication of teaching efforts/courses among schools. The financial</td>
<td>High</td>
<td>Recommendations for the UNTHSC Executive Vice President for Finance &amp; Chief Financial Officer and Interim Provost: 4.1.b. Develop policies and procedures to guide the administration of fund redistribution for Service Teaching Assessments within the institution.</td>
</tr>
<tr>
<td>Internal</td>
<td>Internal</td>
<td>2017</td>
<td>17-401 HSC</td>
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<td>High</td>
<td>Recommendations for the UNTHSC Executive Vice President for Finance &amp; Chief Financial Officer and Interim Provost: 4.1.c. Communicate newly developed policies and procedures to the relevant parties.</td>
</tr>
</tbody>
</table>
The String Project was in noncompliance with UNT Policy 15.003. Criminal background checks were not performed on 2 String Project student employees. Additionally, String Project student employees did not complete the required sexual abuse and child molestation awareness training. The String Project is a teacher training program for UNT undergraduate string education majors. The program offers lessons in violin, viola, cello, and double bass to approximately 150 public school age students each year. These students range in age from 8 to 17. The String Project was concurrent with the UNT academic calendar.

The following issues were noted regarding the String Project for the 2016-17 academic year:

- The required background checks were not performed for 2 of the 16 (12.5%) String Project student employees.
- No String Project student employees completed sexual abuse awareness and child molestation awareness training.
- It appears that Risk Management Services (RMS) was generally unaware of the String Project.
- The medical insurance requirements for the String Project were unclear. Internal Audit spoke with RMS regarding medical insurance requirements for String Project participants. RMS indicated that it would need more information about the String Project to determine medical insurance requirements for the program.

String Project student employees are hired through the UNT Career Center, but background checks are administered through RMS.

<table>
<thead>
<tr>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>High</td>
<td>Recommendations for John Richmond, Dean of the College of Music:</td>
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<tr>
<td></td>
<td>4.1.a.</td>
<td>Establish processes and procedures to ensure that Risk Management Services receives the necessary information to ensure that criminal background checks are administered for String Project workers.</td>
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<td>1a.</td>
<td>String Project workers will be identified 1 (one) month prior to the start of the program. As of 9/1/17, student workers will submit their criminal background checks through RMS management services online. Within 3 business days, Risk Management will send the reports to the Music Education administration assistant, who will circulate the String Project.</td>
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<td></td>
<td>Recommendations for John Richmond, Dean of the College of Music:</td>
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<td>4.1.b.</td>
<td>Indicate in the ePAR that the String Project worker to be hired will be working with minors and that a criminal background check should be administered through Risk Management services.</td>
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<td>1b.</td>
<td>The Music Education administrative assistant will indicate in the ePAR that a criminal background check is required.</td>
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</tbody>
</table>

Internal

Internal UNT System Internal Audit

Fiscal Year 2017

17-412 UNT Governance and Regulatory Compliance Transition Audit

UNT College of Music

4. String Project

Student Employee

Elizabeth Chappell, Lecturer, Music Education 9/1/2017 Closed
<table>
<thead>
<tr>
<th>Internal/External</th>
<th>Reporting Agency</th>
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<td>17-412 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>College of Music Transition Audit</td>
<td>UNT</td>
<td><strong>String Project</strong>&lt;br&gt;The String Project was in noncompliance with UNT Policy 15.003. Criminal background checks were not performed on 2 String Project student employees. Additionally, String Project student employees did not complete the required sexual abuse and child molestation awareness training.</td>
<td>High</td>
<td>Recommendations for John Richmond, Dean of the College of Music:&lt;br&gt;4.1.c. Establish processes and procedures to ensure that documentation of the criminal background check administered through Risk Management Services is always attached to the ePAR when hiring String Project workers.&lt;br&gt;1c. Documentation of the criminal history check will be attached to all ePARs.</td>
<td>Elizabeth Chappell, Lecturer, Music Education</td>
<td>9/1/2017</td>
</tr>
</tbody>
</table>

The String Project was in noncompliance with UNT Policy 15.003. Criminal background checks were not performed on 2 String Project student employees. Additionally, String Project student employees did not complete the required sexual abuse and child molestation awareness training.

The String Project is a teacher training program for UNT undergraduate string education majors. The program offers lessons in violin, viola, cello, and double bass to approximately 150 public school age students each year. These students range in age from 8 to 17. The String Project was noncompliant with the UNT academic calendar. Internal Audit noted the following regarding the String Project for the 2016-17 academic year:

- The required background checks were not performed for 2 of the 16 (12.5%) String Project student employees.
- No String Project student employees completed sexual abuse and child molestation awareness training.
- It appears that Risk Management Services (RMS) was generally unaware of the String Project.
- The medical insurance requirements for the String Project were unclear. Internal Audit spoke with RMS regarding medical insurance requirements for String Project participants. RMS indicated that it would need more information about the String Project to determine medical insurance requirements for the program.

String Project student employees are hired through the UNT Career Center, but background checks are administered through RMS.

### Recommendations for John Richmond, Dean of the College of Music:

4.1.c. Establish processes and procedures to ensure that documentation of the criminal background check administered through Risk Management Services is always attached to the ePAR when hiring String Project workers.

1c. Documentation of the criminal history check will be attached to all ePARs.

**Elizabeth Chappell, Lecturer, Music Education**

9/1/2017

Closed
The String Project was in noncompliance with UNT Policy 15.003. Criminal background checks were not performed on 2 String Project student employees. Additionally, String Project student employees did not complete the required sexual abuse and child molestation awareness training.

The String Project is a teacher training program for UNT undergraduate string education majors. The program offers lessons in violin, viola, cello, and double bass to approximately 300 public school age students each year. These students range in age from 8 to 17. The String Project was reviewed with the UNT academic calendar. Internal Audit noted the following regarding the String Project for the 2016-17 academic year:

- The required background checks were not performed for 2 of the 16 (12.5%) String Project student employees.
- No String Project student employees completed sexual abuse awareness and child molestation awareness training.
- It appears that Risk Management Services (RMS) was generally unaware of the String Project.
- The medical insurance requirements for the String Project were unclear. Internal Audit spoke with RMS regarding medical insurance requirements for String Project participants. RMS indicated that it would need more information about the String Project to determine medical insurance requirements for the program.

String Project student employees are hired through the UNT Career Center, but background checks are administered through RMS.

Recommendations for John Richmond, Dean of the College of Music:

- 4.1.e. Coordinate with Risk Management Services to determine and fulfill the medical insurance requirements for String Project participants.

Revised Implementation Date: 9/1/2017

Elizabeth Shapare, Lecturer, Music Education
9/1/2017
Closed

The validation process to reconcile data and funds received is not consistent between VRSCO (lead record keeper) and the ORP financial service companies. This creates unnecessary delays in the depositing of ORP contributions to the participants' accounts and non-compliance with the 3 business day rule required by the Texas Government Code and Texas Administrative Code as referenced in issue in number 3.

The third party administrator, VRSCO, is the University's intermediary party and in charge of the distribution of funds to the financial service companies. The University is responsible for the timely supply of all required data and funds to VRSCO as stipulated by the contract. VRSCO is responsible for ensuring that ORP contributions are in good order to be forwarded to the financial service companies. VRSCO reconciles the data uploaded to the electronic fund transfer. After VRSCO determines that contributions are in good order, they release the data and funds to the financial service companies.

VRSCO deemed data and funds to be in good order; however, the financial service companies identified errors. Refer to Flowchart 2 for graphic demonstration, this continues from Flowchart 1:

Recommendations for the Vice Chancellor of Finance in consultation with the Office of Financial Services:

- 4.1.a. Work with the third party ORP administrator and the financial service companies to identify all required information and documentation needed by both parties to consider the ORP contributions in good order for depositing.

In partnership with our Retirement Consultant, cross-campus and cross-functional Retirement Committee, and internal departments, we will update contracts, processes, Bio files, and documentation, due to the complexity of testing scenarios, processes, and programming changes, anticipated full implementation is within the coming fiscal year.

Janet Waldron, Vice Chancellor of Finance
8/31/2018
Rev. Imp. Date: 5/1/2019
Closed

Page 166 of 559
Internal
UNT System Internal Audit
Fiscal Year 2017
17-407 SYS
Governance and Regulatory Compliance
Pensioned Contributions
Changing: The validation process to reconcile data and funds received is not consistent between VRSCO (lead record keeper) and the ORP financial service companies. This creates unnecessary delays in the depositing of ORP contributions to the participants' accounts and non-compliance with the 3 business day rule required by the Texas Government Code and Texas Administrative Code as referenced in issue in number 3.

The third party administrator, VRSCO, is the University's intermediary party and in charge of the distribution of all funds to the four financial service companies. The University is responsible for the timely supply of all required data and funds to VRSCO or stipulated by the contract. VRSCO is responsible for ensuring that ORP contributions are in good order to be forwarded to the financial service companies. VRSCO reconciles the data uploaded to the electronic fund transfer. After VRSCO determines that contributions are in good order, they release data and funds to the financial service companies.

VRSCO deemed data and funds to be in good order; however, the financial service companies identified errors. Refer to Flowchart 2 for graphic demonstration, this continues from Flowchart 1:

See final report for Flow chart 2.

High
Recommendations for the Vice Chancellor of Finance in consultation with the Office of General Counsel:
4.1.b. Request the validation processing requirements followed by the third party administrator is consistent with the financial service companies.

1b. Financial service companies' performance will be addressed through the project.

Janet Waldron, Vice Chancellor of Finance
8/31/2018
Rev. Imp. Date: 05/01/2019
Closed

Internal
UNT System Internal Audit
Fiscal Year 2017
17-417 UNT
Governance and Regulatory Compliance
LLPD Business Process Audit
4. Travel Expenses

Internal Audit noted a Lifelong Learning and Professional Development (LLPD) employee attended two international trips during fiscal year 2017 with no lodging or airfare costs reflected on a Travel Budget Authorization (TBA) or travel voucher. Specifically:
• TBA and travel voucher for the trip during January/February 2017 totaled $268.90 only including meals and taxis; and
• TBA and travel voucher for the trip during May/June 2017 totaled $430.97 only including meals and taxis.

Internal Audit was told by the employee that lodging and airfare costs for the international trips were paid out-of-pocket. During the course of the audit, Internal Audit identified unusual transactions within the LLPD chart string and requested support documentation. Travel agency invoices for two separate trips, January/February 2017 totaling $16,118.60 and May/June 2017 totaling $17,414.14, were provided by Business Support Services (BSS). It was determined the invoices were submitted as requisitions, approved by BSS and self-approved by the employee, then paid for using a pcard by BSS.

The requisition for airfare and lodging did not receive supervisorial approval which resulted in the employee approving their own travel and lodging packages also as a result. The following recommendations be made for all future travel for this employee:

High
Recommendations for Michael Abernethy, Senior Director of Procurement Services:
4.2.a. Coordinate with Business Support Services (BSS) to develop and document a procedure to ensure travel processing and support documentation requirements are clearly defined.

2a/2b. The management plan will be to develop clear and comprehensive procedures in this area to ensure that all future travel and support for group travel is in compliance with university policies and procedures. Included in the guidance will include language that enhances understanding of the expense by requiring that a travel Budget Authorization (TBA) be included with any requisitions and/or procurement card exception requests. Furthermore, we will ensure that language exists in our guidance prohibiting employees from seeking reimbursement for any expenses already facilitated through the purchase order or procurement card process.

Michael Abernethy, Senior Director of Procurement Services
1/1/2018
Closed
### 5. Cash Handling

Internal Audit noted three cash handling training issues in the College of Music:

1. Internal Audit identified two additional individuals who handle cash but have not completed cash handling training within the last 12 months.
2. Internal Audit identified two unofficial petty cash funds. The funds had balances of $9,500 and $13,000, respectively. Internal Audit was unable to confirm the existence of these funds.
3. Funds were closed shortly prior to the start of the audit.

The following examples were identified via observation or interviews:

- A face-to-face interview with a seated desk drawer with a hands-on inspection for a visible bank bag.
- A cash register open during off-hours, and a noticeable drawer.
- A cash register observed during instances of deposits not made within three business days of receipt. Additionally, several individuals cash during nights without overnight security.

### Recommendations

- Identify individuals in the College of Music who handle cash and evaluate whether those individuals should perform cash handling duties.
- Ensure that employees are properly trained and retrained as required.

### Management Response

- The Assistant Dean for Business and Finance has been notified of the issues identified during the course of the audit. The Assistant Dean for Business and Finance will also review the College of Music’s cash handling procedures to ensure compliance with all applicable policies and procedures.
- The Assistant Dean for Business and Finance will also review the College of Music’s cash handling procedures to ensure compliance with all applicable policies and procedures.

### Date of Implementation

- 12/31/2018
## 5. Cash Handling

UNT cash handling policies were not consistently followed in the College of Music. There were numerous issues related to cash handling, including the following:

- Internal Audit reviewed cash handling training records in the College of Music's channel information system. Internal Audit identified six individuals who have handled cash without having completed cash handling training.
- Internal Audit identified two additional individuals who handle cash but have not completed cash handling training within the last 12 months. Also, Internal Audit was informed during an interview that individuals delivered deposits to Student Accounting and University Exploring services prior to completing cash handling training. Internal Audit identified two unfilled petty cash funds. The College of Music indicated the UNT and $10, respectively. Internal Audit was informed during interviews of two additional, unfilled petty cash funds that were not properly secured. The following examples were identified via observations or interviews:
  - Funds were not properly secured. The following examples were identified via observations or interviews:
  - Funds were transported in a lockable bank bag.
  - Funds were not transported in a lockable bank bag; a lock left open during office hours, and a missing log during observations.
  - Funds were not properly secured. The following examples were identified via observations or interviews:
  - Funds were not properly secured. The following examples were identified via observations or interviews:
  - Funds were not properly secured. The following examples were identified via observations or interviews:
  - Funds were not properly secured. The following examples were identified via observations or interviews:

Internal Audit observed instances of deposits not made within three business days of receipt. Additionally, several individual cash handling issues were identified:

- Funds not transported in a lockable bank bag.
- Funds were not transported in a lockable bank bag; a lock left open during office hours, and a missing log during observations.
- Funds were not properly secured. The following examples were identified via observations or interviews:
- Funds were not properly secured. The following examples were identified via observations or interviews:

### Recommendations

#### Management

- Recommendations for John Richmond, Dean of the College of Music:
  - 5.a. Insure all individuals with cash handling responsibilities receive training in University cash handling policies and departmental cash handling written procedure.

In the Assistant Dean for Business and Finance will distribute the college cash handling policy to all personnel who are authorized to handle cash at the start of each long semester. The college cash handling policy is currently being revised to bring it into compliance with the University policy. Effective training will be made available within the college on an annual basis.

<table>
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<tr>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Acknowledgement Date</th>
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<tbody>
<tr>
<td>Jon Nelson, Associate Dean for Business and Finance</td>
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<th>Acknowledgement Date</th>
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<tbody>
<tr>
<td>Paige Smith, Associate Vice Chancellor for Budget and Planning</td>
<td>1/31/2018</td>
<td>N/A</td>
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### Management Response

- Management concurs with the findings and recommendations above. The Assistant Dean for Business and Finance will distribute the college cash handling policy to all personnel who are authorized to handle cash at the start of each long semester. The college cash handling policy is currently being revised to bring it into compliance with the University policy. Effective training will be made available within the college on an annual basis.
<table>
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<tr>
<th>Institution/Category</th>
<th>Reporting Agency</th>
<th>Fiscal Year</th>
<th>Audit Number</th>
<th>Report Name</th>
<th>Component</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>17-412 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>College of Music Transition Audit</td>
<td>5. Cash Handling</td>
<td>High</td>
<td>Recommendations for John Richmond, Dean of the College of Music:</td>
<td>1d. The Assistant Dean for Business and Finance will work with the Dean of the Division of Jazz Studies to ensure that adequate segregation of duties will be implemented immediately for the sale of any jazz merchandise at jazz performances.</td>
<td>Jon Nelson, Associate Dean for Operations (until Assistant Dean for Business and Finance has been hired)</td>
<td>1/31/2018</td>
<td>Closed</td>
</tr>
<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>17-417 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>LLPD Business Process Audit</td>
<td>5. Cash Handling</td>
<td>High</td>
<td>Recommendations for Stephanie Reinke, Director of Lifelong Learning and Professional Development:</td>
<td>1a./1b./1c. LLPD will work directly with UNT Policies: 10.017, 10.024, 10.029, 10.006 and 04.007 to develop and implement department procedures and separation of duties so that we are within compliance and handling all cash deposited timely.</td>
<td>Stephanie Reinke, Director of Lifelong Learning and Professional Development</td>
<td>1/1/2018</td>
<td>Revised Impl. Date: 3/30/2018</td>
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</table>
| Internal         | UNT System Internal Audit | Fiscal Year 2017 | 17-417 UNT | Governance and Regulatory Compliance | LLPD Business Process Audit | UNT | 5. Cash Handling | Internal Audit reviewed a sample of deposits from September 1, 2016 through December 5, 2016 and April 7, 2017 through June 12, 2017 and identified 52 out of 107 deposits, approximately 49%, that were not deposited timely, up to 10 days late. UNT Policy 10.006 Cash Handling controls were updated in October 2016 to update the maximum amount of business days to deposit cash from 5 to 3 business days. Internal Audit performed testing in accordance with the requirement in place during period of sample review. Internal Audit also noted LLPD departmental procedures referenced a petty cash fund. Turnover in August 2017 resulted in an inability to adhere to departmental procedures and University Cash Handling policies. As a result, not all individuals have received cash handling training and/or a completed Cash Handling Authorization form. | High | Recommendations for Stephanie Reinke, Director of Lifelong Learning and Professional Development:  
5.1.b. Due to employee turnover, update departmental procedures to reflect actual change in personnel job responsibilities.  
1a./1b./1c. LLPD will work directly with UNT Policies: 10.017, 10.024, 10.029, 10.006 and 04.007 to develop and implement department procedures and separation of duties so that we are within compliance and handling all cash deposited timely. | Stephanie Reinke, Director of Lifelong Learning and Professional Development | 1/1/2018 | Revised Impl. Date: 3/30/2018 | Closed |
| Internal         | UNT System Internal Audit | Fiscal Year 2017 | 17-417 UNT | Governance and Regulatory Compliance | LLPD Business Process Audit | UNT | 5. Cash Handling | Internal Audit reviewed a sample of deposits from September 1, 2016 through December 5, 2016 and April 7, 2017 through June 12, 2017 and identified 52 out of 107 deposits, approximately 49%, that were not deposited timely, up to 10 days late. UNT Policy 10.006 Cash Handling controls were updated in October 2016 to update the maximum amount of business days to deposit cash from 5 to 3 business days. Internal Audit performed testing in accordance with the requirement in place during period of sample review. Internal Audit also noted LLPD departmental procedures referenced a petty cash fund. Turnover in August 2017 resulted in an inability to adhere to departmental procedures and University Cash Handling policies. As a result, not all individuals have received cash handling training and/or a completed Cash Handling Authorization form. | High | Recommendations for Stephanie Reinke, Director of Lifelong Learning and Professional Development:  
5.1.c. Update departmental procedures to reflect actual processes, including addition of desktop deposit, and removal of petty cash.  
1a./1b./1c. LLPD will work directly with UNT Policies: 10.017, 10.024, 10.029, 10.006 and 04.007 to develop and implement department procedures and separation of duties so that we are within compliance and handling all cash deposited timely. | Stephanie Reinke, Director of Lifelong Learning and Professional Development | 1/1/2018 | Revised Impl. Date: 3/30/2018 | Closed |
### ORP Financial Companies Issues

<table>
<thead>
<tr>
<th>Audit Category</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Institution Key</th>
<th>Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1.a.</td>
<td>Work with the third party ORP administrator and the financial service companies to ensure contribution amounts are entered similarly and similarly available, and notify any delays as they occur.</td>
<td>High</td>
<td>Recommendations for 5.1.a. were reviewed by the Sr. Director of Controller Operations in consultation with the Office of Internal Control and the Director of Controller Operations.</td>
<td></td>
<td>1/31/2018</td>
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</tbody>
</table>
Internal UNT System Internal Audit Fiscal Year 2017 17-407 SYS Governance and Regulatory Compliance ORP Financial Companies Issues ORP contributions were not always deposited within the 3 business day requirement described in issue number 1 by various financial service companies for 21 pay periods reviewed from January 2015 - September 2016.

The Institution currently has 1,408 ORP participants out of which 739 (53%) elected Fidelity, 468 (33%) elected TIAA-CREF, 71 (5%) elected VALIC and 130 (9%) elected VOYA. The financial companies receive contribution data and funds through VRSCO. The financial service companies validate the information provided and verify the other ORP20202020 contributions described in issue number 1. Financial service companies notify either VRSCO, Benefits and/or Payroll of any errors identified. After errors are addressed by Benefits and Payroll, the financial service companies deposit contributions to the participant's account by batch processing. Refer to Flowchart 3 for graphic demonstration:

- In detail the following were noted:
  - Financial service companies are required to deposit contributions in the participant’s account within the same business day if received from VRSCO by close of business or the next business day. The Texas Government Code and Texas Administrative Code contemplate that financial service companies will deposit or credit ORP contributions to each participant’s account the same business day the contributions are received (including the following):
    - Timeliness of notification of discrepancies from the ORP financial service companies to UNT System Controller Operations and Human Resources Department.
    - Post all ORP participant contributions in good order in accordance with state regulation. Only withhold contributions for each individual ORP participant for whom contributions submitted were not in good order until resolved.

Recommendations for the Assistant Vice Chancellor of Total Rewards in consultation with the Office of General Counsel and the Sr. Director of Controller Operations:

5.1.b. Work with the Office of General Counsel to update service agreements to include but not be limited to the following:

- Timeliness of notification of discrepancies from the ORP financial service companies to UNT System Controller Operations and Human Resources Department.

5.1.a. Coordinate to ensure appropriate segregation of duties within the sponsorship process.

Christopher DeClerk, Assistant Vice Chancellor of Total Rewards and the Sr. Director of Controller Operations in collaboration with the Office of General Counsel 8/31/2018 Rev. Imp. Date: 05/01/2019 Closed

Internal UNT System Internal Audit Fiscal Year 2017 17-409 SYS Governance and Regulatory Compliance International Sponsored Students Process Review Segregation of Duties Internal Audit noted an inappropriate segregation of duties within the UNT International (UNT-I) Sponsored Students and Special Programs Center. Specifically, one employee had access to perform the following:

- Put students on sponsorships (Third Party Contracts);
- Terminates sponsorships;
- Generates, prepares, and sends invoices to sponsors;
- Works the accounts receivable report to obtain past due tuition and fee charges; and
- Places past due tuition and fee charges back on students’ accounts.

Additionally, during the course of this review, it was noted that an employee in the UNT-I Sponsored Students and Special Programs Center performed their previous work on a sponsorship totaling $5,644.82 for the employee's spouse. The employee placed their spouse on a sponsorship to avoid paying 10 percent of their tuition and fees until their UNT Faculty/Staff Scholarship posted to their account. Once the scholarship posted, the employee terminated the sponsorship and the account balance was paid. This employee has been terminated from the University.

Recommendation for Director of Sponsored Student Programs and Director of Financial Services, Student Finance:

5.1.a. Coordinate to ensure appropriate segregation of duties within the sponsorship process.

Aleka Myre, Director of Sponsored Student Programs, and Jeane Olson, Director of Financial Services, Student Finance 6/30/2018 Closed

Internal UNT System Internal Audit Fiscal Year 2017 17-407 SYS Government and Regulatory Compliance Segregation of Duties Inappropriate Segregation of Duties:

- Internal audit noted an inappropriate segregation of duties within the UNT International (UNT-I) Sponsored Students and Special Programs Center. Specifically, one employee had access to perform the following:
  - Put students on sponsorships (Third Party Contracts);
  - Terminates sponsorships;
  - Generates, prepares, and sends invoices to sponsors;
  - Works the accounts receivable report to obtain past due tuition and fee charges; and
  - Places past due tuition and fee charges back on students’ accounts.

- Additionally, during the course of this review, it was noted an employee in the UNT-I Sponsored Students and Special Programs Center performed their previous work on a sponsorship totaling $5,644.82 for the employee’s spouse. The employee placed their spouse on a sponsorship to avoid paying 10 percent of their tuition and fees until their UNT Faculty/Staff Scholarship posted to their account. Once the scholarship posted, the employee terminated the sponsorship and the account balance was paid. This employee has been terminated from the University.

Recommendation for Director of Sponsored Student Programs and Business Finance:

5.1.a. Coordinate to ensure appropriate segregation of duties within the sponsorship process.

Aleka Myre, Director of Sponsored Student Programs, and Jeane Olson, Director of Financial Services, Student Finance 6/30/2018 Closed
There was neither an agreement nor documentation in place that provided a basis for the rate used for Service Teaching Assessments (STA).

STA is the redistribution of General Appropriation Act (GAA) funds to support collaborative teaching initiatives between Texas College of Osteopathic Medicine (TCOM), Graduate School of Biomedical Sciences (GSBS) and School of Health Professions (SHP).

The GSBS has its roots in TCOM where basic science courses were taught by TCOM faculty. The STA began in 2000 when the past President, and Deans of TCOM and GSBS agreed to move the faculty, who taught basic science courses, out of TCOM into the GSBS. This collaborative initiative aimed to provide a better professional/research environment to basic science faculty by GSBS.

The faculty in the basic science departments continued to contribute to the teaching of the pre-clinical part of TCOM's medical curriculum, interview prospective medical students, provide research opportunities for TCOM students and serve on TCOM's Committees.

Similarly, another collaboration began where TCOM and GSBS faculty teach courses to School of Health Professions (SHP) students. The purpose of this collaborative initiative was to promote economies of scale and an efficient use of faculty resources by eliminating duplication of teaching efforts/courses among schools. The financial treatment of these collaborations was not documented in the TCOM or GSBS budget. This collaborative initiative was institutionalized to improve the professional/research environment of basic science faculty by GSBS and TCOM.

Recommendations for the UNTHSC Executive Vice President for Finance & Chief Financial Officer and Interim Provost:

5.1.a. Develop policies and procedures to guide the redistribution of funds for Service Teaching Assessments within the institution.

1a. Policies and procedures will be developed during FY2018 to guide redistribution of funds for teaching services. The plan will be implemented for FY2019.
<table>
<thead>
<tr>
<th>Internal/External</th>
<th>Reporting Agency</th>
<th>Fiscal Year</th>
<th>Audit Number</th>
<th>Component Institution</th>
<th>Study Name</th>
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<th>Risk Level</th>
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<td>17-403 HSC</td>
<td>Texas College of Osteopathic Medicine</td>
<td>Governance and Regulatory Compliance</td>
<td>Service Teaching Assessments</td>
<td>High</td>
<td>Recommendations for the UNTHSC Executive Vice President for Finance &amp; Chief Financial Officer and Interim Provost: 5.1.c. Communicate newly developed policies and procedures to the relevant parties.</td>
<td>Claire Peel, Interim Provost</td>
<td>5/1/2018</td>
<td>Closed</td>
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<td>Internal</td>
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<td>Fiscal Year 2017</td>
<td>17-401 HSC</td>
<td>Graduate School of Biomedical Sciences</td>
<td>Governance and Regulatory Compliance</td>
<td>Standardized Budget Reporting Requirements</td>
<td>Moderate</td>
<td>Recommendations for the UNTHSC Executive Vice President for Finance &amp; Chief Financial Officer: 5.1.a. Assess the reporting needs of different users across the institution.</td>
<td>Gregory R. Anderson, Executive Vice President for Finance &amp; Chief Financial Officer, UNTHSC</td>
<td>5/1/2018</td>
<td>Closed</td>
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</tbody>
</table>
### UNTS Enterprise Audit Report Inventory

<table>
<thead>
<tr>
<th>Audit Number</th>
<th>Audit Category</th>
<th>Report Name</th>
<th>Key Observations</th>
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<tbody>
<tr>
<td>17-401 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Graduate School of Biomedical Sciences Review</td>
<td>There is no standardized budget reporting application utilized by the different departments within the institution. Specifically, it was identified some departments use vastly different software and systems to review their budget balances. The Office of Financial Planning and Budget grants access to eThority upon request and administers training; however, every department has access to Cognos.</td>
<td>Moderate</td>
<td>Recommendations for the UNTHSC Executive Vice President for Finance &amp; Chief Financial Officer: 5.1.b. Determine which application will best deliver the right information to users, on time and at the right cost. 1b. Based on the needs identified, a cost effective application will be chosen that will best deliver timely and current information.</td>
<td>Gregory R. Anderson, Executive Vice President for Finance &amp; Chief Financial Officer, UNTHSC 5/1/2018</td>
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<tr>
<td>17-401 HSC</td>
<td>Governance and Regulatory Compliance</td>
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<td>Moderate</td>
<td>Recommendations for the UNTHSC Executive Vice President for Finance &amp; Chief Financial Officer: 5.1.c. Provide access and thorough training to the users of the application. 1c. Access and training will be provided to users to provide a thorough understanding of the application.</td>
<td>Gregory R. Anderson, Executive Vice President for Finance &amp; Chief Financial Officer, UNTHSC 5/1/2018</td>
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<td>Internal/External</td>
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<td>17-021 UNT</td>
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<td>Residence Hall - Student Safety Practices</td>
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<td>17-415 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Faculty and Staff International Travel Audit</td>
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<td>17-407 SYS</td>
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<td>Retirement Contributions</td>
<td>UNT System</td>
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</table>
### Internal Audit
- **Internal Audit Report: Retirement Contributions**
- **Fiscal Year:** 2017
- **Audit Number:** 17-407 SYS
- **Audit Category:** Governance and Regulatory Compliance

#### Key Observations
- **Issue:** IRS dollar limitations based on 403(b) contributions.
- **Details:**
  - A manual process breakdown in updating the year-to-date contribution amount in PeopleSoft caused two employee’s ORP accounts to be over contributed by both the Institution and employee.
  - This occurred when employee benefit changes were not entered into PeopleSoft, since the process is manual rather than a system configuration which automatically calculates contribution amounts.
  - In detail, testing identified 2 out of 64 employees (3%) exceeded the annual IRS dollar compensation limitations based on 403(b) Contributions for Calendar Year 2015. These two employees elected a different financial service company in October 2015; however, notification was not provided to the Controller Operations team in order to manually update the year-to-date contribution amount in PeopleSoft. Therefore, PeopleSoft calculated their maximum contribution inaccurately.

#### Risk Level
- **High**

#### Recommendations
- **Recommendation Details:**
  - Work with Information Technology Shared Services (ITSS) and the Controller Operations team to configure an automatic calculation in PeopleSoft for the year-to-date contribution amount when an employee elects a different financial service company during the year. This will eliminate the need for a manual process.

#### Management Response
- **Christopher DeClerk, Assistant Vice Chancellor of Total Rewards**
- **Exp. Imp. Date:** 8/31/2018
- **Rev. Imp. Date:** 06/01/2019
- **Closed**

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### Internal Audit
- **Internal Audit Report: Retirement Contributions**
- **Fiscal Year:** 2020
- **Audit Number:** 20-407 SYS
- **Audit Category:** Governance and Regulatory Compliance

#### Key Observations
- **Issue:** IRS dollar limitations based on 403(b) contributions.
- **Details:**
  - A manual process breakdown in updating the year-to-date contribution amount in PeopleSoft caused two employee’s ORP accounts to be over contributed by both the Institution and employee.
  - This occurred when employee benefit changes were not entered into PeopleSoft, since the process is manual rather than a system configuration which automatically calculates contribution amounts.
  - In detail, testing identified 2 out of 64 employees (3%) exceeded the annual IRS dollar compensation limitations based on 403(b) Contributions for Calendar Year 2020. These two employees elected a different financial service company in October 2020, however, notification was not provided to the Controller Operations team in order to manually update the year-to-date contribution amount in PeopleSoft. Therefore, PeopleSoft calculated their maximum contribution inaccurately.

#### Risk Level
- **High**

#### Recommendations
- **Recommendation Details:**
  - Work with Information Technology Shared Services (ITSS) and the Controller Operations team to configure an automatic calculation in PeopleSoft for the year-to-date contribution amount when an employee elects a different financial service company during the year. This will eliminate the need for a manual process.

#### Management Response
- **Christopher DeClerk, Assistant Vice Chancellor of Total Rewards**
- **Exp. Imp. Date:** 8/31/2021
- **Rev. Imp. Date:** 06/01/2022
- **Closed**
<table>
<thead>
<tr>
<th>Audit Number</th>
<th>Audit Category</th>
<th>Audit Name</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>17-412</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT</td>
<td>College of Music</td>
<td>Transition Audit</td>
<td>High</td>
<td>Recommendation for John Richmond, Dean of the College of Music, to coordinate with Larry Worthy, Special Assistant to the CFO/Vice President for Finance &amp; Administration, to: 6.1.a. Register the Percussion Club with the Student Activities Center, obtain a bank account authorized by UNT System Treasury, deposit club funds in the authorized account, and close the unauthorized account.</td>
<td>John Holt, Chair, Division of Instrumental Studies, in consultation with Mark Ford, Professor &amp; Coordinator of Percussion</td>
</tr>
<tr>
<td>17-409</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT</td>
<td>International Sponsored Students Process Review</td>
<td>Cash Handling</td>
<td>Moderate</td>
<td>Recommendation for Interim Vice Provost for International Affairs and Director of Financial Services, Student Finance: 7.1.a. Coordinate to ensure all UNT International cash handling functions are transferred to Student Accounting and University Cashiering Services.</td>
<td>Pia Wood, Vice Provost for International Affairs, and Jeane Olson, Director of Financial Services, Student Finance.</td>
</tr>
</tbody>
</table>

**Details:**

- **Individual Responsible for Implementation:** John Richmond, Dean of the College of Music, Larry Worthy, Special Assistant to the CFO/Vice President for Finance & Administration.
- **Expected Implementation Date:** 10/31/2017
- **Revised Implementation Date:** 3/1/2018

- **Individual Responsible for Implementation:** Interim Vice Provost for International Affairs and Director of Financial Services, Student Finance.
- **Expected Implementation Date:** 6/30/2018
- **Revised Implementation Date:** 5/31/2019

---

**Internal Audit Process Review:**

- **Audit Number:** 17-412
- **Audit Category:** Governance and Regulatory Compliance
- **Audit Name:** UNT Transition Audit
- **Component Institution:** College of Music
- **Key Observations:**
  - A bank account is being maintained on behalf of UNT. The Percussion Club is a student organization in the College of Music. The club is a registered student organization with the Student Activities Center. The club maintains its own bank account. It is Internal Audit's understanding that access to this bank account is limited to two Percussion faculty members. Internal Audit reviewed monthly statements from August 2015 through May 2017 for this bank account, and the account contained UNT in its title. During a discussion with the Associate Vice Chancellor for Treasury, he confirmed that the account was not on the inventory list of authorized accounts.

- **Risk Level:** High
- **Recommendation Details:** Recommendation for John Richmond, Dean of the College of Music, to coordinate with Larry Worthy, Special Assistant to the CFO/Vice President for Finance & Administration, to:
  - 6.1.a. Register the Percussion Club with the Student Activities Center, obtain a bank account authorized by UNT System Treasury, deposit club funds in the authorized account, and close the unauthorized account.

- **Management Response:**
  - John Holt, Chair, Division of Instrumental Studies, in consultation with Mark Ford, Professor & Coordinator of Percussion.
  - Exp. Impl Date: 10/31/2017
  - Rev. Impl. Date: 3/1/2018

---

**Internal Audit Process Review:**

- **Audit Number:** 17-409
- **Audit Category:** Governance and Regulatory Compliance
- **Audit Name:** UNT International Sponsored Students Process Review
- **Component Institution:** International Sponsored Students Process Review
- **Key Observations:**
  - UNT cash handling policy 10.006 Cash Handling Controls and best practices were not consistently followed in the UNT International (UNT-I) Main Office. Specifically, the following were noted:
    - Student workers were handling cash without receiving appropriate training and without necessary documentation completed.
    - UNT-I Main Office Cash Handling Procedure Manual was not up-to-date with current University policies.
    - Cash was not being logged upon receipt.
    - Deposits taken to Student Accounting and University Cashiering Services were not concealed in transit.

- **Risk Level:** Moderate
- **Recommendation Details:** Recommendation for Interim Vice Provost for International Affairs and Director of Financial Services, Student Finance:
  - 7.1.a. Coordinate to ensure all UNT International cash handling functions are transferred to Student Accounting and University Cashiering Services.

- **Management Response:**
  - Interim Vice Provost for International Affairs and Interim Director of Financial Services, Student Finance.
  - Exp. Impl Date: 5/1/2018
  - Rev. Impl. Date: 1/1/2019
<table>
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<tr>
<th>Internal / External</th>
<th>Reporting Agency</th>
<th>Fiscal Year</th>
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<th>Component Institution</th>
<th>Key Observations</th>
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<th>Recommendation Details</th>
<th>Management Response</th>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
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<tbody>
<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>17-417 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>LLPD Business Process Audit</td>
<td>High</td>
<td>Recommendations for Stephanie Reinke, Director of Lifelong Learning and Professional Development (LLPD): 1.1.a. Coordinate with UNT Controller to ensure Osher Lifelong Learning Institute (OLLI) grant funds are moved into a restricted gift account.</td>
<td>In working with UNT Controller Jennifer Stevenson, a new dedicated restricted gift chartstring is now in place for OLLI.</td>
<td>Stephanie Reinke, Director of Lifelong Learning and Professional Development</td>
<td>2/28/2018</td>
<td>Closed</td>
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2017</td>
<td>17-407 SYS</td>
<td>Governance and Regulatory Compliance</td>
<td>Retirement Contributions</td>
<td>High</td>
<td>Recommendations for the Vice Chancellor for Finance: 7.1.a. Work with the Office of General Counsel to review retirement plan contract agreements to help ensure they are reviewed, updated and signed as appropriate to ensure compliance with UNT System Board Regent Rules.</td>
<td>A Retirement Plan Committee was put in place to frame the project, select a vendor, and oversee the Retirement Plan Update Project. The committee will work with the Office of General Counsel to review retirement plan contract agreements to help ensure they are reviewed, updated and signed as appropriate and in accordance with UNT System Board Regent Rules. Due to the nature of the revisions, need for negotiation, programming, and coordination among multiple internal teams, two record keepers, and potentially a new Lead Record Keeper, this update will be complex and is expected to finalize within the next fiscal year.</td>
<td>Janet Waldron, Vice Chancellor for Finance</td>
<td>8/31/2018</td>
<td>Closed</td>
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When the new chart of accounts went into implementation, Lifelong Learning and Professional Development (LLPD) donations, University of North Texas Retiree Association (UNTRA) fees, and camp and conference revenue and expenses were commingled into the same chart string totaling approximately $620,000 as of August 31, 2017. Upon approval of the Osher Lifelong Learning Institute (OLLI) program at UNT, $100,000 of OLLI grant funds were also commingled in the same unrestricted account. Lifelong Learning and Professional Development (LLPD) staff were keeping shadow spreadsheets to account for all of the separate items and their corresponding funds. During the course of this audit, LLPD camps and conferences were transferred to UNT’s One Stop Shop, which handles event planning and scheduling services.

ORP service provider agreements were not in compliance with Institution policies and procedures. Specifically, testing identified the following:

- All agreements (VRSCO, Fidelity, VALIC, VOYA and TIAA-CREF) have not been reviewed since the execution date of 2009 and/or 2010.
- Two agreement renewals with VRSCO were not executed before the agreement expiration date; therefore, there was a lapse from March 20, 2013 – March 03, 2014 and March 19, 2015 – March 31, 2016.
- Both agreement renewals with VRSCO were not signed by the Chancellor or an employee with a written sub-delegation of authority. These agreement renewals were signed by the Benefits Manager.
- The agreements with Fidelity were not updated in mid-2010 to the University of North Texas System contracts at that time and the University of North Texas System contracts at that time and the University of North Texas as the contracting party (UNT System and UNT Dallas were included under the UNT agreement umbrella).
- The agreements with VOYA and VALIC did not have an audit clause allowing the Institution the right to inspect and audit records.
**Internal**

**UNT System Internal Audit**

**Fiscal Year:** 2017

**Audit Number:** 2017-0148

**Report Name:** LLPD Business Process Audit

<table>
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<tr>
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<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
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<tr>
<td></td>
<td><strong>Commingled Funds</strong> When the new chart of accounts went into implementation, Lifelong Learning and Professional Development (LLPD) donations, University of North Texas Retiree Association (UNTRA) fees, and camp and conference revenue and expenses were commingled into the same chart string totaling approximately $620,000 as of August 31, 2017. Only LLPD staff were keeping shadow spreadsheets to account for all of the separate items and their correlating funds. During the course of this audit, LLPD camps and conferences were transferred to UNT's One Stop Shop, which handles event planning and scheduling services.</td>
<td>High</td>
<td>Recommendations for Stephanie Reinke, Director of Lifelong Learning and Professional Development (LLPD): 1.1.c. Coordinate with UNT Controller to ensure all appropriate OLLI revenue and expenses are moved in the restricted gift account. 1b./c. Our office is still working with the budget and financial reporting offices to reconcile and verify that all funds (expenses and revenue) are in the correct and appropriate chartstrings as it pertains to (OLLI).</td>
<td>Closed</td>
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**Internal**

**UNT System Internal Audit**

**Fiscal Year:** 2017

**Audit Number:** 2017-0147

**Report Name:** Retirement Contributions

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<th>Management Response</th>
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</thead>
</table>
|                         | **Contract Oversight** ORP service provider agreements were not in compliance with Institution policies and procedures. Specifically, testing identified the following:**  
|                         | • All agreements (VRSCO, Fidelity, VALIC, VOYA, and TIAA-CREF) have not been reviewed since the execution date of 2009 and/or 2010.  
|                         | • Two agreement renewals with VRSCO were not executed before the agreement expiration date; therefore, there was a lapse from March 20, 2013 – March 03, 2014 and March 19, 2015 – March 31, 2016.  
|                         | • Both agreement renewals with VRSCO were not signed by the Chancellor or an employee with a written sub-delegation of authority. These agreement renewals were signed by the Benefits Manager.  
|                         | • The agreements with Fidelity were not updated in mid-2010 to the summary of North Texas Systems agreements and continued until November 2016.  
<p>|                         | • The agreements with VOYA and VALIC did not have an audit clause allowing the Institution the right to inspect and audit records.                                                                                     | High       | Recommendations for the Vice Chancellor for Finance: 7.1.b. Establish a Retirement Plan Committee to assist annually with guidance, review, and oversight of the retirement contracts, financial service company’s performance and investment options for the UNT System retirement plans. This will ensure proper monitoring of contract performance and compliance with terms and conditions. 1b. A Retirement Plan Committee has already been established as a component of the Retirement Plan Update project. When the project concludes, the Retirement Plan Committee will establish an ongoing Retirement Plan Committee with governance responsibilities. | Closed              |</p>
<table>
<thead>
<tr>
<th>Internal</th>
<th>UNT System Internal Audit</th>
<th>Fiscal Year</th>
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<th>Audit Category</th>
<th>Governance and Regulatory Compliance</th>
<th>Report Name</th>
<th>LLPD Business Process Audit</th>
<th>UNT</th>
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<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
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<th>Expected Implementation Date</th>
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<td>Fiscal Year</td>
<td>2017</td>
<td>Audit Number</td>
<td>17-021</td>
<td>Audit Category</td>
<td>Governance and Regulatory Compliance</td>
<td>Report Name</td>
<td>Residence Hall - Student Safety Practices</td>
<td>LLPD</td>
<td>2. Donor Gifts</td>
<td>High</td>
<td>Recommendation for Stephanie Reinke, Director of Lifelong Learning and Professional Development: 2.1.a. Ensure donor gifts, including online donations, are coordinated through the UNT Division of Advancement in accordance with UNT Policy 09.002 Fundraising and Private Support.</td>
<td>Stephanie Reinke, Director of Lifelong Learning and Professional Development</td>
<td>10/19/2017</td>
<td>Closed</td>
<td></td>
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year</td>
<td>2017</td>
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<td>17-021</td>
<td>Audit Category</td>
<td>Governance and Regulatory Compliance</td>
<td>Report Name</td>
<td>Residence Hall - Student Safety Practices</td>
<td>LLPD</td>
<td>7. Fire Pull Stations</td>
<td>High</td>
<td>Recommendation for Gina Vanacore, Director of Housing and Residence Life: 7.1.a. Submit a work order(s) to install appropriate covers to properly protect fire pull stations from the outdoor elements.</td>
<td>Gina M. Vanacore, Director of Housing and Residence Life</td>
<td>12/31/2017</td>
<td>Closed</td>
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<tr>
<td>Audit Category</td>
<td>Institution</td>
<td>Recommendations Details</td>
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<tr>
<td>Governance and Regulatory Compliance</td>
<td>UNT Business and Finance</td>
<td><strong>7.1.a.</strong> Thoroughly review staff salaries to be charged against the institutional fee prior to submitting the annual instructional fee to Academic Resources.**</td>
<td>10/31/2017</td>
<td>Closed</td>
<td></td>
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</tbody>
</table>

### 7.1.a.

- Thoroughly review staff salaries to be charged against the institutional fee prior to submitting the annual instructional fee to Academic Resources.

**Issues:**

- Internal: UNT System Internal Audit
- Fiscal Year: 2017

#### Detailed Information:

- **Internal Audit Notes:**
  - Identified two Instrument Repair Technicians who perform repairs for external customers. 20% of repair work is for internal customers, while 80% are for external customers. Internal Audit identified two Instrument Repair Technicians who perform internal repairs and whose salaries are funded 100% from the instructional fee.

- **Key Observations:**
  - Internal Audit noted a Lifelong Learning and Professional Development (LLPD) employee attended two international trips during fiscal year 2017 with no lodging or airfare costs reflected on the audit. The employee paid for the external repairs and whose salaries are funded 100% from the instructional fee prior to submitting the annual instructional fee.

- **Recommendation Details:**
  - **Recommendation:** Thoroughly review staff salaries to be charged against the institutional fee prior to submitting the annual instructional fee to Academic Resources.
  - **Rationale:** To ensure compliance with UNT policy.

- **Implementation Date:** 10/31/2017
- **Status:** Closed

### 4. Travel Expenses

- **Closed**

#### Detailed Information:

- **Internal Audit Notes:**
  - Internal Audit identified unusual transactions within the UNT Chart string and requested support documentation. Travel agency invoices for two separate trips, January/February 2017 totaling $16,118.60 and May/June 2017 totaling $17,414.14, were provided for Business Support Services (BSS). It was determined the invoices were not supported. Upon review, it was determined the employee submitted an out-of-pocket travel request to BSS.

- **Key Observations:**
  - During the course of the audit, Internal Audit identified a travel voucher for the trips during January/February 2017 totaling $16,118.60 and May/June 2017 totaling $17,414.14. Travel was reviewed and no lodging or airfare costs were reflected on the audit. The traveler was also the account holder.

- **Recommendation Details:**
  - **Recommendation:** Effective immediately all travel reimbursements will be managed and/or prepared by Sara Martin, LLPD Budget Officer. This new process will include the following:
    - All travel requests and reimbursements will be submitted for approval by the requesting staff member's supervisor in accordance with UNT policy.
    - All travel reimbursements will be validated for approval by the requesting staff member's supervisor in accordance with UNT policy.

- **Implementation Date:** 10/31/2017
- **Status:** Closed

### 2. Instructional Fee

- **Closed**

#### Detailed Information:

- **Internal Audit Notes:**
  - Instructional fee funds 100% of the salaries for these two Instrument Repair Technicians noted above who perform external repairs. The proposals indicated that the College of Music instructional fee funds 100% of the salaries for these two Instrument Repair Technicians who perform repairs for external customers in the local community as part of their job duties. Music Repair Shop staff also perform repairs for external customers.

- **Key Observations:**
  - Internal Audit reviewed the College's annual instructional fee proposal worksheets that were submitted to Academic Resources for fiscal years 2016, 2017, and 2018. The proposals each included the salaries for the two Instrument Repair Technicians noted above who perform external repairs and whose salaries are funded 100% from the instructional fee.

- **Recommendation Details:**
  - **Recommendation:** Reconsider instructional fee proposals for Academic Resources.** | 10/31/2017 | Closed |

**Issues:**

- Internal: UNT System Internal Audit
- Fiscal Year: 2017

#### Detailed Information:

- **Internal Audit Notes:**
  - Identified two Instrument Repair Technicians who perform repairs for external customers. 20% of repair work is for internal customers, while 80% are for external customers. Internal Audit identified two Instrument Repair Technicians who perform internal repairs and whose salaries are funded 100% from the instructional fee.

- **Key Observations:**
  - Internal Audit noted a Lifelong Learning and Professional Development (LLPD) employee attended two international trips during fiscal year 2017 with no lodging or airfare costs reflected on the audit. The employee paid for the external repairs and whose salaries are funded 100% from the instructional fee prior to submitting the annual instructional fee.

- **Recommendation Details:**
  - **Recommendation:** Reconsider instructional fee proposals for Academic Resources.** | 10/31/2017 | Closed |

**Issues:**

- Internal: UNT System Internal Audit
- Fiscal Year: 2017

#### Detailed Information:

- **Internal Audit Notes:**
  - Identified two Instrument Repair Technicians who perform repairs for external customers. 20% of repair work is for internal customers, while 80% are for external customers. Internal Audit identified two Instrument Repair Technicians who perform internal repairs and whose salaries are funded 100% from the instructional fee.

- **Key Observations:**
  - Internal Audit noted a Lifelong Learning and Professional Development (LLPD) employee attended two international trips during fiscal year 2017 with no lodging or airfare costs reflected on the audit. The employee paid for the external repairs and whose salaries are funded 100% from the instructional fee prior to submitting the annual instructional fee.

- **Recommendation Details:**
  - **Recommendation:** Reconsider instructional fee proposals for Academic Resources.** | 10/31/2017 | Closed |
<table>
<thead>
<tr>
<th>Audit Number</th>
<th>Report Name</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Recommendation Status</th>
<th>Date</th>
<th>Responsible for Implementation Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>17-412-001</td>
<td>Governance and Regulatory Compliance</td>
<td>two Instrument Repair Technicians who perform external repairs and whose salaries are funded 100% from instructional fee</td>
<td>High</td>
<td>Recommendations for John Richmond, Dean of the College of Music: 7.1.b. Coordinate with the UNT Budget Office on transferring the salary expense of the two Instrument Repair Technicians paid from the institutional fee back to the instructional fee chart string.</td>
<td>Effective immediately, effective budget changes will be reviewed with the UNT Budget Office to ensure the salary expense is properly charged to the account for the two Instrument Repair Technicians. John Nelson, Associate Dean for Business and Finance has been hired.</td>
<td>Closed</td>
<td>12/31/2017</td>
<td></td>
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<tr>
<td>17-417-001</td>
<td>Governance and Regulatory Compliance</td>
<td>two instances of personally identifiable information (PII), checking account information, on support documentation submitted for reimbursement via Enterprise Information System (EIS) dating back to May 2016. Additionally, during the course of the audit, PII including checking account information was sent via email without being redacted.</td>
<td>High</td>
<td>Recommendations for Stephanie Reinke, Director of Lifelong Learning and Professional Development: 7.1.a. Redact personally identifiable information (PII) prior to documenting and transmitting via email. 7.1.b. Develop procedures to help ensure that all PII is appropriately protected.</td>
<td>As of 10/19/2017, all LLPD employees have successfully completed Cash Handling Training, with special attention to UNT Policy 10.006. The office will work directly with Larry strongly and the controller to create and implement a new procedure.</td>
<td>Closed</td>
<td>12/31/2017</td>
<td></td>
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<tr>
<td>17-417-002</td>
<td>Governance and Regulatory Compliance</td>
<td>two instances of personally identifiable information (PII), checking account information, on support documentation submitted for reimbursement via Enterprise Information System (EIS) dating back to May 2016. Additionally, during the course of the audit, PII including checking account information was sent via email without being redacted.</td>
<td>High</td>
<td>Recommendations for Stephanie Reinke, Director of Lifelong Learning and Professional Development: 7.1.a. Redact personally identifiable information (PII) prior to documenting and transmitting via email. 7.1.b. Developing procedures to help ensure that all PII is appropriately protected.</td>
<td>As of 10/19/2017, all LLPD employees have successfully completed Cash Handling Training, with special attention to UNT Policy 10.006. The office will work directly with Larry strongly to create and implement a new procedure.</td>
<td>Closed</td>
<td>12/31/2017</td>
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**UNT's Enterprise Audit Report Inventory**

**Recommendation Status**

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<thead>
<tr>
<th>Date</th>
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<td>8/31/2018</td>
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<td>10/31/2016</td>
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</tr>
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**Internal Audit**

**Fiscal Year 2017**

**Internal Audit**

**Report Name**

- **Recommendations for Stephanie Reinke, Director of Lifelong Learning and Professional Development**

**Audit Category**

- **Internal Audit**

**Audit Objectives**

- **1. Verify that appropriate staff receive training in cash handling, protection of PII, and identification of suspected or potential fraud.**

**Recommendation**

- **1.1.a. Evaluate and update, where necessary, the UNT Facilities Construction Project Procedures Manual.**

**Implementation**

- **As of 10/31/2017, all LLPD employees have successfully completed cash-handling training.**

**Status**

- **Completed**

**Date**

- **10/31/2017**

**Internal Audit**

**Report Name**

- **Recommendations for David Reynolds, Associate Vice President of Planning, Design, & Construction**

**Audit Category**

- **Internal Audit**

**Audit Objectives**

- **2. Verify that the appropriate staff receive training in cash handling, protection of PII, and identification of suspected or potential fraud.**

**Recommendation**

- **2.1.a. Evaluate and update, where necessary, the UNT Facilities Construction Project Procedures Manual.**

**Implementation**

- **As of 10/31/2017, all LLPD employees have successfully completed cash-handling training.**

**Status**

- **Completed**

**Date**

- **10/31/2017**

**Internal Audit**

**Report Name**

- **Recommendations for Stephanie Reinke, Director of Lifelong Learning and Professional Development**

**Audit Category**

- **Internal Audit**

**Audit Objectives**

- **3. Verify that appropriate staff receive training in cash handling, protection of PII, and identification of suspected or potential fraud.**

**Recommendation**

- **3.1.a. Ensure all employees receive training related to the protection of PII.**

**Implementation**

- **As of 10/31/2017, all LLPD employees have successfully completed cash-handling training.**

**Status**

- **Completed**

**Date**

- **10/31/2017**

**Internal Audit**

**Report Name**

- **Recommendations for Stephanie Reinke, Director of Lifelong Learning and Professional Development**

**Audit Category**

- **Internal Audit**

**Audit Objectives**

- **4. Verify that appropriate staff receive training in cash handling, protection of PII, and identification of suspected or potential fraud.**

**Recommendation**

- **4.1.a. Ensure all employees receive training related to the protection of PII.**

**Implementation**

- **As of 10/31/2017, all LLPD employees have successfully completed cash-handling training.**

**Status**

- **Completed**

**Date**

- **10/31/2017**

**Internal Audit**

**Report Name**

- **Recommendations for Stephanie Reinke, Director of Lifelong Learning and Professional Development**

**Audit Category**

- **Internal Audit**

**Audit Objectives**

- **5. Verify that appropriate staff receive training in cash handling, protection of PII, and identification of suspected or potential fraud.**

**Recommendation**

- **5.1.d. Ensure all employees handling cash receive training related to cash handling.**

**Implementation**

- **10/31/2017**

**Status**

- **In Progress**

**Date**

- **10/31/2017**

**Internal Audit**

**Report Name**

- **Recommendations for Stephanie Reinke, Director of Lifelong Learning and Professional Development**

**Audit Category**

- **Internal Audit**

**Audit Objectives**

- **6. Verify that appropriate staff receive training in cash handling, protection of PII, and identification of suspected or potential fraud.**

**Recommendation**

- **6.1.c. As of 10/31/2017, all LLPD employees have successfully completed cash-handling training.**

**Implementation**

- **As of 10/31/2017, all LLPD employees have successfully completed cash-handling training.**

**Status**

- **Completed**

**Date**

- **10/31/2017**

**Internal Audit**

**Report Name**

- **Recommendations for Stephanie Reinke, Director of Lifelong Learning and Professional Development**

**Audit Category**

- **Internal Audit**

**Audit Objectives**

- **7. Verify that appropriate staff receive training in cash handling, protection of PII, and identification of suspected or potential fraud.**

**Recommendation**

- **7.1.b. Ensure that the appropriate staff receive training related to the protection of PII.**

**Implementation**

- **As of 10/31/2017, all LLPD employees have successfully completed cash-handling training.**

**Status**

- **Completed**

**Date**

- **10/31/2017**

**Internal Audit**

**Report Name**

- **Recommendations for Stephanie Reinke, Director of Lifelong Learning and Professional Development**

**Audit Category**

- **Internal Audit**

**Audit Objectives**

- **8. Verify that appropriate staff receive training in cash handling, protection of PII, and identification of suspected or potential fraud.**

**Recommendation**

- **8.1.b. Ensure all employees handling cash receive training related to cash handling.**

**Implementation**

- **10/31/2017**

**Status**

- **In Progress**

**Date**

- **10/31/2017**

**Internal Audit**

**Report Name**

- **Recommendations for Stephanie Reinke, Director of Lifelong Learning and Professional Development**

**Audit Category**

- **Internal Audit**

**Audit Objectives**

- **9. Verify that appropriate staff receive training in cash handling, protection of PII, and identification of suspected or potential fraud.**

**Recommendation**

- **9.1.a. Evaluate and update, where necessary, the UNT Facilities Construction Project Procedures Manual.**

**Implementation**

- **As of 10/31/2017, all LLPD employees have successfully completed cash-handling training.**

**Status**

- **Completed**

**Date**

- **10/31/2017**

**Internal Audit**

**Report Name**

- **Recommendations for Stephanie Reinke, Director of Lifelong Learning and Professional Development**

**Audit Category**

- **Internal Audit**

**Audit Objectives**

- **10. Verify that appropriate staff receive training in cash handling, protection of PII, and identification of suspected or potential fraud.**

**Recommendation**

- **10.1.a. As of 10/31/2017, all LLPD employees have successfully completed cash-handling training.**

**Implementation**

- **As of 10/31/2017, all LLPD employees have successfully completed cash-handling training.**

**Status**

- **Completed**

**Date**

- **10/31/2017**

**Internal Audit**

**Report Name**

- **Recommendations for Stephanie Reinke, Director of Lifelong Learning and Professional Development**

**Audit Category**

- **Internal Audit**

**Audit Objectives**

- **11. Verify that appropriate staff receive training in cash handling, protection of PII, and identification of suspected or potential fraud.**

**Recommendation**

- **11.1.a. Ensure that appropriate staff receive training related to the protection of PII.**

**Implementation**

- **As of 10/31/2017, all LLPD employees have successfully completed cash-handling training.**

**Status**

- **Completed**

**Date**

- **10/31/2017**
<table>
<thead>
<tr>
<th>Audit Number</th>
<th>Department</th>
<th>Report Date</th>
<th>Report Title</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
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</thead>
<tbody>
<tr>
<td>17-013 UNT</td>
<td>Internal</td>
<td>5/1/2018</td>
<td>Fiscal Year 2017</td>
<td>The UNT Facilities Construction Project Procedures Manual is outdated, with information covering timeframes that the manual cannot. The manual has not been updated since 2010. The manual states that a project is considered a minor capital project if it involves design, construction, $5,000. There is no standardized budget reporting application utilized by the different departments within the institution. Specifically, it was identified some departments use eThority, while others use Cognos to review their budget balances. Departments contact the Office of Financial Planning and Budget (Budget Office) which grants access to different departments within the institution. Specifically, it was identified some departments use eThority, while others use Cognos to review their budget balances.</td>
<td>Moderate</td>
<td>7.1.c. Ensure that the various groups that manage projects follow consistent processes and procedures.</td>
<td>Not implemented</td>
</tr>
<tr>
<td>17-013 UNT</td>
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<td>5/1/2018</td>
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</tr>
<tr>
<td>17-409</td>
<td>17-412</td>
<td>UNT</td>
<td>Recommendation for Director of Sponsored Student Programs</td>
<td>Musical instruments and equipment are not always properly secured. There is no process in place to formally communicate to students that payment for time not being received from a sponsor and changes to billing during holiday breaks. A metal cage in Stan Kenton Hall containing musical instruments and equipment was left open.</td>
<td>Moderate</td>
<td>1a. Management agrees with the recommendation. The Director of Financial Services and the Director of Sponsored Student Programs will meet with Larry Worthy, special assistant to the DS, to establish appropriate sponsor payment deadlines.</td>
<td>There is an agreement to hold bi-annual meetings with Larry Worthy, special assistant to the DS, to establish appropriate sponsor payment deadlines.</td>
</tr>
<tr>
<td>17-417</td>
<td>17-412</td>
<td>UNT System Internal</td>
<td>Governance and Transition</td>
<td>A metal cage in Stan Kenton Hall containing musical instruments and equipment was left open.</td>
<td>Moderate</td>
<td>3. Holiday Break Payroll Process</td>
<td>There is a process in place to formally communicate to students that payment for time not being received from a sponsor and changes to billing during holiday breaks. A metal cage in Stan Kenton Hall containing musical instruments and equipment was left open.</td>
</tr>
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<td>17-411</td>
<td>17-412</td>
<td>UNT System Internal</td>
<td>Governance and Transition</td>
<td>A metal cage in Stan Kenton Hall containing musical instruments and equipment was left open.</td>
<td>Moderate</td>
<td>8. Communication with Students</td>
<td>There is no process in place to formally communicate to students that payment for time not being received from a sponsor and changes to billing during holiday breaks. A metal cage in Stan Kenton Hall containing musical instruments and equipment was left open.</td>
</tr>
<tr>
<td>17-414</td>
<td>17-412</td>
<td>UNT System Internal</td>
<td>Governance and Transition</td>
<td>A metal cage in Stan Kenton Hall containing musical instruments and equipment was left open.</td>
<td>Moderate</td>
<td>11. Donor Relations (for 8.1.a.): Coordinate with UNT System Development, Philanthropic Relations to document processes related to donor intent and deliverables.</td>
<td>There is no process in place to formally communicate to students that payment for time not being received from a sponsor and changes to billing during holiday breaks. A metal cage in Stan Kenton Hall containing musical instruments and equipment was left open.</td>
</tr>
<tr>
<td>17-413</td>
<td>17-412</td>
<td>College of Music Transition Audit</td>
<td>Governance and Transition</td>
<td>A metal cage in Stan Kenton Hall containing musical instruments and equipment was left open.</td>
<td>Moderate</td>
<td>12. Fundraising and Private Support</td>
<td>There is no process in place to formally communicate to students that payment for time not being received from a sponsor and changes to billing during holiday breaks. A metal cage in Stan Kenton Hall containing musical instruments and equipment was left open.</td>
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</tbody>
</table>

**Internal Audit Number:** 17-409  
**Fiscal Year:** 2017  
**Report Name:** Recommendation for Director of Sponsored Student Programs  
**Component Institution:** UNT  
**Key Observations:** Musical instruments and equipment are not always properly secured. There is no process in place to formally communicate to students that payment for time not being received from a sponsor and changes to billing during holiday breaks. A metal cage in Stan Kenton Hall containing musical instruments and equipment was left open.  
**Risk Level:** Moderate  
**Recommendation Status:** 1a. Management agrees with the recommendation. The Director of Financial Services and the Director of Sponsored Student Programs will meet with Larry Worthy, special assistant to the DS, to establish appropriate sponsor payment deadlines.  
**Management Response:** There is an agreement to hold bi-annual meetings with Larry Worthy, special assistant to the DS, to establish appropriate sponsor payment deadlines.  
**Recommendation Implementation Status:** Closed  
**Expected Implementation Date:** 6/30/2018  

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**Internal Audit Number:** 17-417  
**Fiscal Year:** 2017  
**Report Name:** Governance and Transition | Recommendation for Susan Holmes, Executive Director for Governance and Transition | A metal cage in Stan Kenton Hall containing musical instruments and equipment was left open. | Moderate | 3. Holiday Break Payroll Process | There is a process in place to formally communicate to students that payment for time not being received from a sponsor and changes to billing during holiday breaks. A metal cage in Stan Kenton Hall containing musical instruments and equipment was left open. | Closed | 8/1/2017 |
<p>| 17-411       | 17-412      | UNT System Internal | Governance and Transition | A metal cage in Stan Kenton Hall containing musical instruments and equipment was left open. | Moderate | 8. Communication with Students | There is no process in place to formally communicate to students that payment for time not being received from a sponsor and changes to billing during holiday breaks. A metal cage in Stan Kenton Hall containing musical instruments and equipment was left open. | Closed | 8/1/2017 |
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<tr>
<th>Fiscal Year</th>
<th>Reporting Agency</th>
<th>Report Start Date</th>
<th>Report End Date</th>
<th>Report Area</th>
<th>Report Category</th>
<th>Component Subcategory</th>
<th>Issue Description</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
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<tbody>
<tr>
<td>2017-021</td>
<td>UNT System Internal</td>
<td>5/31/2017</td>
<td>12/31/2017</td>
<td>Student Safety &amp; Security</td>
<td>University Police</td>
<td>Residency Hall Access</td>
<td>Inadequate physical access controls to observation deck at Victory Hall.</td>
<td>High</td>
<td>A site evaluation will be done of each floor at Bruce Hall. Feedback will be taken from College of Music directors for best approaches to secure area.</td>
<td>On-going. Monitor progress until completed.</td>
</tr>
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<td>2017-021</td>
<td>UNT System Internal</td>
<td>5/31/2017</td>
<td>12/31/2017</td>
<td>Student Safety &amp; Security</td>
<td>University Police</td>
<td>Residency Hall Access</td>
<td>Storage room in the MPAC was left open.</td>
<td>High</td>
<td>A site evaluation will be done of each floor at Bruce Hall. Feedback will be taken from College of Music directors for best approaches to secure area.</td>
<td>On-going. Monitor progress until completed.</td>
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<td>2017-021</td>
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</tbody>
</table>

###Bruce Hall Access Recommendations

- **Recommendation for Gina Vanacore, Director of Housing and Residence Life:**
  - Ensure personal information is properly secured. Residents' personal information is kept secure.
  - Ensure personal information is properly secured. Residents' personal information is kept secure.

- **Recommendation for Jon Nelson, Associate Dean for Housing and Residence Life:**
  - Take appropriate action to properly secure personal information. Residents' personal information is kept secure.
  - Take appropriate action to properly secure personal information. Residents' personal information is kept secure.

- **Recommendation for Russ Stukel, Assistant Dean for Student Life:**
  - Take appropriate action to properly secure personal information. Residents' personal information is kept secure.
<table>
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<tr>
<th>Audit Number</th>
<th>Audit Title</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Recommendation Status</th>
<th>Implementation Type</th>
<th>Implementation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>17-021 UNT</td>
<td>Governance and Individual Responsible for 6. Unsecured Personal Information</td>
<td>UNT System Internal</td>
<td>Current process for tracking instrument repair and rental activity is ineffective. Internal Audit obtained numerous issues related to the processing, tracking, and recording of instrument repair and rental transactions, including:   - Invoices are manually created, but the system was not able to automatically generate invoices.   - Dates of payment received were not consistently documented.   - There were no effective methods of tracking transactions from internal customers versus external customers.   - Current instrument repairs and rentals are performed in the Music Repair-Shop database. The new database addresses the majority of the concerns but requires more testing and the addition of other features that will enhance functionality.</td>
<td>Moderate</td>
<td>Recommendation for John Richmond, Dean of the College of Music:   1a) Evaluate the functionality of the Music Repair-shop database. The new database addresses the majority of the concerns but requires more testing and the addition of other features that will enhance functionality.</td>
<td>TAMS leadership (the Dean of TAMS and Assistant Dean for Student Life) have reviewed policy and handbook.  Jon Nelson, Associate Dean for Student Life path has been hired.</td>
<td>2018-01-03</td>
<td>TAMS Leadership (the Dean of TAMS and Assistant Dean for Student Life)</td>
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<td>Moderate</td>
<td>Recommendation for John Richmond, Dean of the College of Music:   1a) Evaluate the functionality of the Music Repair-shop database. The new database addresses the majority of the concerns but requires more testing and the addition of other features that will enhance functionality.</td>
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<td>17-021 UNT</td>
<td>Governance and Individual Responsible for 6. Unsecured Personal Information</td>
<td>College of Music</td>
<td>The current process for tracking instrument repair and rental activity is ineffective. Internal Audit obtained numerous issues related to the processing, tracking, and recording of instrument repair and rental transactions, including:   - Invoices are manually created, but the system was not able to automatically generate invoices.   - Dates of payment received were not consistently documented.   - There were no effective methods of tracking transactions from internal customers versus external customers.</td>
<td>Moderate</td>
<td>Recommendation for John Richmond, Dean of the College of Music:   1a) Evaluate the functionality of the Music Repair-shop database. The new database addresses the majority of the concerns but requires more testing and the addition of other features that will enhance functionality.</td>
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The College must continue the development of a new instrument repair-shop database. The new database addresses the majority of the concerns but requires more testing and the addition of other features that will enhance functionality. Note: Nelson, Associate Dean for Student Life path has been hired. 

2. TAMS leadership (the Dean of TAMS and Assistant Dean for Student Life) have reviewed policy and handbook.  Jon Nelson, Associate Dean for Student Life path has been hired. 

3. All RAs and any part-time staff involved who access student information (from FERPA to EIS, etc.) will receive FERPA training. by October 10, 2017. (To be overseen by Russ Stukel). 

4. All FERPA and any part-time staff involved who access student information (from FERPA to EIS, etc.) will receive FERPA training. by October 10, 2017. (To be overseen by Russ Stukel). 

The system was not able to automatically generate invoices. 

Invoices are manually created. 

Dates of payment received were not consistently documented.

There were no effective methods of tracking transactions from internal customers versus external customers. 

Current instrument repairs and rentals are performed in the Music Repair-Shop database. The new database addresses the majority of the concerns but requires more testing and the addition of other features that will enhance functionality. 

Note: Nelson, Associate Dean for Student Life path has been hired. 

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Internal controls have reviewed policy and handbook. 

Monitoring agreements with the recommended and all work done by UNT Financial Obligation Agreement form associated

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Monitoring agreements with the recommended and all work done by UNT Financial Obligation Agreement form associated.
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>2017-2018</td>
<td>2017-021 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Resident Hall Safety, Market Street</td>
<td>10.1.a. Ensure key cabinets are locked except when a staff member is accessing a key for a resident. This will be reiterated in all staff training.</td>
<td>Moderate</td>
<td>Recommendations for UNT System Controller:</td>
<td>UNT Management agreed to purchase key cabinets and initiate work order to have the key cabinets installed. Gina M. Vanacore, Director of Housing and Residence Life.</td>
<td></td>
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<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>2017-2018</td>
<td>2017-021 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Resident Hall Safety, Market Street</td>
<td>10.1.b. Obtain key cabinets large enough to contain all the duplicate room keys.</td>
<td>Moderate</td>
<td>Recommendations for UNT System Controller:</td>
<td>UNT Management agreed to purchase key cabinets and initiate work order to have the key cabinets installed. Gina M. Vanacore, Director of Housing and Residence Life.</td>
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<td>2017-2018</td>
<td>2017-021 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Resident Hall Safety, Market Street</td>
<td>11.1.a. Prepare a work order to have the top and the front of the step painted at the parking lot entrance to Traditions Hall.</td>
<td>Moderate</td>
<td>Recommendations for UNT System Controller:</td>
<td>UNT Management agreed to purchase key cabinets and initiate work order to have the key cabinets installed. Gina M. Vanacore, Director of Housing and Residence Life.</td>
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<td>UNT System Internal Audit</td>
<td>2017-2018</td>
<td>2017-021 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Resident Hall Safety, Market Street</td>
<td>11.1.b. Ensure IELI students are registering using PeopleSoft and Enterprise Information System.</td>
<td>Moderate</td>
<td>Recommendations for UNT System Controller:</td>
<td>UNT Management agreed to purchase key cabinets and initiate work order to have the key cabinets installed. Gina M. Vanacore, Director of Housing and Residence Life.</td>
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See final report for pictures.
## Internal UNT System Internal Audit
### Fiscal Year 2017
#### 17-021 UNT
#### Governance and Regulatory Compliance
#### Residence Hall - Student Safety Practices

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<tr>
<td>12. Surveillance Camera Feed – No Designated Monitor With Feed On McConnell Hall is the only residence hall of the fifteen residence halls that did not have a designated monitor showing continuous surveillance camera feeds. This hall is for resident students in the TAMS (Texas Academy of Mathematics and Science) program which are high school students attending UNT.</td>
<td>Moderate</td>
<td>Recommendations for Glênisson de Oliveira the Dean of TAMS: 12.1.a. Obtain a monitor so there is a designated monitor for front desk personnel at McConnell Hall to be able to observe surveillance camera recordings to ensure residents' safety.</td>
<td>Russ Stukel, Assistant Dean for Student Life 10/15/2017</td>
</tr>
<tr>
<td>13. Comfort Animals There is no process in place to ensure that a residence hall comfort animal has received appropriate vaccinations. Vaccination status is not verified. ODA (Office of Disability Accommodation) vets the comfort animals for overall general health by the animal's veterinarian for the first initial year. For returning comfort animals there is a process to ensure either the overall general health or vaccination status.</td>
<td>Moderate</td>
<td>Recommendations for Dan Naegeli, Senior Director, Career and Leadership Services: 13.1.a. Develop a process to ensure that residence hall comfort animals are properly vetted each year regarding status of vaccinations and overall health of the comfort animal.</td>
<td>Dan Naegeli, Executive Director, Career &amp; Leadership Development 12/31/2017</td>
</tr>
<tr>
<td>13.1.b. Obtain and retain appropriate documentation for each year a comfort animal lives in the residence hall.</td>
<td></td>
<td>1b. ODA will work on procedures that address storing and distribution of these animal health/health reports within their office. As part of the conversation with Housing, it will be determined which office is the most appropriate to handle the animal health/health report requirement at the future, as this should not be directly connected with the accommodation.</td>
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<td>Fiscal Year 2017</td>
<td>17-021 UNT</td>
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<tr>
<td>Governance and Regulatory Compliance</td>
<td>Status Report - Senate Bill 20 As of July 21, 2016</td>
<td>UNT System</td>
<td>Based on the results of our work performed, the majority of processes are in place to help ensure compliance was achieved with the SB20 Regulation. The areas that are outstanding and will be completed by FY 2018 include the following:</td>
</tr>
<tr>
<td>Governance and Regulatory Compliance</td>
<td>Financial Review</td>
<td>Texas College of Osteopathic Medicine</td>
<td>Currently, UNTMCH utilizes an incremental budget model, in which budget allocations are based upon the funding levels of the previous years. However, the model is not sufficient to ensure allocated amounts are adequate based on business needs and to achieve institutional goals and initiatives. In addition, although UNTMCH has operating budget guidelines, there are no formalized principles. Budget principles help ensure budgeting decisions are based upon prioritized and resource allocation which management adheres to as the budget is developed. Furthermore, details and procedures are not sufficiently developed to clarify and crystallize the intent behind how the University will manage its financial resources. This issue was also identified in School of Public Health (Unit Specific Management Control Review) Audit No. 16-022 HSC.</td>
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Currently, UNTHSC utilizes an incremental budget model, i.e., all budget allocations are based upon the funding levels of the previous years. However, the model is not sufficient to ensure allocated amounts are adequate based on business needs and to achieve institutional goals and initiatives.

In addition, although UNTHSC has operating budget guidelines, there are no formalized principles. Budget principles help create overarching values for prioritization and resource allocation which management adheres to as the budget is developed. Furthermore, policies and procedures are not sufficiently developed to clarify and crystallize the intent behind how the University will manage its financial resources.

This issue was also identified in School of Public Health (Unit Specific Management Control Review) Audit No. 16-022 HSC.

Recommendations to the UNTHSC President and Executive Vice President for Finance & Chief Financial Officer:
1.1.b. Develop institutional principles, policies and procedures.

Based on the determination by the President's cabinet, budget principles, policy and procedures will be developed which support the accomplishment of the HSC objectives and initiatives consistent with the strategic plan. The proposed budget policy will be submitted to the Office of General Counsel (OGC) by October 5, 2017.

Gregory R. Anderson, Executive Vice President for Finance & Chief Financial Officer, UNTHSC
10/5/2017
Closed
### Internal UNT System Internal Audit

**Fiscal Year:** 2017

**Audit Number:** 17-403 HSC

**Audit Category:** Governance and Regulatory Compliance

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<th>Management Response</th>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
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#### 2. Standardized Patients Payments

Inadequate controls were identified surrounding the Standardized Patient payment process. TCOM Academic Affairs and Rural Medicine departments use Standardized Patients, individuals who receive cash payments for learning scripts and acting as patients, to train students. From July 2016 to April 4, 2017, Academic Affairs had 92 sessions and Rural Medicine had 13 sessions, in which each session paid in cash $25 - $200 per standardized patient. TCOM Academic Affairs currently has a database of 30 Standardized Patients and Rural Medicine has a database of 13 patients whom they invite several times within the year for simulation sessions. From July 2016 to March 2017, EIS entries showed that Academic Affairs has requested $63,525 and Rural Medicine $3,225 to pay standardized patients. Specifically, the following were noted:

- Standardized Patients are recruited by word of mouth (i.e. previous patients, friends, family, current employees or ex-employees).
- There is no contractual agreement between the University and the standardized patients.

#### Recommendations:

- **2.1.a.** Assess the contractual status of standardized patients and determine whether these patients should be part-time employees or independent contractors.

  **1a.** Starting in July, standardized patients will be informed that they are independent contractors.

  **Gregory R. Anderson,** Executive Vice President for Finance & Chief Financial Officer, UNTHSC 8/1/2017

  **Closed**

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#### Internal UNT System Internal Audit

**Fiscal Year:** 2017

**Audit Number:** 17-403 HSC

**Audit Category:** Governance and Regulatory Compliance

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- Standardized Patients are recruited by word of mouth (i.e. previous patients, friends, family, current employees or ex-employees).
- There is no contractual agreement between the University and the standardized patients.

#### Recommendations:

- **2.1.b.** Based on assessment above, work with Human Resources or BSS to establish Standardized Patient employment relationship and compensation payments with the University. This will eliminate the use of cash as form of compensation and ensure IRS compliance.

  **1b.** A new contract system is being set up, which will eliminate the use of cash and will ensure IRS compliance.

  **Gregory R. Anderson,** Executive Vice President for Finance & Chief Financial Officer, UNTHSC 8/1/2017

  **Closed**

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#### Internal UNT System Internal Audit

**Fiscal Year:** 2017

**Audit Number:** 17-403 HSC

**Audit Category:** Governance and Regulatory Compliance

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- Standardized Patients are recruited by word of mouth (i.e. previous patients, friends, family, current employees or ex-employees).
- There is no contractual agreement between the University and the standardized patients.

#### Recommendations:

- **2.1.c.** Based on assessment above, work with Human Resources or BSS to establish Standardized Patient employment relationship and compensation payments with the University. This will eliminate the use of cash as form of compensation and ensure IRS compliance.

  **1c.** Based on assessment above, will work with Human Resources or BSS to establish Standardized Patient employment relationship and compensation payments with the University. Not yet determined.

  **Gregory R. Anderson,** Executive Vice President for Finance & Chief Financial Officer, UNTHSC 8/1/2017

  **Closed**
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<td>UNT System Human Audit</td>
<td>Fiscal Year 2017</td>
<td>17-403 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Texas College of Osteopathic Medicine Financial Review</td>
<td><strong>Inadequate controls were identified surrounding the Standardized Patient payment processes.</strong> TCOM Academic Affairs and Rural Medicine departments use standardized patients, individuals who receive cash payments for learning scripts and acting as patients, to train students. From July 20, 2016 to April 4, 2017, Academic Affairs had 92 sessions and Rural Medicine had 13 sessions, in which each session paid in cash $25 - $200 per standardized patient. TCOM Academic Affairs currently has a database of 30 standardized patients and Rural Medicine has a database of 13 patients whom they invite several times within the year for simulation sessions. From July 20 to March 2017, EIS entries showed that Academic Affairs has requested $63,525 and Rural Medicine $3,225 to pay standardized patients. Specifically, the following were noted: • Standardized Patients are recruited by word of mouth (i.e. previous patients, friends, family, current employees or ex-employees). • There is no contractual agreement between the University and the participant.</td>
<td>High</td>
<td>Recommendation for the UNT System Associate Vice Chancellor Finance &amp; Administration: <strong>2.2.a. Update the Simulated Patients’ section in the UNT System Procurement Guide based on UNTHSC Chief Financial Officer’s assessment.</strong></td>
<td>Donna Asher, Associate Vice Chancellor Finance &amp; Administration</td>
<td>8/1/2017</td>
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<td>Internal</td>
<td>UNT System Human Audit</td>
<td>Fiscal Year 2017</td>
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<td>Texas College of Osteopathic Medicine Financial Review</td>
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<td>High</td>
<td>Recommendation for the Dean of TCOM: 2.3.a. Create a standardized patient recruitment application process available to the public to provide equal opportunity to the community to participate.</td>
<td>Don Peska, Dean of TCOM</td>
<td>1/1/2018</td>
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<tr>
<td>Texas College of Osteopathic Medicine</td>
<td>Prior year budget balance from FY2015 did not roll forward to FY2016. Specifically, a budget balance of $200,000 at the end of FY2015, related to Department ID 79130-Ruch Endowment Fund, did not roll forward to FY2016. As a result, the Quarterly Budget Report was understated by $200,000. This is a restriction on the budget that is not to be allowed to occur in the future.</td>
<td>Moderate</td>
<td>Recommendation for the Vice President of Finance and Planning and UNT System Senior Associate Controller:</td>
<td>Geoffrey Scarpelli, Vice President of Finance and Planning and Paula Welch, Senior Associate Controller for UNTHSC</td>
<td>10/31/2017</td>
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<td>Graduate School of Biomedical Sciences</td>
<td>Currently, UNTHSC utilizes an incremental budget model, in which budget allocations are based upon the funding levels of the previous years. However, the model is not sufficient to ensure allocated amounts are adequate based on business needs and to achieve institutional goals and initiatives.</td>
<td>High</td>
<td>Recommendation for the UNTHSC President and Executive Vice President for Finance &amp; Chief Financial Officer:</td>
<td>Gregory R. Anderson, Executive Vice President for Finance &amp; Chief Financial Officer, UNTHSC</td>
<td>9/30/2017</td>
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<td>17-401 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Graduate School of Biomedical Sciences Review</td>
<td>UNTHSC</td>
<td>Currently, UNTHSC utilizes an incremental budget model, in which budget allocations are based upon the funding levels of the previous years. However, the model is not sufficient to ensure allocated amounts are adequate based on business needs and to achieve institutional goals and objectives. In addition, although UNTHSC has operating budget guidelines, there are no formalized principles. Budget principles help create overarching values for priorities and resource allocation which management adheres to as the budget is developed. Furthermore, policies and procedures are not sufficiently developed to clarify and crystallize the intent behind how the University will manage its financial resources. We specifically noted that there were significant unspent balances in Fiscal Year 2015 to 2016. Specifically, Tobacco Funds had beginning budget balances of $88,879 and $73,750 and expenses of $3,634 and $391 during Fiscal Year 2015 and 2016 respectively. Similarly, Designated Tuition funds and Designated Fee Funds categories received additional budget allocation in Fiscal Year 2016 and 2017 despite having significant carryover amounts from prior years. This issue was also identified in School of Public Health (Unit Specific Management Control Review) Audit No. 16-022 HSC and in Texas College of Osteopathic Medicine Financial Review Audit No. 17-403.</td>
<td>High</td>
<td>Recommendations to the UNTHSC President and Executive Vice President for Finance &amp; Chief Financial Officer: 1.1.b. Develop institutional principles, policies and procedures. Based on the determination by the President’s cabinet, budget principles, policy and procedures will be developed which support the accomplishment of the HSC objectives and initiatives consistent with the strategic plan. The proposed budget policy will be submitted to the Office of General Counsel (OGC) by October 5, 2017. Gregory R. Anderson, Executive Vice President for Finance &amp; Chief Financial Officer, UNTHSC</td>
<td>10/5/2017</td>
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<td>High</td>
<td>Recommendations to the UNTHSC President and Executive Vice President for Finance &amp; Chief Financial Officer: 1.1.c. Communicate newly developed principles, policies and procedures to pertinent employees. Management should consider posting these documents on the UNTHSC website. 1c. Once developed, the proposed budget policy will be submitted to OGC for approval by October 5, 2017 and once OGC approves, then the budget policy and procedures will be communicated to the employees and posted on the UNTHSC website. Gregory R. Anderson, Executive Vice President for Finance &amp; Chief Financial Officer, UNTHSC</td>
<td>10/5/2017</td>
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<td>17-303 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Student Managed Investment Fund (SMIF)</td>
<td>UNT</td>
<td>A broker cost and service evaluation was not performed since appointment of Fidelity as the investment broker as required by the MOU. The broker services have not been re-evaluated since establishing the account in 2008 as required by Section 9-2 of the MOU. The MOU requires the SIG under the supervision of faculty to &quot;review and evaluate the discount broker offering...&quot;. The current brokers rates do not accurately reflect the level and quality of services required.</td>
<td>Low</td>
<td>1.1.a. The SIG should implement a documented Policy &amp; process for periodically evaluating the cost and benefits of the investment broker.</td>
<td>1a. Because of the small balance in the fund and the fact that the fund currently has a leading low cost broker (Fidelity), the probability of acquiring better services for the same or lower costs is unlikely. Regardless, the SIG and Finance and Administration per the discussion at the December meeting for periodically evaluating the cost and benefits of the current broker compared to other options in the market.</td>
<td>12/31/2017</td>
<td>03/31/2018</td>
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<td>17-310 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Scholarships Review</td>
<td>UNT Dallas</td>
<td>Opportunities exist for strengthening internal control processes related to the management of scholarships. Donations are received by various departments at UNT Dallas (including UNT Dallas College of Law), if the funds are received by any department other than Financial Aid &amp; Scholarships to be awarded to students, an authorization form is filled out and sent to the Financial Aid &amp; Scholarships office. While Institutional scholarships decisions are automated, and External scholarships are selected by the donor and passed through the system from the donor to the students, donor scholarships are bestowed by a member of the Scholarship Committee and the Financial Aid &amp; Scholarship Office. The criteria for each scholarship are set by the donor and the amounts need to be authorized by the Office of the Provost and the Finance Committee. The Office of Student Access &amp; Success is responsible for the administration of these scholarships.</td>
<td>Moderate</td>
<td>1.1.a. Financial Aid &amp; Scholarships should work with the Scholarship Committee to update the required application criteria for Fund #240776 to be in alignment with the MOU and consider removing the additional criteria in Fund #240776.</td>
<td>1a. Director of Financial Aid has been hired effective 8/28/2017. Additionally, management is in the process of creating a general scholarship committee, updating application criteria to be in alignment with respective MOUs, and developing necessary processes and procedures if applicable based on the study of best practices.</td>
<td>9/1/2018</td>
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<td>Closed</td>
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1.1.b. UNT Dallas should establish a review process for the overall governance of scholarships. Opportunities exist for strengthening internal control processes related to the management of scholarships. Donations are received by various departments at UNT Dallas (including UNT Dallas College of Law). These funds are received by any department other than Financial Aid & Scholarships. While institutional scholarship decisions are automated, and internal scholarships are selected by the donor and passed through the system from the donor to the students, donor scholarships are backed by a written gift agreement outlining the use of the funds. Note: Management was aware of concerns around Scholarship Committee and Sharing of Scholarship Committee. Additionally, management should consider removing the additional criteria or creating an addendum to the original MOU for Fund# 240003.

Moderate

RECOMMENDATION DETAILS
Management Response
Expected Implementation Date
Individual Responsible for Implementation
Implementation Status

1c. Director of Financial Aid has been hired effective 8/28/2017. Also, new funding has been allocated to hire an Accountant focused on scholarships, financial aid, and gift funds. Additionally, management is in the process of creating a general scholarship committee, updating application criteria to be in alignment with respective MOUs, and developing necessary processes and procedures and policy if applicable based on the study of best practices.

Stephanie Holley, VP for Student Access & Success
9/1/2018
Done
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<td>9/28/2017</td>
<td>2017-310 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Scholarships Review</td>
<td>UNT Dallas</td>
<td>1. Overall Governance of Scholarships: Operational controls for strengthening internal controls processes related to the management of scholarships. Donations are reviewed by various departments at UNT Dallas (including UNT Dallas College of Law). If the funds are identified by any department other than Financial Aid &amp; Scholarships, a donation agreement (Fund# 240776) must be prepared documenting the terms of the gift, the amount donated, and the restrictions for the scholarship. Additionally, a Scholarship Committee and Sharing of information and requested that the review specifically address these areas.</td>
<td>Moderate</td>
<td>Director of Financial Aid has been hired effective 8/28/2017. Also, management is in the process of creating a general scholarship committee, updating application criteria to be in alignment with respective MOUs, and developing necessary processes and procedures and policy if applicable based on the study of best practices.</td>
<td>9/1/2018</td>
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<td>Moderate</td>
<td>Director of Financial Aid has been hired effective 8/28/2017. Also, management is in the process of creating a general scholarship committee, updating application criteria to be in alignment with respective MOUs, and developing necessary processes and procedures and policy if applicable based on the study of best practices.</td>
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</table>
| Student Access and Success, Advancement, Donor Relations, and Financial Aid | 1.2.a.  UNT Dallas Student Access and Success, along with | 1. PeopleSoft Upgrade | Moderate | Moderate
|                               | Scholarship Review | UNT Dallas | 1. Overall Governance of Scholarships | Scholarship Review was not completed with an external firm by May 1, 2017. Instead, the review was conducted internally. The review identified various weaknesses in the control environment related to scholarship administration. Management should work with the UNT System Controller’s Office and PwC to strengthen internal control processes related to the management of scholarships. Financial Aid should review the results of the review and implement necessary improvements. | 8/31/2017 |
|                               |                  |          |            |                         |                      |                          |                              | Completed |
|                               |                  |          |            |                         |                      |                          |                              | Published |

As part of the PeopleSoft system upgrade that went live on March 1, 2016, changes to the chart of accounts have resulted in ineffectively monitoring their accounts. Specifically, the PeopleSoft upgrade process has not been effectively implemented, and there was insufficient time to complete the chart of accounts conversion, causing HSC to have difficulty in monitoring and controlling financial transactions. The application also requires additional criterion, including a. A scholarship application (Fund# 240776) does not meet the criteria as outlined in the MOU. The MOU requires two letters of recommendation and a minimum GPA of 3.0, an on-campus interview, and need for financial assistance. However, the application only requires one letter of recommendation, a 2.25 minimum GPA, and does not mention an on-campus interview or need for financial assistance. The application also requires additional income, a personal statement, and inclusion in the MOU. The review disclosed that at least one student, who was awarded the scholarship in the

Additional recommendations include:

- **B.** PeopleSoft upgrade for HSC:
  - Finance & Planning should provide additional training for HSC personnel responsible for account management in order to improve understanding of the relevant chart of accounts. Additionally, HSC should consider adding system controls (i.e., data input validation controls such as check digit or drop-down menu) to reduce the risk of human error in allocating fund balances.
  - In response to the findings, the Finance & Planning Office is currently developing procedures to provide training for HSC personnel responsible for account management.

  - **C.** Scholarship Review:
    - The Finance & Planning and the HSC Finance & Planning Office are currently developing procedures to provide training for HSC personnel responsible for account management.

  - **D.** Scholarship Review:
    - The Finance & Planning and the HSC Finance & Planning Office are currently developing procedures to provide training for HSC personnel responsible for account management.

  - **E.** Scholarship Review:
    - The Finance & Planning and the HSC Finance & Planning Office are currently developing procedures to provide training for HSC personnel responsible for account management.

  - **F.** Scholarship Review:
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  - **G.** Scholarship Review:
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  - **K.** Scholarship Review:
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  - **L.** Scholarship Review:
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  - **N.** Scholarship Review:
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  - **O.** Scholarship Review:
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  - **P.** Scholarship Review:
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  - **Q.** Scholarship Review:
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  - **R.** Scholarship Review:
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  - **S.** Scholarship Review:
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  - **T.** Scholarship Review:
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  - **U.** Scholarship Review:
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  - **V.** Scholarship Review:
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  - **W.** Scholarship Review:
    - The Finance & Planning and the HSC Finance & Planning Office are currently developing procedures to provide training for HSC personnel responsible for account management.

  - **X.** Scholarship Review:
    - The Finance & Planning and the HSC Finance & Planning Office are currently developing procedures to provide training for HSC personnel responsible for account management.

  - **Y.** Scholarship Review:
    - The Finance & Planning and the HSC Finance & Planning Office are currently developing procedures to provide training for HSC personnel responsible for account management.

  - **Z.** Scholarship Review:
    - The Finance & Planning and the HSC Finance & Planning Office are currently developing procedures to provide training for HSC personnel responsible for account management.
<table>
<thead>
<tr>
<th>Issue/Comment</th>
<th>Fiscal Year</th>
<th>Audit Number</th>
<th>Financial Review of UNTHSC Finances</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1.a. The SIG should document their day</td>
<td>2017-302</td>
<td>UNTHSC</td>
<td>Financial Review of UNTHSC Finances</td>
<td>Several IT system-level issues resulted from the recent PeopleSoft upgrade and subsequent chart of accounts conversion, causing HSC limitations. An internal department is not effectively written or assigned. In part of the PeopleSoft system upgrade that went live on March 1, 2017, options were enabled to the chart of accounts to accommodate new funds functionality. The upgrade project experienced delays prior to going live, and, in two charts of accounts, were provided to schools, colleges, and departments with little time to provide feedback and testing. Consequently, there was insufficient time to verify that all transactions were properly accounted for.</td>
<td>Moderate</td>
<td>Refer to the recommendations below for details.</td>
<td>Finance &amp; Planning should provide additional training to HSC personnel responsible for account management to increase understanding of the relevant account chart strings. Additionally, HSC should consider adding system controls (e.g., data input validation controls such as check digits or drop-down menus) to the PeopleSoft upgrade to reduce the risk of human error in allocating financial data.</td>
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<tr>
<td>Internal/External</td>
<td>Fisc. Year Report Issued</td>
<td>Audit Number</td>
<td>Audit Category</td>
<td>Report Name</td>
<td>Complied Institution</td>
<td>Key Observations</td>
<td>Risk Level</td>
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<tr>
<td>Internal/External</td>
<td>Fiscal Year 2017</td>
<td>17-310 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Scholarship Review</td>
<td>UNT Dallas</td>
<td>UNT Dallas’ process for creating/managing endowments and related gift agreements is not always consistent or in alignment with donor intent. Advancement has the primary responsibility for soliciting funds from donors and managing the ensuing relationships and endowments. When a donor agrees to provide funds for the University, Advancement and the donor first agree upon how the funds will be unrestricted or restricted. If the funds are unrestricted, they agree to provide funds for the University, Advancement and the donor first agree upon how the funds will be unrestricted or restricted. If the funds are unrestricted, they will be put into the appropriate bank account to be used at the University’s discretion, which reflects the current state of the agreement. Management was aware of concerns around MOU Retention, including templates for MOUs, and retention of documentation (including scholarship criteria) is retained and reflects the current state of the agreement.</td>
<td>Moderate</td>
</tr>
</tbody>
</table>

<p>| Internal/External | Fiscal Year 2017         | 17-310 DAL   | Governance and Regulatory Compliance | Scholarship Review | UNT Dallas | UNT Dallas’ process for creating/managing endowments and related gift agreements is not always consistent or in alignment with donor intent. Advancement has the primary responsibility for soliciting funds from donors and managing the ensuing relationships and endowments. When a donor agrees to provide funds for the University, Advancement and the donor first agree upon how the funds will be unrestricted or restricted. If the funds are unrestricted, they agree to provide funds for the University, Advancement and the donor first agree upon how the funds will be unrestricted or restricted. If the funds are unrestricted, they will be put into the appropriate bank account to be used at the University’s discretion, which reflects the current state of the agreement. Management was aware of concerns around MOU Retention, including templates for MOUs, and retention of documentation (including scholarship criteria) is retained and reflects the current state of the agreement. | Moderate | UNT Dallas should utilize the recommended general scholarship committee to perform continuous monitoring of endowment account financial activity through the review of endowment account financial activity. | In Management and implemented procedures, it was ensured accountability that includes templates for MOUs, and retention of documentation (including scholarship criteria) is retained and reflects the current state of the agreement. | Dr. Monica Williams, VP for University Advancement | 12/31/2018 | Done |</p>
<table>
<thead>
<tr>
<th>Institution/ Description</th>
<th>Fiscal Year</th>
<th>Audit Number</th>
<th>Audit Category</th>
<th>Report Name</th>
<th>Component/ Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Acknowledgement Status</th>
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<tbody>
<tr>
<td>UNT Dallas Enterprise Audit Report Inventory</td>
<td>Fiscal Year 2017</td>
<td>17-310 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Scholarship Review</td>
<td>UNT Dallas</td>
<td>A Management of Endowments</td>
<td>Moderate</td>
<td>UNT Dallas’ process for creating/managing endowments and related gift agreements is not always consistent or in alignment with donor intent.</td>
<td>Management will develop procedures necessary for improved accountability that includes templates for MOUs, and training on MOU procedures.</td>
<td>Dr. Monica Williams, VP for University Advancement</td>
<td>12/31/2018</td>
<td>Signed</td>
</tr>
</tbody>
</table>

**Institution/ Description**

- UNT Dallas Enterprise Audit Report Inventory

**Fiscal Year**

- Fiscal Year 2017

**Audit Number**

- 17-310 DAL

**Audit Category**

- Governance and Regulatory Compliance

**Report Name**

- Scholarship Review

**Component/ Institution**

- UNT Dallas

**Key Observations**

- A Management of Endowments

- UNT Dallas’ process for creating/managing endowments and related gift agreements is not always consistent or in alignment with donor intent. Assessment of the primary responsibility for soliciting funds from donors and managing the ensuing relationships and endowments when a donor agrees to donate funds for the University, Advancement and the donor first agree on whether the funds will be unrestricted or restricted. If the funds are unrestricted, they will be put into the appropriate bank account to be used at the University’s discretion, which is typically done in endowment or scholarship funds. If the funds are restricted, Advancement agreements or other gift agreements, and the funds are awarded to students as donor scholarships. Note: Management was aware of concerns around MOU Retention, reporting, Endowment Corpus Amounts, and Unused Endowment Funds and requested the user to specifically address these areas. See below for details on the observations impacted by the management of endowments.

**Risk Level**

- Moderate

**Recommendation Details**

- UNT Dallas’ process for creating/managing endowments and related gift agreements is not always consistent or in alignment with donor intent. Assessment of the primary responsibility for soliciting funds from donors and managing the ensuing relationships and endowments when a donor agrees to donate funds for the University, Advancement and the donor first agree on whether the funds will be unrestricted or restricted. If the funds are unrestricted, they will be put into the appropriate bank account to be used at the University’s discretion, which is typically done in endowment or scholarship funds. If the funds are restricted, Advancement agreements or other gift agreements, and the funds are awarded to students as donor scholarships. Note: Management was aware of concerns around MOU Retention, reporting, Endowment Corpus Amounts, and Unused Endowment Funds and requested the user to specifically address these areas. See below for details on the observations impacted by the management of endowments.

**Management Response**

- Management will develop procedures necessary for improved accountability that includes templates for MOUs, and training on MOU procedures. The final recommendation report was submitted to AT&T regarding Early College High School programming. The report was accepted by AT&T on June 1, 2017, and 10/27/2017, the CFO approved Funding transfers inventory to correct the incorrect balance in the two impacted endowment funds. Management will work with AT&T to resolve the issue and ensure that accurate documentation is in place to affect the current endowment balance. Unused endowment funds will be reclassified in accordance with the MOU.

**Individual Responsible for Implementation**

- Dr. Monica Williams, VP for University Advancement

**Expected Implementation Date**

- 12/31/2018

**Acknowledgement Status**

- Signed
### UNT Enterprise Audit Report Inventory

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<thead>
<tr>
<th>Audit Number</th>
<th>Audit Title</th>
<th>Report Name</th>
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<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Recommended Status</th>
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<tbody>
<tr>
<td>17-310 DAL</td>
<td>2. Management of Endowments</td>
<td>UNT Dallas process for creating/managing endowments and related gifts</td>
<td>Finance &amp; Planning</td>
<td>Management was aware of concerns around MOU Retention, particularly those related to the management of endowments</td>
<td>Moderate</td>
<td>Management will develop procedures necessary for improved accountability that includes templates for MOUs, and retention agreements. The management team will work with the external party to ensure appropriate management of funds.</td>
<td>University Advancement</td>
<td>President for Finance and Planning</td>
<td>10/15/2018</td>
<td>Resolved</td>
</tr>
<tr>
<td>17-310 DAL</td>
<td>3. Interdepartmental Communication and Policy</td>
<td>There are communication and information gaps between Finance &amp; Planning, the Controller’s Office, and the schools/departments</td>
<td>Finance &amp; Planning</td>
<td>There are communication and information gaps between Finance &amp; Planning, the Controller’s Office, and the schools/departments.</td>
<td>Moderate</td>
<td>Management will develop procedures necessary for improved accountability that includes templates for MOUs, and retention agreements. The management team will work with the external party to ensure appropriate management of funds.</td>
<td>University Advancement</td>
<td>President for Finance and Planning</td>
<td>10/15/2018</td>
<td>Resolved</td>
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<tr>
<td>17-310 DAL</td>
<td>4. Sharing of Information</td>
<td>There are communication and information gaps between Finance &amp; Planning, the Controller’s Office, and the schools/departments</td>
<td>Finance &amp; Planning</td>
<td>There are communication and information gaps between Finance &amp; Planning, the Controller’s Office, and the schools/departments.</td>
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<td>University Advancement</td>
<td>President for Finance and Planning</td>
<td>10/15/2018</td>
<td>Resolved</td>
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<tr>
<td>17-310 DAL</td>
<td>5. Scholarships Review</td>
<td>UNTHSC Scholarship Corpus Amounts, and Unused Endowment Funds</td>
<td>Finance &amp; Planning</td>
<td>There are communication and information gaps between Finance &amp; Planning, the Controller’s Office, and the schools/departments.</td>
<td>Moderate</td>
<td>Management will develop procedures necessary for improved accountability that includes templates for MOUs, and retention agreements. The management team will work with the external party to ensure appropriate management of funds.</td>
<td>University Advancement</td>
<td>President for Finance and Planning</td>
<td>10/15/2018</td>
<td>Resolved</td>
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<td>Fiscal Year</td>
<td>Report Name</td>
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<tr>
<td>2017</td>
<td>Governance and Regulatory Compliance</td>
<td>UTSA</td>
<td>Financial Review of UNTHSC Reserves</td>
<td>There is a communication and information gap between Finance &amp; Planning, the Office of the Vice Chancellor for Finance and Planning, the Controller’s Office, and the schools/offices/departments. There is no clear delineation of responsibilities and authority for the management of revenue-generating activities and related accounts.</td>
<td>Moderate</td>
<td>HSC Office of Finance should work with UNT System Office of the Vice Chancellor for Finance to develop and formally document policies and procedures around the collection and management of revenue, including, but not limited to, the creation and use of revenue-generating activity accounts, the creation of institutional or departmental accounts, and the use of funds.</td>
<td>Geoffrey Scarpelli, Vice President for Finance and Planning</td>
<td>8/31/2018</td>
<td>Closed</td>
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<tr>
<td>2017</td>
<td>Governance and Regulatory Compliance</td>
<td>UNTHSC</td>
<td>Student Managed Investment Fund (SMIF)</td>
<td>The SMIF designation was not followed within all official SIG documents as required by the MOU.</td>
<td>Low</td>
<td>The SIG supported by faculty should implement procedures to ensure appropriate guidance is in place when referring to the SMIF in official SIG documents. This should also be considered as part of the review of SIG documentation prior to finalization.</td>
<td>SIG Board of Directors</td>
<td>12/31/2017</td>
<td>Revised Impl. Date: 03/31/2018</td>
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<td>Key Observations</td>
<td>- There are opportunities for the UNT Dallas Foundation to enhance its current processes to help manage endowment funds in alignment with University guidelines, including processes and policies for the tracking of donations and compliance with established requirements. Donations are made to the UNT Dallas Foundation through various methods, including the use of a bank account and distributing it to the UNT Dallas Foundation on a periodic basis. As the VP of Advancement is also the President of the UNT Dallas Foundation, the responsibilities related to endowed funds and scholarship programs are shared and managed centrally. This structure is common in smaller institutions, and the responsibilities of the parties involved are outlined in the agreements established between the University, the UNT Dallas Foundation, and the University of Texas System. Additionally, Advancement currently does not perform regular reconciliations of funds received by the UNT Dallas Foundation or periodically reconcile amounts donated in the Raiser’s Edge system. As a result, the actual funds are not accurately accounted for in the respective accounts. Additionally, Advancement does not currently have designated personnel to assist with the management of the University’s financial processes.</td>
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<td>Recommendation Details</td>
<td>- UNT Dallas Foundation should implement a system of reconciling amounts donated in the Raiser’s Edge system with the corresponding donations and scholarship programs. They will be responsible for ensuring compliance with established requirements and scholarship policies. Additionally, the UNT Dallas Foundation should review UNT Dallas’ Affiliated Scholarship and Scholarship policies and reconcile accounts on an annual basis. As a result, the actual funds are not accurately accounted for in the respective accounts. Additionally, Advancement does not currently have designated personnel to assist with the management of the University’s financial processes.</td>
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<td>Management Response</td>
<td>- The UNT Dallas Foundation should implement a system of reconciling amounts donated in the Raiser’s Edge system with the corresponding donations and scholarship programs. They will be responsible for ensuring compliance with established requirements and scholarship policies. Additionally, the UNT Dallas Foundation should review UNT Dallas’ Affiliated Scholarship and Scholarship policies and reconcile accounts on an annual basis. As a result, the actual funds are not accurately accounted for in the respective accounts. Additionally, Advancement does not currently have designated personnel to assist with the management of the University’s financial processes.</td>
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<td>Individual Responsible for Implementation</td>
<td>Dr. Monica Williams, VP for University Advancement</td>
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Individual/ Entity: PwC

Fiscal Year: 2017
Audit Number: 17-302
Report Name: Governance and Regulatory Compliance
Component: UNTHSC

Financial Review of UNTHSC Reserves

Key Observations:

1. PeopleSoft Upgrade

Several IT system-related issues have resulted from the recent PeopleSoft upgrade and subsequent chart of accounts conversion, causing HSC schools, colleges, and departments to ineffectively monitor their accounts. As part of the PeopleSoft system upgrade that went live on March 1, 2016, changes were made to the chart of accounts to accommodate new system functionality. The upgrade project experienced delays prior to going live, and the new chart of accounts was provided to schools, colleges, and departments with very little time to provide feedback and testing. Consequently, there was insufficient time to verify that all accounts were appropriately established in PeopleSoft, and the upgrade went live with a significant amount of errors (as described below), creating confusion among the majority of users. For example, one concern was regarding significant delays in the reception of purchasing card transaction data. Since the PeopleSoft upgrade went live, departments, schools, and colleges sometimes did not receive card transaction data in a timely manner, which impacted their ability to monitor and control expenses.

Risk Level: Moderate

Business Process Details:

- The OGCM should work with Student Accounting to identify all Purchasing Card accounts that were incorrectly classified as Grant/Scholarship expenses due to the PeopleSoft upgrade and perform necessary adjustments.

Management Response:

- The OGCM has worked with Student Accounting and completed the necessary corrections for the 12 Purchasing Card accounts that were incorrectly classified as Grant/Scholarship expenses due to the PeopleSoft upgrade.

Individual Responsible for Implementation: LeAnn Forsberg, Assistant Vice President for Research Administration

Recommendation Status: Closed

2. Contract Setup and Monitoring

There are insufficient detective controls in place for monitoring the revenue recognized as well as the expenses incurred in HSC's IT systems against the agreement terms. Contracts and grants resulting from externally-sponsored projects at HSC are managed by the Office of Grant and Contract Management (OGCM) in the Grants Module in PeopleSoft. The OGCM uploads the terms from the respective agreement into PeopleSoft, and the applicable files are provided to the Principal Investigators (PIs). The PIs are very involved with the specific grants and discuss terms during the Project Initiation Meetings as they are expected to have a good understanding of the allowable expenses and revenue to be received. Furthermore, there are fixed rate agreements as well as cost reimbursement agreements, for which payments are allocated F&A costs in accordance with the agreement terms.

Risk Level: Moderate

Business Process Details:

- The OGCM should review the agreement for the project that was set up with an incorrect F&A rate, identify the correct amount to be applied as F&A, and perform a manual correction to resolve the inaccurately allocated F&A costs in accordance with the agreement terms.

Management Response:

- The award documents for each year did not have an overhead rate or base to calculate F&A. Only a flat dollar amount, which was different each year, was awarded. Prior to conversion, OGCM managed that unusual F&A process through one time manual entries at the end of each award year. During conversion the award was changed to have an 8% rate and set up for automated capture each month. OGCM has corrected the set up and manually captured the final year of F&A.

Individual Responsible for Implementation: LeAnn Forsberg, Assistant Vice President for Research Administration

Recommendation Status: Closed
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<tr>
<th>Category</th>
<th>Report Name</th>
<th>Component Institution</th>
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<td>Student Managed Investment Fund (SMIF)</td>
<td>UNT</td>
<td>The SIG annual report was not finalized within the 6-week timeframe required by the SIG Bylaws. The SIG Accounting Committee did not finalize the 2016 SIG annual report within the required 6 weeks after December 31, 2016 as required by Article IX, section B(c) of the SIG By-Laws. The annual report was finalized on February 16, 2016 which is one week after the required due date. This constitutes an improvement of approximately 6 weeks compared to the prior year; however, further improvement is required by the SIG Accounting Committee to ensure that they adhere to the required due dates for the quarterly reports and annual report.</td>
<td>Low</td>
<td>4.1.a. The SIG should document and implement procedures to define and communicate the annual reporting deadline. This should be communicated to the SIG Accounting Committee as part of their onboarding and training to ensure that the SIG annual report is finalized in a timely manner.</td>
<td>SIG Accounting Committee and SIG Board of Directors</td>
<td>Exp. Impl. Date: 12/31/2017 Revised Impl. Date: 03/31/2018 Closed</td>
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<td>Meeting attendance</td>
<td>Student Managed Investment Fund (SMIF)</td>
<td>UNT</td>
<td>Meeting attendees are taken using manual attendance forms that are distributed during the meeting, giving students the opportunity to sign in. Students that did not attend the meeting are not given credit for their attendance. On an annual basis, the information is used to allocate course credits for students attending SIG meetings, based on their number of meetings attended and relevant enrolled courses.</td>
<td>Low</td>
<td>5.1.a. The SIG in coordination with the FIREL chair should evaluate and, if viable, implement measures whereby meeting attendance can be taken either by using a scanning or manual attendance form or an alternative method.</td>
<td>FIREL department chair in coordination with the SIG Board of Directors</td>
<td>Exp. Impl. Date: 12/31/2017 Revised Impl. Date: 03/31/2018 Closed</td>
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<td>Internal/External</td>
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<td>Report Name</td>
<td>Key Observations</td>
<td>Risk Level</td>
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<td>Management Response</td>
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<td>Internal (Self-Learned)</td>
<td>2017</td>
<td>Governance and Regulatory Compliance</td>
<td>There are communication and information gaps between the UNT Foundation, Advancement, UNT, and the Colleges/Departments; and there is not a clear delineation of responsibilities and authorities for the management of university disbursement accounts.</td>
<td>High</td>
<td>UNT Foundation should create a formal process for reconciling remaining balances in disbursement accounts and consider implementing tools to assist in the distribution of endowment or scholarship funds appropriately.</td>
<td>Refer to the following observations for further details:</td>
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### III. Donor Compliance

**Key Objectives**

- Ensure UNT establishes and communicates requirements for managing endowment/scholarship funds appropriately.
- Document and enforce policies and procedures related to endowment management.
- Monitor and assess compliance with endowment requirements.

**Recommendation Details**

- Develop and implement formal processes for managing endowment accounts.
- Establish clear guidelines for gift agreements and procedures related to endowment management.

**Risk Level**

- High

**Management Response**

- Implement formal processes for managing endowment accounts.
- Develop clear guidelines for gift agreements and procedures related to endowment management.

---

#### 3. Gift Agreement

**Key Objectives**

- Ensure gift agreements are reviewed, updated, and approved by the Office of Advancement.
- Establish clear guidelines for gift agreements.

**Recommendation Details**

- Develop and implement formal processes for gift agreement review, update, and approval.
- Establish clear guidelines for gift agreements.

**Risk Level**

- High

**Management Response**

- Implement formal processes for gift agreement review, update, and approval.
- Establish clear guidelines for gift agreements.

---

**Comments**

- Comment #2: Incorrect Gift Agreement
  - Individual Responsible for Governance and Fiscal Year 2017 16-303 UNT
  - The Office of Advancement should update the incorrect donor agreements to ensure that all criteria were included and updated gift agreement from Information did not receive the updated gift agreement from Advancement.

- Comment #1: Communication and Authority
  - III - V. UNT should create a steering committee responsible for communication and authority.
  - The Division of Enrollment has appointed the Executive Director of Financial Aid and the Scholarship Committee to be members on the recommended steering committee.
  - The Division of Advancement has hired an Assistant Director of Donor Relations and Advancement Services who will serve as a member of the recommended steering committee.

---

**Additional Information**

- UNT should consider the use of new or existing software to assist in monitoring financial data.
- UNT should consider integrating existing systems (e.g., Raiser’s Edge in PeopleSoft) to be used to monitor transactions and balances as well as interface with the other established systems (e.g., Kansas City’s educational system).

---

**Revised Impl. Date:**
- 10/23/2017
- 8/31/2018

**Status:**
- Closed
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</table>
| **Internal (Out-Sourced)** | PwC | Fiscal Year 2017 | 17-304 | HSC Governance and Regulatory Compliance | THECB Faculty Development Center Grant Internal Audit | 1. Funding Source Not Accurately Set Up  
The funding source for the FDC grant was not accurately set up to include fringe benefits for FDC employees in accordance with the FDC State Grant Agreement. Specifically, the chart string field for fringe benefits was inaccurate, resulting in the designation of $14,377.58 to the incorrect fund. | High | 1.1.a. Correctly set up the FDC grant in upcoming appropriation years to ensure that fringe benefits are configured as expenses to be allocated in the grant total from the correct funding source (i.e., chart field string) and coordinate with appropriate management from the Office of Finance & Planning as well as the UNT System Controller’s office to confirm that the accurate funding source is being utilized. | Lisa Nash, Senior Associate Dean of Educational Programs (TCOM), and Cynthia Passmore, Director of Faculty Development Center | 5/16/2017 | Closed |
| **Internal (Out-Sourced)** | PwC | Fiscal Year 2017 | 17-304 | HSC Governance and Regulatory Compliance | THECB Faculty Development Center Grant Internal Audit | 2. Not All Grant Expenses Were Charged Accurately  
The THECB FDC grant expenditures were not always recorded accurately prior to the FDC grant Annual Financial Report (AFR) being submitted to the THECB. After the submission of the AFR to the THECB, the management of the FDC determined that $8,364.32 in expenses charged to the grant were unallowable expenses, and $8,730.55 in expenses charged to local/discretionary accounts were allowable expenses that could be funded by the grant. Internal Audit reviewed both the unallowable and allowable expenses. | High | 2.1.a. Initiate a cost transfer form for $8,364.32 in unallowable expenses to be removed from the THECB FDC grant as well as a cost transfer form for $8,730.55 in allowable expenses from the local/discretionary account (300610) to be included on the THECB FDC grant and submit the form to the OGCM for review. | Lisa Nash, Senior Associate Dean of Educational Programs (TCOM), and Cynthia Passmore, Director of Faculty Development Center | NA | Closed |
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<td>THECB Faculty Development Center Grant Internal Audit</td>
<td>UNTHSC</td>
<td>Not All Grant Expenses Were Charged Accurately</td>
<td>High</td>
<td>2.1.b. Work with OGCM to update the workflow approval routing to go through the Director of the FDC, who, as head of the FDC, has greater oversight and first-hand knowledge of activities performed to be able to sufficiently review and approve expenses for the grant.</td>
<td>Lisa Nash, Senior Associate Dean of Educational Programs (TCOM), and Cynthia Passmore, Director of Faculty Development Center</td>
<td>8/31/2017</td>
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<td>THECB Faculty Development Center Grant Internal Audit</td>
<td>UNTHSC</td>
<td>Not All Grant Expenses Were Charged Accurately</td>
<td>High</td>
<td>2.2.a. Review the expenses along with supporting documentation for appropriateness and provide approval to the UNT System Controller's office to post the transfer to the General Ledger.</td>
<td>OGCM has reviewed, approved and forwarded to the HSC System Controller's office the necessary cost transfers.</td>
<td>LeAnn Forsberg, Assistant Vice President of Research Administration</td>
<td>NA</td>
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<td>UNTHSC</td>
<td>2. Not All Grant Expenses Were Charged Accurately</td>
<td>High</td>
<td>2.2.b. Update the FDC grant AFR to appropriately reflect expenses charged to the grant and resubmit the AFR to the THECB.</td>
<td>OGC will complete the revised FDC grant AFR and will forward the revised AFR to the THECB.</td>
<td>LeAnn Forsberg, Assistant Vice President of Research Administration</td>
<td>4/28/2017</td>
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<td>2. Not All Grant Expenses Were Charged Accurately</td>
<td>High</td>
<td>2.2.c. Implement a follow-up process with the grantees on a periodic basis to ensure that all expenses are being charged correctly and establish an escalation procedure to notify appropriate personnel to ensure timely validation of expenses, supporting documentation, and the completed AFR.</td>
<td>OGC will implement additional processes specifically for the FDC award and, where needed, additional TCOM awards through quarterly meetings to review award status and expenditures. The meetings and subsequent follow-up will include escalation to management, as needed, to ensure proper grant oversight. Other grants will follow standard procedures of PIM meeting schedule, expenditure review and meetings.</td>
<td>LeAnn Forsberg, Assistant Vice President of Research Administration</td>
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<td>THECB Faculty Development Center Grant Internal Audit</td>
<td>UNTHSC</td>
<td>2. Not All Grant Expenses Were Charged Accurately</td>
<td>High</td>
<td>2.3.a. Commit additional resources in TCOM and establish a transfer procedure in which personnel creates a journal worksheet with the cost transfer form, which is then routed to the OGCM for review and approval. Once it is approved, the OGCM will send the documentation to the UNT System Controller's office for posting to the General Ledger through a journal entry.</td>
<td>Gregory Anderson, Chief Financial Officer and Don Peska, Dean of TCOM</td>
<td>9/30/2017</td>
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<td>UNTHSC</td>
<td>3. Monitoring and Tracking of Grant Expenditures Was Insufficient</td>
<td>High</td>
<td>3.1.a. Establish a formal system (i.e. creating a spreadsheet, retaining invoices and receipts) of tracking and monitoring expenses throughout the appropriation year to be able to provide sufficient supporting documentation for the creation of the FDC grant AFR.</td>
<td>Cynthia Passmore, Director of Faculty Development Center</td>
<td>8/31/2017</td>
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<td>17-304 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>THECB Faculty Development Center Grant Internal Audit</td>
<td>UNTHSC</td>
<td>3. Monitoring and tracking of grant expenditures was insufficient. The preparation of the FDC grant AFR was not performed in adherence with the FDC State Grant Agreement. The FDC grant AFR was not always supported by the sufficient level of documentation required to ensure accurate financial reporting, resulting in a delayed and inaccurate submission of the AFR.</td>
<td>High</td>
<td>3.1.b. Perform quarterly reviews, at a minimum, of all expenditures on the FDC grant by reconciling all FDC grant expenses to what has been posted in the system to ensure expenses are appropriately charged to the grant based on the guidelines.</td>
<td>The Director of the Faculty Development Center will perform quarterly reconciliations to ensure FDC expenses are appropriately recorded.</td>
<td>Cynthia Passmore, Director of Faculty Development Center</td>
<td>8/30/2017</td>
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<td>N/A</td>
<td>Research</td>
<td>University of North Texas Contracts Audited as Part of the FY2018 University Pool</td>
<td>N/A</td>
<td>No issues were identified.</td>
<td>N/A</td>
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### UNTS Enterprise Audit Report Inventory

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<td>Fiscal Year 2018</td>
<td>18-314</td>
<td>Financial</td>
<td>State of Texas Revenue. Portion of the Statewide Single Audit Report For the Fiscal Year Ended August 31, 2017</td>
<td>UNT</td>
<td>The University should verify required FAFSA information for applicants selected for verification and make changes based only on the supporting documentation that students provide.</td>
<td>NA</td>
<td>The University acknowledges the findings and recommendations. The University will work to develop and implement the corrective action plan. The University will review the recommendations and update its verification procedures.</td>
<td>Dena Guzman-Torres, Assistant Director of Financial Aid, Lacey Thompson, Director of Financial Aid</td>
<td>8/1/2017</td>
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<td>Fiscal Year 2018</td>
<td>18-314</td>
<td>Financial</td>
<td>State of Texas Revenue. Portion of the Statewide Single Audit Report For the Fiscal Year Ended August 31, 2017</td>
<td>UNT</td>
<td>The University did not appropriately restrict access to its financial assistance information system. The University also did not have adequate logical access controls for its financial assistance information system.</td>
<td>NA</td>
<td>The University acknowledges the findings and recommendations. Through analysis of the exceptions identified in the audit, the University will work to develop and implement corrective actions. The University acknowledged that there were more than one individual who had access at the time of this audit. Since notification by the auditors of their concerns regarding this item, the following actions have been taken: Reduced the number of individuals with access to the information system that had access. Increased restrictions to financial assistance program. Additional remediation efforts are in progress to support a more restricted environment.</td>
<td>Dorothy Flores, Executive Director for Enterprise Applications</td>
<td>12/1/2017</td>
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<td>Fiscal Year 2018</td>
<td>18-314</td>
<td>Financial Portion of the Statewide Single Audit Report For the Fiscal Year Ending August 31, 2017</td>
<td>UNT</td>
<td>Return of Title IV Calculations: The University of North Texas (University) did not perform return calculations or return Title IV funds for 2 (3 percent) of 70 students tested because it did not consider students who withdrew from modular programs to be withdraw. In addition, the University did not return the correct amount of funds for 1 (1 percent) of 70 students tested.</td>
<td>M</td>
<td>The University should: - Develop, document, and implement a process to identify students who withdraw from modular programs and perform Title IV return calculations for those students.</td>
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<td>Management acknowledges and agrees with the findings and recommendations. Through analysis of the exceptions identified in the audit, the University will work to develop and implement corrective actions to further improve the process.</td>
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<td>Management updated its procedures to identify students who withdraw from modular programs and ensure calculations for Return of Title IV funds are performed. Management reviewed the manual errors with employees and made changes to improve its review, calculating, and monitoring processes of Return of Title IV funds.</td>
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<td>Melissa Boyer, Assistant Director Financial Aid, and Lacey Thompson, Director Financial Aid</td>
<td>8/1/2017</td>
<td>Closed</td>
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<td>External</td>
<td>State Auditor's Office</td>
<td>Fiscal Year 2018</td>
<td>18-314</td>
<td>Financial Portion of the Statewide Single Audit Report For the Fiscal Year Ending August 31, 2017</td>
<td>UNT</td>
<td>Return of Title IV Calculations: The University of North Texas (University) did not perform return calculations or return Title IV funds for 2 (3 percent) of 70 students tested because it did not consider students who withdrew from modular programs to be withdraw. In addition, the University did not return the correct amount of funds for 1 (1 percent) of 70 students tested.</td>
<td>M</td>
<td>The University should: - Return accurate amounts of Title IV funds.</td>
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<td>External</td>
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<td>Fiscal Year</td>
<td>2018</td>
<td>18-314</td>
<td>Financial</td>
<td>UNT</td>
<td>General Controls: The University did not appropriately restrict access to its financial assistance information system. The University also did not have adequate logical access controls for its financial assistance information system.</td>
<td>NA</td>
<td>The University should: - Limit administrative access to its financial assistance information system to only individuals with a specific business need for that access.</td>
<td>NA</td>
<td>The University acknowledged the findings. Through analysis of the exceptions identified in the audit, the University will work to develop and implement corrective actions. The University acknowledged that there was more than one individual who had access at the time of this audit. Since notification by the auditors of their concerns regarding this item, the following actions have been taken: - Reduced the number of individuals within the information system that have access. - Increased restrictions to financial assistance program. Additional remediation efforts are in progress to support a more restricted environment.</td>
<td>Dorothy Flores, Executive Director for Enterprise Applications</td>
<td>12/1/2017</td>
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</tbody>
</table>

| External | State Auditor's Office | Fiscal Year | 2018 | 18-555 | Financial | UNT | The University of North Texas (UNT) (1) incorrectly excluded from its fiscal year 2017 SEFA $3,516 in expenditures for 1 Student Financial Assistance CFDA program and (2) incorrectly included on its fiscal year 2017 SEFA $415,856 in expenditures for a different Student Financial Assistance CFDA program. Those errors occurred because UNT incorrectly included on its SEFA adjustments that were not associated with fiscal year 2017 disbursement activity. As a result, UNT (1) overstated expenditures on its SEFA by $412,340 and (2) overstated federal revenue by $412,340 in Note 2 to its SEFA. | NA | UNT should strengthen its SEFA preparation and review process to help ensure that it properly identifies expenditures, including ensuring that it reports expenditures in the appropriate fiscal year. | NA | The University of North Texas (UNT) acknowledges and agrees with the findings. During the audit, UNT determined there was an error in adjusting fiscal year 2017 expenditures and revenues reported on the proposed final SEFA. Within financial aid data and general ledger reconciles, an adjustment was made that included an incorrect consolidation of expenditures and revenues in the SEFA by $412,340. UNT has already implemented this process improvement. The procedures have been updated to ensure proper reporting of federal expenditures in the appropriate fiscal year. | Associate Controller | 12/18/2017 | Closed |
| External | Texas Comptroller of Public Accounts | Fiscal Year 2018 | N/A | Financial | Desk Audit - Charge Card Program | N/A | The University did not have sufficient monitoring controls in place to prevent rebate losses from the Citibank Charge Card Program. The University incurred a rebate loss/charged-off amount of $87,289.88 for the period Sept. 1, 2010 through Aug. 31, 2016. | 1. The University must ensure payments to Citibank comply with the State of Texas and Citibank Contract No. 946-M2 and any future contracts. The University's payments to Citibank and travel reimbursements to individuals who individually billed travel (IBT) cards are in compliance with the State of Texas rules and Citibank Contract No. 946-M2. Additionally, the University will ensure that future payments will continue to comply with the State of Texas rules and any future contract. | N/A | N/A | Closed |

<p>| External | Texas Comptroller of Public Accounts | Fiscal Year 2018 | N/A | Financial | Desk Audit - Charge Card Program | N/A | The University did not have sufficient monitoring controls in place to prevent rebate losses from the Citibank Charge Card Program. The University incurred a rebate loss/charged-off amount of $87,289.88 for the period Sept. 1, 2010 through Aug. 31, 2016. | 2. The University should create policies and procedures to specifically monitor and ensure that expenses charged on state of Texas travel charge cards are paid and paid timely according to the contract terms. The University will ensure that future payments will continue to comply with the State of Texas travel charge card program. See the Comptroller Statewide Procurement Division’s Statewide Travel Charge Card Policy and Individual Billed Account Cardholder Agreement. | The University has policies and procedures related to the state of Texas travel charge card to ensure that expenses charged on the card are paid and paid timely according to the contract terms. Please see the attached document titled “UNT System Travel Guidelines” at page 5, specifically, the section titled “Individually Billed Travel Card (IBT)”. Based on a comparison of the University’s policies regarding IBT cards and the Statewide Travel Charge Card Policy, the University acknowledges that its policies and procedures could be revised to improve program monitoring related to the IBT card program. The University agrees with CPA’s statement that “effective monitoring controls do not provide absolute assurance of on-time payment” and similarly does not believe it can eliminate all possibility of rebate loss stemming from the Citibank Charge Card Program. The University will implement (or has implemented) revisions consistent with the Statewide Travel Charge Card policy and the Individual Billed Account Cardholder Agreement to “serve as a strong deterrence against non-payment or late payment” by September 1, 2018. | N/A | N/A | Closed |</p>
<table>
<thead>
<tr>
<th>Reports/Category</th>
<th>Reporting Agency</th>
<th>Fiscal Year</th>
<th>Report Name</th>
<th>Component Institution</th>
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<td>External</td>
<td>Texas Comptroller of Public Accounts</td>
<td>Fiscal Year 2018</td>
<td>N/A</td>
<td>Financial</td>
<td>Desk Audit - Charge Card Program</td>
<td>The University did not have sufficient monitoring controls in place to prevent rebate losses from the Citibank Charge Card Program. The University incurred a rebate loss/charged-off amount of $87,289.88 for the period Sept. 1, 2010 through Aug. 31, 2016.</td>
<td>N/A</td>
<td>3. The University should use the Citibank Charge Card Program online tool to monitor cardholder usage and help ensure compliance.</td>
<td>The University monitors the state travel card program and reviews monthly reports regarding the accounts. It used the Citibank online tool to verify the amounts as questioned when data was first requested for the desk audit. All the IBT cards related to delinquent accounts were closed within 90 days as specified in the cardholder agreements. This limited the potential exposure to additionally unpaid balances. The University will continue to monitor cardholder usage and ensure its policies help ensure compliance.</td>
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</tbody>
</table>

The University did not have sufficient monitoring controls in place to prevent rebate losses from the Citibank Charge Card Program. The University incurred a rebate loss/charged-off amount of $87,289.88 for the period Sept. 1, 2010 through Aug. 31, 2016.

4. The University must reimburse the state of Texas' unappropriated general revenue for $87,289.88 in rebate losses. The University should attempt to collect the delinquent balances that were charged off by Citibank from the individual cardholders.

The University agrees that the amounts of the delinquent balances on the IBT cards is $87,289.88. While the University is troubled by the actions of some employees, the University is unsure if the characterization as a "rebate loss" means the amount no longer constitutes a delinquent balance created through a contractual relationship between individual employees and Citibank to which the University was not a party. However, to the extent payment of these individuals' debts is not prohibited by the constitution of the State of Texas, University will explore options by which to refund the amounts Citibank used to make itself whole.

The University agreed that the amount of the delinquent balance on the IBT cards is $87,289.88. While the University is troubled by the actions of some employees, the University is unsure if the characterization as a "rebate loss" means the amount no longer constitutes a delinquent balance created through a contractual relationship between individual employees and Citibank to which the University was not a party. However, to the extent payment of these individuals' debts is not prohibited by the constitution of the State of Texas, University will explore options by which to refund the amounts Citibank used to make itself whole.

N/A | N/A | Closed |
| External | Texas Department of State Health Services | Fiscal Year 2018 | N/A | Governance and Regulatory Compliance | Radiation Program Inspection | UNTHSC Radiation Program Inspector(s) | N/A | 1 Violation was found | Violation was closed on 12/11/2017 | N/A | 12/11/2017 | Closed |
| Internal | UNT System Internal Audit | Fiscal Year 2018 | 18-005 SYS | Governance and Regulatory Compliance | UNT System | UNT System, UNT, and UNT Dallas held repurchase agreements with Wells Fargo Bank as sweep investment vehicles during fiscal year 2017. However, this is specifically prohibited in the Master Depository and Banking Services Agreement between UNT System and Wells Fargo Bank. The total balance in the repurchase account at August 31, 2017 was $7,665,644. During the audit we reviewed repurchase agreements for compliance with requirements of UNT System Regulation 08.2000-Investment of System Funds. We noted all existing repurchase agreements were signed in July 2014, which predated the signing of the Master Depository and Banking Services Agreement of August 2015. Upon further review of the Master Depository and Banking Services Agreement, section 4 ‘Consolidated Account Structure with Sweep Mechanism’ stated repurchase agreements were not acceptable as sweep investment vehicles. This contradicted the existing process where UNT System, UNT, and UNT Dallas utilized repurchase agreements as their sweep mechanism. Furthermore, there is an inconsistency between the Master Depository and Banking Services Agreement which prohibits the use of repurchase agreements, and UNT System Regulation 08.2000 which allows investing in fully collateralized repurchase agreements. | High | Recommendations for the Associate Vice Chancellor for Treasury and Reporting: 1.1.a. Work with the Office of General Counsel to review the current Master Depository and Banking Services Agreement to ensure they are aligned with UNT System Regulation 08.2000 and current practices. | 1a. Management will work with the Office of General Counsel to review the current Master Depository and Banking Services Agreement to ensure they are aligned with UNT System Regulation 08.2000 and current practices. | James Mauldin, Associate Vice Chancellor for Treasury and Reporting | 1/31/2018 | Closed |
**Internal UNT System Internal Audit Fiscal Year 2018 18-005 SYS Governance and Regulatory Compliance Investments Audit**

**Issue:** Unauthorized Sweep Investment Vehicles

UNT System, UNT, and UNT Dallas held repurchase agreements with Wells Fargo Bank as sweep investment vehicles during fiscal year 2017. However, this is specifically prohibited in the Master Depository and Banking Services Agreement between UNT System and Wells Fargo Bank. The total balance in the repurchase account on August 31, 2017 was $7,665,644. During the audit, we reviewed repurchase agreements for compliance with requirements of UNT System Regulation 08.2000-Investment of System Funds. We noted all existing repurchase agreements were signed in July 2014, which predated the signing of the Master Depository and Banking Services Agreement of August 2015. Upon further review of the Master Depository and Banking Services Agreement, it stated repurchase agreements were not acceptable as sweep investment vehicles. This contradicted the existing process where UNT System, UNT, and UNT Dallas utilized repurchase agreements as their sweep mechanism.

Furthermore, there is an inconsistency between the Master Depository and Banking Services Agreement which prohibits the use of repurchase agreements, and UNT System Regulation 08.2000 which allows investing in fully collateralized repurchase agreements.

**Recommendation for the Associate Vice Chancellor for Treasury and Reporting:**

1. Based on the review in recommendation 1.1.a, resolve and ensure new agreements are fully executed by all the relevant parties.

**Management Response:**

James Mauldin, Associate Vice Chancellor for Treasury and Reporting: 1/31/2018

**Status:** Closed

**Internal UNTHSC Internal Audit Fiscal Year 2018 18-005 UNTHSC Governance and Regulatory Compliance Investments Audit**

**Issue:** Accrued Investment Interest Income not Recorded in the General Ledger

There were 2 out of 4 instances where accrued investment interest income for UNTHSC at August 31, 2017, totaling $22,683, was not recorded in the general ledger. During the audit, we reviewed the accuracy, existence, and valuation of the asset balances in the investment reports at August 31, 2017 by vouching the amounts to the investment and bank statements. Furthermore, to test the completeness of investment amounts in the financial statements, we traced the balances from the investment report to the general ledger. We identified 2 out of 4 instances: Texas Term – Term CP (maturity 9/15/2017) $3,222, and Texas Term – CP Proceeds – Term CP (maturity 12/26/2017) $19,461 where accrued investment interest income was not recorded in the general ledger.

**Recommendation for the UNTHSC Associate Controller:**

2.1.a. Identify the journal entries needed to correct the unrecorded amount of $22,683, and post them to the general ledger.

**Management Response:**

Paula Welch, UNTHSC Associate Controller: 2/28/2018

**Status:** Closed
<table>
<thead>
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<th>Audit Number</th>
<th>Fiscal Year</th>
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<th>Key Observations</th>
<th>Risk Level</th>
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<tr>
<td>18-005 SYS</td>
<td>2018</td>
<td>Governance and Regulatory Compliance</td>
<td>There were 2 out of 4 instances where accrued investment interest income for UNTHSC at August 31, 2017, totaling $22,683, was not recorded in the general ledger.</td>
<td>Moderate</td>
<td>Recommendations for the UNTHSC Associate Controller: 2.1.b. Develop a process to ensure that information in the quarterly investment reports from UNT System Treasury is reconciled to the general ledger at least quarterly.</td>
</tr>
<tr>
<td>18-008 HSC</td>
<td>2018</td>
<td>Family Medicine Residency Program Audit</td>
<td>Unexpended Coordinating Board Family Practice (CBFP) funds received from the FY2016 operational grant for the amount of $4,403.28 were not spent as of August 31, 2017. This amount was not included in the AFR section “A. Revenue: 1. Unexpended Balance on CBFP Funds” because the unexpended balance was not correctly reflected in the financial statements.</td>
<td>High</td>
<td>Recommendations for the Senior Academic and Business Director, TCOM: 1.1.a. Work with the Associate Controller at UNTHSC, the Vice President of Finance &amp; Planning and the Office of Research Compliance and Sponsored Programs to transfer unexpended funds. 1.a. Request to transfer unexpended balance of $4,403.28 from FY16 FMRP Operational Grant to the FY17 grant (RA00002) was submitted to Office of Research Compliance and Sponsored Programs. They will work with the UNTHSC Associate Controller’s Office to complete the transfer, increase the project budget for FY17, and update the AFR with the unexpended balance of $4,403.28.</td>
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</table>

Recommendation Status: Closed
| Internal | UNT System Internal Audit | Fiscal Year 2018 | 18-008 HSC | Governance and Regulatory Compliance | Family Medicine Residency Program Audit | UNTHSC | 1. Unexpended Balance from Prior Year CBFP Funds |
| Internal | UNT System Internal Audit | Fiscal Year 2018 | 18-008 HSC | Governance and Regulatory Compliance | Family Medicine Residency Program Audit | UNTHSC | 1. Unexpended Balance from Prior Year CBFP Funds |

Unexpended Coordinating Board Family Practice (CBFP) funds received from the FY2016 operational grant for the amount of $4,403.28 were not spent as of August 31, 2017. This amount was not reported in the AFR section “A. Revenue: 1. Unexpended Balance on CBFP Funds (Received Prior to August 31, 2017).” As a result, the revenue subtotal was not correctly reflected in the AFR. Furthermore, the FY2016 unexpended balance was not transferred at the end of FY2016 to the University’s General Ledger on FY2017 project ID; therefore, it was not available to be spent by the department during FY2017.

**High**

Recommendations for the Senior Academic and Business Director:

1.1.b. Develop a follow-up process with all departments involved (TCOM, UNT System Controller, Office of Research Compliance and Sponsored Programs, Office of Finance) to ensure all expenses are being charged correctly, submitted, approved, posted timely to the General Ledger and Uniform Statewide Accounting System (USAS) with appropriate support documentation, and reconciled on a monthly basis. Additionally, provide the monthly reconciliation to the Chief Financial Officer.

1.b. The Sr. Academic and Business Director began holding monthly reconciliation meetings in October 2017. Stakeholders from the Office of Grant and Contract Management, the UNT System Controller’s Office, and the TCOM Office of Educational Programs meet monthly to review all FDC expenditures to ensure expenditures are reconciled with the University’s General Ledger and Uniform Statewide Accounting System (USAS). A complete reconciliation will be provided to the Chief Financial Officer on a monthly basis. The Annual Financial Report will be completed no later than October 1, 2018.

A.J. Randolph, Senior Academic and Business Director, TCOM
10/1/2018
Closed

| Internal | UNT System Internal Audit | Fiscal Year 2018 | 18-008 HSC | Governance and Regulatory Compliance | Family Medicine Residency Program Audit | UNTHSC | 1. Unexpended Balance from Prior Year CBFP Funds |
| Internal | UNT System Internal Audit | Fiscal Year 2018 | 18-008 HSC | Governance and Regulatory Compliance | Family Medicine Residency Program Audit | UNTHSC | 1. Unexpended Balance from Prior Year CBFP Funds |

Recommendations for the Associate Vice President of Research Administration:

1.2.a. Update the AFR to appropriately reflect all revenue on the grant and submit the AFR to the THECB.

2.a. The Office of Sponsored Programs will update the AFR and resubmit.

Brian Gladue, Associate Vice President of Research Administration
12/22/2017
Closed
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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2018</td>
<td>18-008 HSC</td>
<td>Governance and Regulatory Compliance Family Medicine Residency Program Audit</td>
<td>High</td>
<td>Recommendations for the Senior Academic and Business Director, TCOM:</td>
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<td>10/1/2018</td>
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<td>Recommendations for the Senior Academic and Business Director, TCOM:</td>
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<td>10/1/2018</td>
<td>Closed</td>
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**Key Observations**

- Internal Audit was unable to validate whether the FMRP's cost and income elements were in accordance with the established measures outlined in Section V- Financial Monitoring Procedures (Measurement Guidelines) of the FMRP Guidelines for Funding due to the following reasons:
  - Amounts reported as Revenues and Expenditures paid with Non-CBFP Funds (Other Funds) were not always calculated based on actual amounts as required by the THECB Instructions for Completing the AFR. Specifically:
    - $1,130,320.23 reported as "Revenues - D.1. Total Financial Support for the Family Practice Residency Program" and $936,486.43 reported in "Expenditures - A. Resident Compensation" as support to the program by the Affiliated Hospital did not include actual resident stipends and benefits for FY2017.
    - The amount of $410,000 was reported twice on the AFR as financial support to the FMRP in the Revenue section "D. Affiliated Hospital(s) Support" and also in "H.4. Graduate Medical Education Expansion Grant." This amount was used to reimburse the Affiliated Hospital for the six residents that were paid by the Hospital.
    - Amounts reported in Revenues and Expenditures paid with Non-CBFP Funds (Other Funds) does not include the accurate amount of financial support provided by the Medical School. In detail:
      - $299,510.29 in Operating Expenses reported as "Expenditures - D. Operating Expenses" were not included in the Revenues section as financial support provided by the Medical School in "Revenues - E.2. Total Financial Support from All Other Funds.

**Recommendations**

- Recommendations for the Senior Academic and Business Director, TCOM:
  - 2.1.a. Update the AFR to appropriately reflect revenues and expenses supported with Non-CBFP Funds (Other Funds).
  - 2.1.b. Going forward, complete the AFR to ensure accounting standards are followed. Additionally, the AFR should be complete, accurate and entail actual amounts in accordance with THECB Instructions for Completing the AFR.

**Notes**

- The FMRP AFR is required by THECB and reflects revenues and expenses supported with Non-CBFP Funds (Other Funds).
<table>
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<td>Governance and Regulatory Compliance</td>
<td>Family Medicine Residency Program Audit</td>
<td>UNT System Internal Audit</td>
<td>Faculty and Staff Worker's Compensation Support Personnel's fringe benefits paid with the Coordinating Board Family Practice (CBFP) funds for the amount of $443.17 related to &quot;Unemployment, Worker's Compensation, and Lump Sum Vacation Pay Upon Termination&quot; was included under Faculty's fringe benefits. As a result, category &quot;B. Faculty Compensation&quot; on the AFR was overstated by $443.17 and category &quot;C. Support Personnel Compensation&quot; was understated.</td>
<td>High</td>
<td>Recommendations for the Associate Vice President of Research Administration:</td>
<td>Brian Gladue, Associate Vice President of Research Administration</td>
<td>12/22/2017</td>
<td>Closed</td>
<td></td>
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<tr>
<td>Internal</td>
<td>UNTHSC System Internal Audit</td>
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<td>High</td>
<td>Recommendations for the Associate Vice President of Research Administration:</td>
<td>Brian Gladue, Associate Vice President of Research Administration</td>
<td>12/31/2018</td>
<td>Closed</td>
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<td>Fiscal Year 2018</td>
<td>18-007 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>THECB Faculty Development Center Grant Audit</td>
<td>UNTHSC</td>
<td>1. Unallowable Cost with THECB Funds</td>
<td>High</td>
<td>1.1.a. Initiate a cost transfer form for unallowable expenses to be reviewed from the THECB FDC grant and submit the form to the Office of Research Compliance and Sponsored Programs for closure.</td>
<td>A.J. Randolph, Senior Academic and Business Director, TCOM 10/1/2018 Closed</td>
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Unallowable cost for alcohol, tips, and gratuities in accordance with State and University Guidelines were reported as expenditures paid with the Texas Higher Education Coordinating Board (THECB) funds on the Annual Financial Report (AFR). Specifically, Internal Audit determined that unallowable expenditures for the amount of $54.66 for alcoholic beverages and $271.25 for tips and gratuities were reported on the AFR under the category "C.1c. Staff Conference Travel & Lodging." Furthermore, for 1 out of 5 vouchers reviewed, Internal Audit was unable to determine whether alcoholic beverages were reimbursed to the traveler because the detailed receipt was not provided as required by University Travel Guidelines. The unallowable expenditure amount of $54.66 for alcoholic beverages and $321.25 out of $271.25 for tips were recorded in the University General Ledger. The tips were incorrectly accounted under the meal expenditure.

1b. The Sr. Academic and Business Director began holding monthly reconciliation meetings in October 2017. Stakeholders from the Office of Grant and Contract Management, the UNT System Controller’s Office, and the TCOM Office of Educational Programs meet monthly to review all FDC expenditures to ensure expenditures are reconciled with the University’s General Ledger. UNT System Controller’s staff are present to ensure expenses recorded on the General Ledger are reconciled monthly with the Texas Uniform Statewide Accounting System (USAS). A complete reconciliation will be provided to the Chief Financial Officer on a monthly basis. |
## Internal Audit Findings

### Audit Number: 18-007 HSC

**Audit Category:** Governance and Regulatory Compliance

**Report Name:** THECB Faculty Development Center Grant Audit

**Component Institution:** UNTHSC

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<tr>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
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<tr>
<td>Unallowable cost for alcohol, tips, and gratuities in accordance with State and University Guidelines were reported as expenditures paid with the Texas Higher Education Coordinating Board (THECB) funds on the Annual Financial Report (AFR).</td>
<td>High</td>
<td>Recommendations for the Associate Vice President of Research Administration:</td>
<td>On file at the Office of Sponsored Programs and subsequently recorded in the University General Ledger and USAS.</td>
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<tr>
<td>Specifically, Internal Audit determined that unallowable expenditures for the amount of $54.66 for alcoholic beverages and $271.25 for tips and gratuities were reported on the AFR under the category &quot;C.1c. Staff Conference Travel &amp; Lodging.&quot; Furthermore, for 1 out of 5 vouchers reviewed, Internal Audit was unable to determine whether alcoholic beverages were reimbursed to the traveler because the detailed receipt was not provided as required by University Travel Guidelines. The unallowable expenditure amount of $54.66 for alcoholic beverages and $10.00 out of $271.25 for tips were recorded in the University General Ledger. The tips were incorrectly accounted under the meal expenditure.</td>
<td></td>
<td>1.2.a. Review and remove all unallowable expenditures paid with THECB funds and provide approval to the UNT System Controller's office to post the transfer to the General Ledger and USAS.</td>
<td>Brian Gladue, Associate Vice President of Research Administration 12/22/2017 Closed</td>
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<tr>
<td>The unallowable expenditure amount of $54.66 for alcoholic beverages and $10.00 out of $271.25 for tips were recorded in the University General Ledger. The tips were incorrectly accounted under the meal expenditure.</td>
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<td>1.2.b. Update the AFR to appropriately reflect expenses charged to the grant and submit the AFR to THECB.</td>
<td>On file at the Office of Sponsored Programs and subsequently recorded in the University General Ledger and USAS.</td>
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### Internal UNT System Internal Audit
**Fiscal Year:** 2018
**Audit Category:** Governance and Regulatory Compliance
**Report Name:** THECB Faculty Development Center Grant Audit

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<td>THECB Faculty Development Center Grant Audit</td>
<td>Amounts reported for personnel compensation (salaries and benefits) on the AFR are not in accordance with the University's General Ledger. Specifically, the following were noted:</td>
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<td>• Benefits are not charged proportionally to salaries on the FDC grant (Sponsored Project ID: RA00004) in the University's General Ledger. As a result, the total benefits amount of $5,998.32 reported on the AFR was disproportionate to the effort that was certified by the staff. As a result, the total benefits amount of $5,998.32 reported on the AFR was disproportionate to the effort that was certified by the staff.</td>
<td>High</td>
<td>Recommendations for the Associate Vice President of Research Administration:</td>
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<td>• $132 in longevity pay that should have been charged to the FDC grant for May and June 2017, were incorrectly paid with Non-THECB funds in the University's General Ledger. As a result, salary amounts reported on the AFR as paid with the THECB funds are understated by a total of $132.00 in longevity pay.</td>
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<td>• Salary and benefit amounts reported on the AFR as paid with the Non-THECB funds for all four employees are understated by a total amount of $12,077.84 and do not reconcile to the amount recorded on the University's General Ledger.</td>
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Recommendations for the Associate Vice President of Research Administration:

2.1.a. Correctly set up the FDC grant in upcoming appropriation year to ensure that longevity pay and fringe benefits are configured as expenses to be included in the grant total from the correct funding source (e.g., chart field string) and coordinate with appropriate management in the Office of Research & Planning as well as the UNT System Controller's office to ensure that the correct funding source is being utilized.

Brian Gladue, Associate Vice President of Research Administration
8/31/2018
Closed

### Internal UNT System Internal Audit
**Fiscal Year:** 2018
**Audit Category:** Governance and Regulatory Compliance
**Report Name:** THECB Faculty Development Center Grant Audit

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<td>• Salary and benefit amounts reported on the AFR as paid with the Non-THECB funds for all four employees are understated by a total amount of $12,077.84 and do not reconcile to the amount recorded on the University's General Ledger.</td>
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Recommendations for the Associate Vice President of Research Administration:

2.1.b. Update the AFR to appropriately reflect expenses charged to the grant and submit the AFR to the THECB.

1b. Due to timing, we are unable to initiate a cost transfer form to reallocate the longevity pay to the THECB FDC grant. The AFR cannot be updated as the UNT System Controller's Office is unable to reallocate payroll expenses that occurred in the previous fiscal year. Going forward, OSP will develop a query to monitor the fund code to ensure longevity pay and fringe benefits are configured to the correct funding source.

Brian Gladue, Associate Vice President of Research Administration
8/31/2018
Closed
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<thead>
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<th>UNT System Internal Audit</th>
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<td><strong>2. Personnel Compensation Expenditures</strong></td>
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| Amounts reported for personnel compensation (salaries and benefits) on the AFR are not in accordance with the University’s General Ledger.
Specifically, the following were noted:
- Benefits are not charged proportionally to salaries on the FDC grant (Sponsored Project: RA00004) in the University’s General Ledger. As a result, the total benefit amount of $5,998.32 reported on the AFR was not proportionate to the effort that was certified by the staff. As a result, the total benefit amount of $5,998.32 that should have been charged to the FDC grant for May and June 2017, was incorrectly paid with Non-THECB funds in the University’s General Ledger. As a result, salary amounts reported on the AFR as paid with the THECB funds are understated by a total of $132.00 in longevity pay.
- Salary and benefit amounts reported on the AFR as paid with the Non-THECB funds for all four employees are understated by a total amount of $12,077.84 and do not reconcile to the amount recorded on the University’s General Ledger. |
| High | Recommendations for the Senior Academic and Business Director, TCOM: |
| **2.2.a.** | | | | | | |
| Initiate a cost transfer form for $132 longevity pay expenses that did not charged to the THECB FDC grant and submit the form to the Office of Research Compliance and Sponsored Programs for review. |
| **2a.** | | | | | | |
| Due to timing, we are unable to initiate a cost transfer form to allocate the longevity pay to the THECB FDC grant. The AFR cannot be updated as the UNT System Controller’s Office is unable to allocate payroll expenses that occurred in the previous fiscal year. |
| A.J. Randolph, Senior Academic and Business Director, TCOM |
| 12/22/2017 | Closed | | | | | |

**Recommendations for the Senior Academic and Business Director, TCOM:**

2.2.b. Develop a follow-up process with all departments involved (TCOM, UNT System Controller, Office of Research Compliance and Sponsored Programs, Office of Finance) to ensure funding source is setup appropriately in order for salaries and benefits to be charged proportionately to the FDC grant. Provide a reconciliation to the Chief Financial Officer on a quarterly basis.

2b. The Sr. Academic and Business Director began holding monthly reconciliation meetings in October 2017. Stakeholders from the Office of Grant and Contract Management, the UNT System Controller’s Office, and the TCOM Office of Educational Programs meet monthly to review FDC staff salaries and benefits to confirm the funding source is setup correctly so that each staff member’s salary and benefit expenses are charged proportionately to the FDC grant. The UNT System Controller’s staff are present to ensure expenses recorded on the General Ledger are reconciled monthly with the Texas Uniform Statewide Accounting System (USAS). A complete reconciliation will be provided to the Chief Financial Officer on a quarterly basis.

A.J. Randolph, Senior Academic and Business Director, TCOM |
10/1/2018 | Closed | | | | | |
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<th>Internal/External</th>
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<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
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<th>Management Response</th>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
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| Internal         | UNT System Internal Audit | Fiscal Year 2018 | 18-007 HSC | Governance and Regulatory Compliance | THECB Faculty Development Center Good Audit | UNTHSC | • Personnel compensation expenses: Amounts reported for personnel compensation (salaries and benefits) on the AFR are not in accordance with the University’s General Ledger. Specifically, the following were noted: 
  - Benefits are not charged proportionally to salaries on the FDC grant (Sponsored Project No. RA00004) in the University’s General Ledger. As a result, the total benefits amount of $5,998.32 reported on the AFR was not proportionate to the effort that was certified by the staff. 
  - $132 in longevity pay that should have been charged to the FDC grant for May and June 2017, were incorrectly paid with Non-THECB funds in the University’s General Ledger. As a result, salary amounts reported on the AFR as paid with the THECB funds are understated by a total of $132.00 in longevity pay. 
  - Salary and benefit amounts reported on the AFR as paid with the Non-THECB funds for all four employees are understated by a total amount of $12,077.84 and do not reconcile to the amount recorded on the University’s General Ledger. | High | Recommendations for the Senior Academic and Business Director, TCOM: 
2.2.c. Determine the correct percentage for salaries and benefits paid with non-THECB. 
2c. The Sr. Academic and Business Director will verify each month with the Principle Investigator that the percentage of each FDC staff member’s salary and benefit expenses paid with non-THECB funded is correctly reported in monthly reconciliation reports. | A.J. Randolph, Senior Academic and Business Director, TCOM | 10/1/2018 | Closed |
| Internal         | UNT System Internal Audit | Fiscal Year 2018 | 18-007 HSC | Governance and Regulatory Compliance | THECB Faculty Development Center Good Audit | UNTHSC | 3. Other General Expenditures | Office Supplies was reported twice on the AFR for the amount of $1,099.89 and did not reconcile to the University’s General Ledger or USAS. Specifically, $1,099.89 out of a total invoice of $1,595.00 for Office Supplies was reported as paid with Texas Higher Education Coordinating Board (THECB) funds in category “C.2a. Office Supplies and Promotional Items” and also reported as paid with Non-THECB funds in category “B.2e Participants Materials.” Furthermore, this amount did not reconcile to the University’s General Ledger or USAS which is recorded as $1,361.14. There was a cost transfer request of $1,099.85 initiated by the Texas College of Osteopathic Medicine (TCOM) department and approved by the Office of Research Compliance and Sponsored Programs. This amount was recorded as $1,099.89 on the AFR. However, the Office of Research Compliance and Sponsored Programs provided a higher transfer amount of $1,361.14 to UNT System Controller’s Office to cover the unallowable tips expenditure of $261.25 which was not transferred to the FDC grant. | High | Recommendations for the Associate Vice President of Research Administration: 
3.1.a. Update the AFR to appropriately reflect expenses charged to the grant and submit the AFR to the THECB. | Brian Gladue, Associate Vice President of Research Administration | 12/22/2017 | Closed |
<table>
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<td>Recommendations for the Associate Vice President of Research Administration:</td>
<td>Brian Gladue, Associate Vice President of Research Administration</td>
<td>12/22/2017</td>
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<td>3.1.b. Communicate all changes and/or updates with cost transfers back to the department so they are aware of all changes made.</td>
<td>1b. The Office of Sponsored Programs will communicate all changes and/or updates back to the department.</td>
<td>12/22/2017</td>
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<td>4. Inaccurate Recording of Expenditures</td>
<td>Recommendations for the Senior Academic and Business Director, TCOM:</td>
<td>A.J. Randolph, Senior Academic and Business Director, TCOM</td>
<td>12/22/2017</td>
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<td>4.1.a. Update the AFR to appropriately reflect expenses paid with the Non-THECB funds under category &quot;C. Maintenance &amp; Operations&quot; and &quot;B. Training Activities &amp; Programs&quot;</td>
<td>1a. FY17 Faculty Development Center Grant AFR has been updated to remove the expenditures not recorded on the University's General Ledger for FY 17.</td>
<td>12/22/2017</td>
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<td>A total of $811.88 in expenditures recorded on the AFR as paid with Non-THECB funds under categories &quot;C. Maintenance &amp; Operations&quot; and &quot;B. Training Activities &amp; Programs&quot; were not recorded in the University's General Ledger for FY2017. Specifically, the following were noted:</td>
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<td>• $739.33 out of $2,256.51 reported as &quot;C.2a. Office Supplies and Promotional Items&quot; in category &quot;C. Maintenance &amp; Operations&quot; was processed and paid in FY2018.</td>
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<td>• $36.75 out of $12,649.25 reported as &quot;B.1g. Meals, Breaks, Etc.&quot; in category &quot;B. Training Activities &amp; Programs&quot; was not processed or paid in the University's General Ledger.</td>
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<td>• $35.80 out of $2,567.33 reported as &quot;B.2d. FDC Staff Travel &amp; Lodging&quot; in category &quot;B. Training Activities &amp; Programs&quot; was not processed or paid in the University's General Ledger. The difference was due to an incorrect amount recorded in the departmental Excel spreadsheet for a travel reimbursement.</td>
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<td>4.1.b. Perform a monthly reconciliation of expenditures recorded on the Excel spreadsheet to the General Ledger.</td>
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<td>UNT System Controller’s staff are present to ensure expenses recorded in the General Ledger are recorded monthly with Texas Uniform Statewide Accounting System (USAS). A complete reconciliation will be provided to the Chief Financial Officer on a monthly basis.</td>
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<td>4.1.c. Ensure all expenditures recorded on the AFR is based on the date it was posted on the General Ledger, not the submission date.</td>
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<td>1c. All reported expenditures on the FY18 FDC Annual Financial Report will be based on the date the expense was posted to the General Ledger, not the submission date. Expenses recorded on the AFR will be based on a query from the General Ledger that has been reconciled with the department’s internal tracking spreadsheet.</td>
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<td><strong>Date Ovened</strong>: 10/1/2018</td>
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### Investigation Details

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<th>Management Response</th>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
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<td>Fiscal Year 2018</td>
<td>18-007-HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>THECB Faculty Development Center Grant Audit</td>
<td>5. Non-compliance with Purchasing Card (P-Card) Guidelines During our review of FDC expenditures paid with non-THECB funds, we noted that P-Card transactions reviewed included State of Texas sales tax for the total amount of $90.53.</td>
<td>Moderate</td>
<td>Recommendation for the Senior Academic and Business Director, TCOM: 5.1.a. Implement a process to internally monitor P-Card expenditures and require P-Card holder to immediately request a tax refund.</td>
<td>A.J. Randolph, Senior Academic and Business Director, TCOM</td>
<td>3/1/2018</td>
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<td>Fiscal Year 2018</td>
<td>18-001-SYS</td>
<td>Governance and Regulatory Compliance</td>
<td>Chancellor’s Expenditure Review</td>
<td>N/A</td>
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<td>18-002</td>
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<td>President’s Expenditure Review</td>
<td>UNM</td>
<td>International Travel Registration</td>
<td>High</td>
<td>Recommendations for the Office of the President: 1.1.a. Develop a process and procedure to ensure that all your University-related international travel is registered prior to departure. 1a. Of the four international trips taken after the implementation of the System Regulation 08.15000 (Registration of International Travel), one was not registered. Our office has now implemented a process of registering international travel as soon as flights are secured. This process is then verified by another staff member to ensure the required steps are not missed. The process has been in place since May 2017, and has been successful in ensuring all international trips have been registered since that time.</td>
</tr>
</tbody>
</table>

<p>| Internal         | UNT System Internal Audit | Fiscal Year 2018 | 18-002 | Internal | Governance and Regulatory Compliance | President’s Expenditure Review | UNM | Personally Identifiable Information | High | Recommendations for the Office of the President: 2.1.a. Mask credit card and bank account information on support documentation for travel expense reimbursements prior to submission for upload into Perceptive Content. 1a. Financial data was not redacted on a travel expense reimbursement. Going forward, all travel reimbursements will be reviewed by a second staff member to ensure there is no remaining PII in supporting travel documentation prior to submitting to the BSC. As a last resort failsafe, in accordance with the information distributed in the November 2016 BSC Solution Source, we will rely on the BSC travel office to return to the submitter any travel documentation displaying PII for revision and resubmission to ensure there is no PII stored in the imaging system. This should not be necessary, as a secondary reviewer will ensure the issue. |</p>
<table>
<thead>
<tr>
<th>Internal/External</th>
<th>Reporting Agency</th>
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<td>President’s Expenditure Review</td>
<td>UNT</td>
<td>Financial data was not redacted on support documents submitted for travel expense reimbursements. During our review of travel expenses, we noted Personally Identifiable Information (PII) was not redacted from support documentation prior to upload in Perceptive Content. Specifically, the bank account number on a check and credit card information, including card number, security code, and expiration date, on a payment form were not redacted.</td>
<td>High</td>
<td>Recommendations for the Office of the President: 2.1.b. Develop procedures to help ensure that all PII is appropriately protected.</td>
<td>Office of the President</td>
<td>1/9/2018</td>
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<td>President’s Expenditure Review</td>
<td>UNT</td>
<td>Financial data was not redacted on support documents submitted for travel expense reimbursements. During our review of travel expenses, we noted Personally Identifiable Information (PII) was not redacted from support documentation prior to upload in Perceptive Content. Specifically, the bank account number on a check and credit card information, including card number, security code, and expiration date, on a payment form were not redacted.</td>
<td>High</td>
<td>Recommendations for the Office of the President: 2.1.c. Ensure employees in the Office of the President receive training related to the protection of PII.</td>
<td>Office of the President</td>
<td>1/9/2018</td>
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<tr>
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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2018</td>
<td>Governance and Regulatory Compliance</td>
<td>The President’s Expenditure Review</td>
<td>Moderate</td>
<td>Recommendations for Bob Brown, Vice President of Finance and Administration and Interim Vice Chancellor of Finance:</td>
<td>On the Chancellor’s Council is actively considering the appropriate method for handling club membership payments, the University of North Texas will adopt the method approved by the Chancellor’s Council and anticipate this to be complete by March 30, 2018. Bob Brown, Vice President for Finance and Administration</td>
<td>$168,500</td>
<td>Closed</td>
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<td>Fiscal Year 2018</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT System</td>
<td>Moderate</td>
<td>Recommendations for Abdul Mohammad, Senior Director of Controller Operations:</td>
<td>Based on the Controller Operations preliminary assessment, the current Social Club dues reimbursement process satisfies IRS accountable plan conditions and does not require reimbursements to be reported to IRS as taxable income. Since overpayment amount is refunded by the President, there may not be any further action needed and report any adjustments to the IRS. We will make a final determination after further review. Abdul Mohammad, Senior Director of Controller Operations</td>
<td>$0</td>
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<td>Governance and Regulatory Compliance</td>
<td>President’s Expenditure Review</td>
<td>UNT System</td>
<td>The UNT System Regulation for calculating social organization membership dues and annual charges was not followed, resulting in inaccurate reimbursements to the President. During the President’s review of FY17 vouchers, we noted for 3 of 11 (27.3%) months, business expense reimbursement calculations did not follow UNT System Regulation. Specifically, a total of $774.75 in social organization membership dues were over-reimbursed to the President. The President repaid the overpayment amount as soon as this was discovered and Internal Audit confirmed this during this review.</td>
<td>Moderate</td>
<td>Recommendations for Abdul Mohammad, Senior Director of Controller Operations: 3.2.b. Implement a monitoring control to ensure that all social organization membership reimbursements are properly calculated.</td>
<td>3/31/2018</td>
<td>Closed</td>
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</table>

| Internal          | UNT System Internal Audit | Fiscal Year 2018 | 18-002 UNT | Governance and Regulatory Compliance | President’s Expenditure Review | UNT System | The UNT System Regulation for calculating social organization membership dues and annual charges were not followed, resulting in inaccurate reimbursements to the President. During our review of FY17 vouchers, we noted for 3 of 11 (27.3%) months, business expense reimbursement calculations did not follow UNT System Regulation. Specifically, a total of $774.75 in social organization membership dues were over-reimbursed to the President. The President repaid the overpayment amount as soon as this was discovered and Internal Audit confirmed this during this review. | Moderate | Recommendations for Abdul Mohammad, Senior Director of Controller Operations: 3.2.c. Educate personnel handling Social Organization Memberships on UNT System Regulation 08.3000. | 3/31/2018 | Closed |
Internal UNT System Internal Audit
Fiscal Year 2018 18-003 HSC
Governance and Regulatory Compliance
President’s Expenditure Review
UNT Enterprise Audit Report Inventory

**Key Observations**
UNT System Regulation for calculating social organization membership dues and annual charges were not followed, resulting in inaccurate reimbursements for the President.
UNT System Controller Operations team is responsible for calculating the proper reimbursement based on information submitted by the Office of the President.

<table>
<thead>
<tr>
<th>Recommendations for the Senior Director of Controller Operations:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.2.a. Determine if any adjustments should be reported to the IRS.</td>
</tr>
</tbody>
</table>

**Recommendations**
- Recommendation for UNTHSC Chief Financial Officer:
  - 1.1.a. In collaboration with the Office of General Counsel, review and determine the best process regarding social organization memberships.
- Recommendation for the Senior Director of Controller Operations:
  - 2a. Based on the Controller Operations preliminary assessment, the current Social Club dues reimbursement process satisfies IRS accountable plan conditions and does not require reimbursements to be reported to the IRS in the President’s income. Since any repayment amount is refunded by the President, there may not be any further action needed and report any adjustments to the IRS. Our team will make a final determination after further review.

**Management Response**
Gregory Anderson, UNTHSC Chief Financial Officer and Nancy Footer, Vice Chancellor of General Counsel

**Implementation Date**
5/1/2018

**Implementation Status**
Closed
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<th>Management Response</th>
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<th>Updated Implementation Status</th>
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<tbody>
<tr>
<td><strong>Observation 1</strong>: Social Organization Membership Reimbursement</td>
<td><strong>Moderate</strong></td>
<td><strong>Recommendations for the Senior Director of Controller Operations</strong>: 1.2.b. Work with the Office of General Counsel to determine if corrected W-2 statements should be issued and ensure internal payroll records are corrected.</td>
<td><strong>Abdul Mohammad, Senior Director of Controller Operations</strong></td>
<td>3/31/2018</td>
<td>Closed</td>
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<td>Management Response</td>
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<tr>
<td><strong>Observation 2</strong>: Social Organization Membership Reimbursement</td>
<td><strong>Moderate</strong></td>
<td><strong>Recommendations for the Senior Director of Controller Operations</strong>: 1.2.c. Implement a monitoring control to ensure that all Social Organization Membership reimbursements are properly calculated. 2.c. As part of the annual assessment of the current Social Club dues reimbursement process, the President should conduct a review to ensure all Social Club dues reimbursement processes are properly calculated and any inaccuracies are corrected.</td>
<td><strong>Abdul Mohammad, Senior Director of Controller Operations</strong></td>
<td>3/31/2018</td>
<td>Closed</td>
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<td>18-003 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>President’s Expenditure Review</td>
<td>UNT System Regulation for calculating social organization membership dues and annual charges were not followed, resulting in inaccurate reimbursements to the President. Specifically, a total of $1,571.89 in social organization membership dues and annual charges were over-reimbursed to the President. This amount included a total underpayment of $104 in allowable athletic club dues and an annual charge of employee holiday fund that were not reimbursed to the President. The President repaid the overpayment amount as soon as this was discovered and confirmed during this review.</td>
<td>Moderate</td>
<td>Recommendations for the Senior Director of Controller Operations:</td>
<td>Abdul Mohammad, Senior Director of Controller Operations</td>
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<td>3/31/2018</td>
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</table>
Charn Faculty Award Funds were deposited into the incorrect faculty project ID, deposited late, and unused. Charn Faculty Award Funds have not been returned to UNT Foundation since March 2016. Annually, Charn Faculty Award funds are administered to faculty based on proposals reviewed by the Provost and Vice President for Academic Affairs. These funds are obtained from UNT Foundation and distributed by the Provost’s Office to the applicable faculty’s project ID. Internal Audit noted one Charn Faculty Award check totaling $2,345 was deposited into the incorrect faculty project ID during October 2016; however, these funds were never used. At the end of the project period, unused Charn Faculty Award funds are to be returned to UNT Foundation in order to be administered again per internal procedures. Provost Office staff stated funds had not been returned since the implementation of the new chart of accounts system during March 2016. Four deposits were made within September 1, 2016 through November 30, 2017 totaling $54,952. One deposit totaling $23,352 made during October 2016 was deposited one business day late. The three deposits made afterwards were made within three business days.

Recommendations for Jennifer Cowley, Provost and Vice President for Academic Affairs:
1. Develop procedures to ensure deposits made for Charn Faculty Awards are reconciled and deposited into the correct faculty project IDs.
2. Develop procedures and coordinate with UNT Foundation to ensure all unused Charn Faculty Award funds are returned to UNT Foundation at the end of the project period.

Robert Watling, Vice Provost for Academic Resources
2/28/2018
Closed
**Internal UNT System Internal Audit**

**Fiscal Year 2018**

**Audit Number:** 18-013 UNT

**Audit Category:** Governance and Regulatory Compliance

**Report Name:** Provost Transition Audit

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**Key Observations:**

1. **Charn Faculty Award Funds**
   - Charn Faculty Award funds were deposited into the incorrect faculty project ID, deposited late, and unused. 
   - Charn Faculty Award funds have not been returned to UNT Foundation since March 2016.
   - Internal Audit noted one Charn Faculty Award check totaling $2,345 was deposited into the incorrect faculty project ID during October 2016; however, these funds were never used.
   - At the end of the project period, unused Charn Faculty Award funds are to be returned to UNT Foundation in order to be administered again per internal procedures. Provost Office staff stated funds had not been returned since the implementation of the new chart of accounts system during March 2016.
   - Four deposits were made within September 1, 2016 through November 30, 2017 totaling $54,952. One deposit totaling $23,352 made during October 2016 was deposited one business day late. The three deposits made afterwards were made within three business days.

**Recommendation Details:**

- **High**
- **Recommendations for Jennifer Cowley, Provost and Vice President for Academic Affairs:**
  - 1.1.c. Develop procedures to ensure cash is deposited in accordance with UNT Policy 10.006 Cash Handling Controls.

**Management Response:**

- **Dilana King, Senior Budget Officer**
  - 3/16/2018
  - Agree with the recommendation. Regular training on Office of the Provost cash handling procedures will be given no less frequently than once per long semester.

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**2. Personally Identifiable Information**

During the course of the audit, Internal Audit noted one instance of documentation containing personally identifiable information (PII) containing routing and checking account numbers sent via email.

**Recommendation Details:**

- **High**
- **Recommendation for Jennifer Cowley, Provost and Vice President for Academic Affairs:**
  - 2.1.a. Develop procedures to ensure all personally identifiable information is redacted.

**Management Response:**

- **Dilana King, Senior Budget Officer**
  - 3/16/2018
  - Agree with the recommendation. Office of the Provost staff will be reminded about the importance of fully redacting personally identifiable information.
<table>
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<th>Reporting Agency</th>
<th>Fiscal Year</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Key Observations</th>
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<th>Expected Implementation Date</th>
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<tr>
<td>Internal</td>
<td>2018</td>
<td>Governance and Compliance</td>
<td>UNT Business Continuity Planning, College of Education</td>
<td>A Business Continuity Plan has not been created</td>
<td>High</td>
<td>1. Business Continuity Plan should be developed and tested.</td>
<td>N/A</td>
<td>Paul Hons, Director, Office of Technology</td>
<td>5/15/2018</td>
<td>Closed</td>
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<tr>
<td>Internal</td>
<td>2018</td>
<td>Governance and Compliance</td>
<td>UNT Business Continuity Planning, College of Education</td>
<td>A Business Continuity Plan has not been created and tested</td>
<td>High</td>
<td>1. Business Continuity Plan should be developed and tested.</td>
<td>N/A</td>
<td>Paul Hons, Director, Office of Technology</td>
<td>5/15/2018</td>
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<td>2018-2019</td>
<td>18-018e</td>
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<td>Governance and Regulatory Compliance</td>
<td>IT Business Continuity Planning - College of Education</td>
<td>UNT: An inventory of IT services has not been created. The College of Education (COE) had not created an inventory, identifying all IT services and applications used by their faculty, staff, and students. It also has not lead the BCP effort, and has started contacting the departments and areas in the College of Education to get their feedback on what apps/ resources are important to them.</td>
<td>High</td>
<td>Recommendation for Dean of the College of Education:</td>
<td>Paul, Hons, Director, Office of Technology</td>
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<tr>
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<td>18-018e</td>
<td>Internal</td>
<td>Governance and Regulatory Compliance</td>
<td>IT Business Continuity Planning - College of Education</td>
<td>UNT: A business impact analysis has not performed. A business impact analysis has however been performed. The College of Education (COE) had not evaluated their applications/services inventory, identified their mission critical IT applications/services, and risk ranked them for priority.</td>
<td>High</td>
<td>Recommendation for Dean of the College of Education:</td>
<td>Paul, Hons, Director, Office of Technology</td>
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<td>IT Business Continuity Planning - College of Education</td>
<td>UNT</td>
<td>An individual has not been assigned to lead the Business Continuity Plan effort. As determined during the Entrance Conference, the College of Education (CIE) had not assigned a person or persons the responsibility for overseeing, maintaining, and testing a Business Continuity Plan (BCP) for the college.</td>
<td>Moderate</td>
<td>Recommendation for Dean of the College of Education: 4.1.a. CIE should assign a person or persons to lead the development, maintenance, and testing of the college’s BCP.</td>
<td>Randy Bomer, Dean of the College of Education</td>
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<td>IT Business Continuity Planning - College of Business</td>
<td>UNT</td>
<td>A Business Continuity Plan has not been created. The College of Business (CoB) does not have a Business Continuity Plan (BCP) in place. Terry Pohlen and Daniel Duncan are leading the effort to create a BCP and have started contacting the departments to gather feedback on what apps/resources are important to them.</td>
<td>High</td>
<td>Recommendation for Dean of the College of Business: 1.1.a. CoB should develop a BCP for critical IT services in the event of a disruption to IT services.</td>
<td>Terry Pohlen, Academic Associate Dean CoB</td>
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<td>IT Business Continuity Planning - College of Business</td>
<td>UNT</td>
<td>A Business Continuity Plan not created.</td>
<td>High</td>
<td>Recommendation for Dean of the College of Business.</td>
<td>1.1.b. CoB should test their BCP once it has been developed.</td>
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<td>UNT</td>
<td>An inventory of IT services has not been created.</td>
<td>High</td>
<td>Recommendation for Dean of the College of Business.</td>
<td>1.b. CoB should develop an inventory of all IT applications and services used by faculty, staff, and students.</td>
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<td>UT System Continuity Planning - College of Business</td>
<td>UNT</td>
<td>A Business Impact Analysis was not performed. A Business Impact Analysis has not been performed. The College of Business (CoB) had not evaluated their applications/services inventory, identified their mission-critical IT applications/services, or ranked them for priority. Terry Pohlen and Daniel Duncan are leading the BCP effort, and have started work on a Business Impact Analysis (BIA) for 2018, by contacting the departments and areas in the College of Business to get their feedback on what applications are important to them.</td>
<td>High</td>
<td>Recommendation for Dean of the College of Business: 3.1.a. CoB should perform a BIA to determine critical applications requiring a BCP. 1a. Preliminary BIA has been adopted. College will review and obtain approvals.</td>
<td>Terry Pohlen, Academic Associate Dean, CoB</td>
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<td>Internal</td>
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<td>2018</td>
<td>18-018d</td>
<td>Governance and Regulatory Compliance</td>
<td>UT System Continuity Planning - College of Business</td>
<td>UNT</td>
<td>An individual has not been assigned to lead the Business Continuity Plan effort. As determined during the Entrance Conference, the College of Business (CoB) had not assigned a person or persons the responsibility for developing, maintaining and testing a Business Continuity Plan (BCP) for the college.</td>
<td>Moderate</td>
<td>Recommendation for Dean of the College of Business: 4.1.a. CoB should assign a person or persons to lead the development, maintenance, and testing of the college’s BCP. 1a. Dean Wiley tasked Terry Pohlen, Academic Associate Dean, and Daniel Duncan, Senior IT Support Manager, with leading the BCP effort for the college.</td>
<td>Marilyn Wiley, Dean of the College of Business</td>
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</table>
### Audit Number: 17-418 HSC

#### Audit Category: Governance and Regulatory Compliance

<table>
<thead>
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<th>Component Institution</th>
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<tr>
<td>UNTHSC</td>
<td>- Billing as Services Provided:</td>
<td>High</td>
<td>Recommendations for the UNTHSC Staff Financial Officer, Interim Dean of TCOM and Senior Academic and Business Director, TCOM:</td>
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<td></td>
<td>• EIS Economic Information System (EIS) required the correct General Ledger accounts for all financial transactions.</td>
<td></td>
<td>1.1.a. Work with UNTHSC Staff Financial Officer of TCOM and Senior Academic and Business Director to resolve the issue to ensure proper financial reporting.</td>
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<td></td>
<td>• Invoices prepared manually, were not sent in a timely manner to UNT System Controller's Office to be appropriately recorded in the General Ledger.</td>
<td>High</td>
<td>Recommendations for the UNTHSC Chief Financial Officer, Interim Dean of TCOM and Senior Academic and Business Director, TCOM:</td>
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<td></td>
<td>• There are no departmental accounts receivable policies and procedures to identify the roles and responsibilities.</td>
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<td>1.1.b. Once validation has been performed: either:</td>
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<td>• R: reclassify to the correct General Ledger accounts.</td>
<td>High</td>
<td>1b. All reclassifications will be made in the 2018 CAFR in coordination with UNT System Controller.</td>
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<td></td>
<td>• Identify and record the total amount of accounts receivable in the General Ledger prior to the 2018 issuance of the Consolidated Annual Financial Report.</td>
<td></td>
<td>1.1.b. Other validation has been performed: either:</td>
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<td></td>
<td>• Work with Associate Vice Chancellor &amp; Controller to determine proper financial reporting to the Consolidated Annual Financial Report due to the material unrecorded accounts receivable amount. Determine if there is a potential reinstatement or footnote required to the Consolidated Annual Financial Report.</td>
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**Date of Implementation:** 10/31/2018

**Recommendation Status:** Closed
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<td>Fiscal Year 2018</td>
<td>17-418 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Graduate Medical Education</td>
<td>UNTHSC</td>
<td>During our review of accounts receivable related to TCOM and financial monitoring the following were identified:</td>
<td>High</td>
<td>Recommendations for the UNTHSC Chief Financial Officer, Interim Dean of TCOM and Senior Academic and Business Director, TCOM:</td>
<td>Gregory R. Anderson, Executive Vice President for Finance &amp; Chief Financial Officer, UNTHSC, Dr. Frank Filipetto, Interim Dean of TCOM and A.J. Randolph, Senior Academic and Business Director, TCOM</td>
<td>10/31/2018</td>
<td>Closed</td>
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</table>

- Multiple individuals in the Office of Finance & Planning have security rights to approve and post journal entries to the General Ledger (EIS).
- Delays in recording and depositing of payments have resulted from checks being sent to other departments across UNTHSC.
- There have been instances where checks received did not have sufficient information to determine whether funds were GME related.
- There are no departmental accounts receivable policies and procedures to identify the roles and responsibilities.
- Invoices prepared manually, are not sent in a timely manner to UNT System Controller’s Office to be appropriately recorded in the General Ledger.

| Internal | UNT System Internal Audit | Fiscal Year 2018 | 17-418 HSC | Governance and Regulatory Compliance | Graduate Medical Education | UNTHSC | During our review of accounts receivable related to TCOM and financial monitoring the following were identified: | High | Recommendations for the UNTHSC Chief Financial Officer, Interim Dean of TCOM and Senior Academic and Business Director, TCOM: | Gregory R. Anderson, Executive Vice President for Finance & Chief Financial Officer, UNTHSC, Dr. Frank Filipetto, Interim Dean of TCOM and A.J. Randolph, Senior Academic and Business Director, TCOM | 10/31/2018 | Closed |

- Multiple individuals in the Office of Finance & Planning have security rights to approve and post journal entries to the General Ledger (EIS).
- Delays in recording and depositing of payments have resulted from checks being sent to other departments across UNTHSC.
- There have been instances where checks received did not have sufficient information to determine whether funds were GME related.
- There are no departmental accounts receivable policies and procedures to identify the roles and responsibilities.
- Invoices prepared manually, are not sent in a timely manner to UNT System Controller’s Office to be appropriately recorded in the General Ledger.

- Invoices prepared manually are not sent in a timely manner to UNT System Controller’s Office to be appropriately recorded in the General Ledger.
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<th>Report Name</th>
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<td>17-418 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Graduate Medical Education</td>
<td>UNTHSC</td>
<td>• Multiple individuals in the Office of Finance &amp; Planning have security access rights to approve and post journal entries to the General Ledger (EIS).</td>
<td>High</td>
<td>Recommendations for the UNTHSC Chief Financial Officer: &lt;br&gt;1.2.a. Work with the Associate Vice Chancellor &amp; Controller to remove access rights from users which are not commensurate with their job functions.</td>
<td>Gregory R. Anderson, Executive Vice President for Finance &amp; Chief Financial Officer, UNTHSC</td>
</tr>
<tr>
<td>17-418 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Graduate Medical Education</td>
<td>UNTHSC</td>
<td>• Delays in recording and depositing of payments have resulted from checks being sent to other departments across UNTHSC.</td>
<td></td>
<td>2a. As provided to Audit on Feb 26, 2018, all access was removed from users which were not commensurate with their job functions on December 12, 2017.</td>
<td>10/31/2018</td>
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<tr>
<td>17-418 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Graduate Medical Education</td>
<td>UNTHSC</td>
<td>• There have been instances where checks received did not have sufficient information to determine whether funds were GME related.</td>
<td></td>
<td>Recommendations for the UNTHSC Chief Financial Officer: &lt;br&gt;1.2.b. Work with schools/colleges to ensure they have established and implemented policies and procedures for billing, accounting, collection, and monitoring of all accounts receivable.</td>
<td>Gregory R. Anderson, Executive Vice President for Finance &amp; Chief Financial Officer, UNTHSC</td>
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<td>1. Billing for Services Provided</td>
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<td>Graduate Medical Education</td>
<td>UNTMed</td>
<td>2. Contract Oversight: UNTM contract agreements were not in compliance with institutional policies and procedures. Specifically, the following were identified: • Contract Number 2017-0388 between Weatherford Regional Medical Center and UNTM was not signed by either party. • Contract Number 2018-0058 between the University of North Texas Health Science Center at TCU and UNTM was signed by the contracting party prior to the effective date but not by UNTM personnel. After request of the executed agreement, UNTM obtained signatures from both parties on September 27, 2017. • 27 out of 63 (43%) agreements were signed by both UNTM and the contracting party after the contract effective start date. • 8 out of 63 (13%) agreements were signed by UNTM after the contract effective start date. • 27 out of 63 (43%) agreements did not have an audit clause allowing the Institution the right to inspect and audit records maintained by the affiliated parties. • Internal Audit was informed of existing verbal agreements between UNTM and contract parties.</td>
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<td>Graduate Medical Education</td>
<td>UNTMed</td>
<td>2. Contract Oversight: UNTM contract agreements were not in compliance with institutional policies and procedures. Specifically, the following were identified: • Contract Number 2017-0388 between Weatherford Regional Medical Center and UNTM was not signed by either party. • Contract Number 2018-0058 between the University of North Texas Health Science Center at TCU and UNTM was signed by the contracting party prior to the effective date but not by UNTM personnel. After request of the executed agreement, UNTM obtained signatures from both parties on September 27, 2017. • 27 out of 63 (43%) agreements were signed by both UNTM and the contracting party after the contract effective start date. • 8 out of 63 (13%) agreements were signed by UNTM after the contract effective start date. • 27 out of 63 (43%) agreements did not have an audit clause allowing the Institution the right to inspect and audit records maintained by the affiliated parties. • Internal Audit was informed of existing verbal agreements between UNTM and contract parties.</td>
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### Internal UNT System Vendor Audit

**Fiscal Year:** 2018

**Audit Number:** 17-418 HSC

**Report Name:** Governance and Regulatory Compliance

**Component Institution:** Graduate Medical Education

**Key Observations:**
- **Audit Category:** Contract Oversight
- **Report Name:** Graduate Medical Education
- **Component Institution:** UNTHSC

**Observations:***
- **Recommendations for the Director of Contract Administration:**
  - **2.2.a.** Review all contracts for sufficiency and completeness (e.g. signed and dated prior to commencement for any duties or actions).
  - **2b.** The Office of Contract Administration will maintain electronic records of UNT Health Science Center business contracts in Total Contract Manager (TCM), an electronic contract lifecycle management and repository database managed by OCA. UNTHSC executive leadership shall ensure that established policies and procedures for processing business contracts are followed by their respective areas so that OCA can maintain accurate records of all UNTHSC business contracts. OCA will work with UNTHSC leadership in making sure all contracts go through OCA.

**Individual Responsible for Implementation:** Carolyn Cross, Director of Contract Administration

**Recommended Date of Implementation:** 8/31/2018

**Status:** Closed
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<td>UNTHSC Graduate Medical Education</td>
<td>3. Lack of Comprehensive Graduate Medical Education Policies and Procedures</td>
<td>High</td>
<td>Recommendations for the Executive Vice President of Clinical Affairs: 3.1.a. Determine whether other Institutional programs in addition to GME within UNTHSC lack written/comprehensive policies and procedures to govern activities.</td>
<td>Dr. Michael Hicks, Executive Vice President, Clinical Affairs</td>
<td>10/31/2018</td>
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<td>UNTHSC Graduate Medical Education</td>
<td>3. Lack of Comprehensive Graduate Medical Education Policies and Procedures</td>
<td>High</td>
<td>Recommendations for the Executive Vice President of Clinical Affairs: 3.1.b. Once identified, confer with peer institutions and develop Institutional policies and procedures to assist in the deployment of all identified programs within UNTHSC.</td>
<td>Dr. Michael Hicks, Executive Vice President, Clinical Affairs</td>
<td>10/31/2018</td>
<td>Closed</td>
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<td>Governance and Regulatory Compliance</td>
<td>Although there are Texas Osteopathic Postdoctoral Training Institutions (OPTI) policies and procedures, which are the academic sponsor for Graduate Medical Education (GME), they were not comprehensive to support and govern the deployment of GME activities.</td>
<td>High</td>
<td>Recommendations for the Executive Vice President of Clinical Affairs: 1. Follow the UNTHSC approval protocol for policy development; 1.d. Communicate policies and procedures to all stakeholders.</td>
<td>Dr. Michael Hicks, Executive Vice President, Clinical Affairs</td>
<td>10/30/2018</td>
<td>Closed</td>
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<td>18-012a</td>
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<td>Counseling and Testing Services Audit</td>
<td>UNT</td>
<td>UNT 1. Protected Health Information Training: UNT Counseling Center provided general information regarding Protected Health Information (PHI) during employee orientation, but the training was not robust and did not require an employee attestation. Based on Internal Audit's interviews and discussions, management believed their PHI training was sufficient for their operations. However, due to the sensitive nature of client information, a more comprehensive training program is required to comply with the Texas Medical Records Privacy Act (Texas House Bill 300/Texas Health &amp; Safety Code § 181) and UNT Policy 07.010 Protected Health Information Privacy.</td>
<td>Moderate</td>
<td>Recommendations for Dr. Tamara Knapp-Grosz, Senior Director of Counseling and Testing Services: 1.1.a. Coordinate with Institutional Compliance to develop guidance and implementation of a mandatory annual Protected Health Information state and federal law training for Counseling Center employees and students. 1a. UNT Counseling Center obtained the HIPAA training materials used by the UNT Department of Psychology, which covered PHI training and completed the training for all staff on 2/20/18.</td>
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<td>Tamara Knapp-Grosz, Senior Director of Counseling and Testing Services</td>
<td>2/20/2018</td>
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<p>| Internal         | UNT System Internal Audit | Fiscal Year 2018 | 18-012a       | Governance and Regulatory Compliance | Counseling and Testing Services Audit | UNT | UNT 1. Protected Health Information Training: UNT Counseling Center provided general information regarding Protected Health Information (PHI) during employee orientation, but the training was not robust and did not require an employee attestation. Based on Internal Audit's interviews and discussions, management believed their PHI training was sufficient for their operations. However, due to the sensitive nature of client information, a more comprehensive training program is required to comply with the Texas Medical Records Privacy Act (Texas House Bill 300/Texas Health &amp; Safety Code § 181) and UNT Policy 07.010 Protected Health Information Privacy. | Moderate | Recommendations for Dr. Tamara Knapp-Grosz, Senior Director of Counseling and Testing Services: 1.1.b. Require all Counseling Center employees and students to sign a written or electronic statement attesting to the completion of the training and retain documentation in accordance with the Texas Medical Records Privacy Act (Texas House Bill 300/Texas Health &amp; Safety Code § 181) and UNT Policy 07.010 Protected Health Information Privacy. 1b. Completed 2/20/18. Annual renewal in 2019 is already scheduled. Also, New Employee Orientation and Trainee Orientation checklists have added this as a requirement. |
|                 |                  |             |              |                |              |                     |                 |           | 1/16/2018               | Closed              | Tamara Knapp-Grosz, Senior Director of Counseling and Testing Services | 2/20/2018                  | Closed         |</p>
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<td>Fiscal Year 2018</td>
<td>18-012a UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Counseling and Testing Services Audit</td>
<td>UNT</td>
<td>2. Purchasing Card Expenditures</td>
<td>UNT Counseling and Testing Services did not follow UNT System Purchasing Guide requirements regarding approver, reconciler, and cardholder signatures, and vendor status documentation verification for purchases $500 and over. Internal Audit reviewed all pcard statements for the scope of September 1, 2016 through December 31, 2017 and tested 226 pcard transactions totaling $29,363.43 for Counseling and Testing Services. The following issues were noted: • 30 of 30 (100%) pcard statements did not have an approver’s signature; • 6 of 30 (20%) pcard statements did not have a reconciler’s signature; • 2 of 30 (6.67%) pcard statements did not have a cardholder’s signature; and • 13 of 13 (100%) pcard purchases $500 or greater did not have vendor status check verification. Moderate</td>
<td>Recommendations for Dr. Tamara Knapp-Grosz, Senior Director of Counseling and Testing Services: 2.1.a. Develop procedures to ensure all pcard statements are reviewed and signed by cardholder, reconciler, and approver in accordance with UNT System Purchasing Card Guide, 1.4 Training.</td>
<td></td>
<td>5/15/2018</td>
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<td>UNT Counseling and Testing Services did not follow UNT System Purchasing Guide requirements regarding approver, reconciler, and cardholder signatures, and vendor status documentation verification for purchases $500 and over. Internal Audit reviewed all pcard statements for the scope of September 1, 2016 through December 31, 2017 and tested 226 pcard transactions totaling $29,363.43 for Counseling and Testing Services. The following issues were noted: • 30 of 30 (100%) pcard statements did not have an approver’s signature; • 6 of 30 (20%) pcard statements did not have a reconciler’s signature; • 2 of 30 (6.67%) pcard statements did not have a cardholder’s signature; and • 13 of 13 (100%) pcard purchases $500 or greater did not have vendor status check verification. Moderate</td>
<td>Recommendations for Dr. Tamara Knapp-Grosz, Senior Director of Counseling and Testing Services: 2.1.b. Ensure all pcard holders, reconcilers, and approvers receive pcard refresher training annually in accordance with UNT System Purchasing Card Guide, 1.4 Training.</td>
<td></td>
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<td>2018</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT</td>
<td>UNT Counseling and Testing Services Audit</td>
<td>1. Purchasing card expenditures: UNT Counseling and Testing Services did not follow UNT System Purchasing Guide requirements regarding approver, reconciler, and cardholder signatures, and vendor status documentation verification for purchases $500 and over. Internal Audit reviewed all pcard statements for the scope of September 1, 2016 through December 31, 2017 and tested 226 pcard transactions totaling $29,363.43 for Counseling and Testing Services. The following issues were noted: • 30 of 30 (100%) pcard statements did not have an approver's signature; • 6 of 30 (20%) pcard statements did not have a reconciler's signature; • 2 of 30 (6.67%) pcard statements did not have a cardholder's signature; and • 13 of 13 (100%) pcard purchases $500 or greater did not have vendor status check verification.</td>
<td>Moderate</td>
<td>Recommendations for Dr. Tamara Knapp-Grosz, Senior Director of Counseling and Testing Services: 2.1.c. Ensure all pcard holders, reconcilers, and approvers review the UNT System Purchasing Card Guide annually.</td>
<td>As part of pcard training, pcard holders and reconcilers reviewed the UNT System Purchasing Card Guide on 3/21/18 and approvers reviewed the guide on 4/16/18. Guide will be reviewed on an ongoing basis as needed but at a minimum annually.</td>
<td>Tamara Knapp-Grosz, Senior Director of Counseling and Testing Services</td>
<td>4/15/2018</td>
<td>Closed</td>
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<td>2018</td>
<td>Governance and Regulatory Compliance</td>
<td>UNTHSC</td>
<td>UNT Counseling and Testing Services Audit</td>
<td>1. Inaccurate recording of leave of absences in the Employee Information System (EIS) for the period of September 1, 2016 through May 31, 2017. Accurate recording of leave of absences from the HRM-64 Leave Request Form were identified resulting in incorrect leave accrual statements for 11 active employees and an overpayment to one terminated employee. Additionally, we noted two departments within School of Health Professions (SHP) did not consistently utilize Leave Request and Time Card (UPO-23) forms from November 2016 to May 2017 as required by University Policies. As a result, Internal Audit was unable to validate whether all leave taken and hours worked were accurately recorded in EIS. Internal Audit tested a sample of 30 employees out of a population of 54 (56%) that consisted of SHP faculty and staff during the period starting September 1, 2016, to August 31, 2017. Specifically, the following were noted: • For 11 active employees and 1 terminated employee, vacation and sick leave taken on HRM-64 forms were either not recorded in EIS or recorded incorrectly by the timekeeper. • For 15 employees, HRM-64 and UPO-23 forms were not available for review for certain months from November 2016 through May 2017. Employees entered their leave directly in EIS and communicated leave either verbally or by email to their supervisor. As a result, Internal Audit was unable to validate whether leave taken and hours worked was accurately recorded in EIS. Internal Audit did not identify any exceptions for leave processed after the eLeave implementation on June 1, 2017.</td>
<td>High</td>
<td>Recommendations for the Interim Dean of School of Health Professions and the Interim Human Resource Director at UNTHSC: 1.1.a. Review all current and terminated employees within SHP from September 1, 2015 – May 31, 2017 to ensure HRM-64 Leave Forms are accurately entered into EIS. 1.1.b. Review all current and terminated employees within SHP from September 1, 2015 – May 31, 2017 to ensure HRM-64 Leave Forms are accurately entered into EIS. 1.1.c. We will establish a three-person task force to review all current and terminated employees within the School of Health Profession (SHP) for the period of September 1, 2015 – May 31, 2017 to ensure the HRM-64 Leave Forms are accurately entered into EIS.</td>
<td>Dr. Nicoleta Bugnariu, SHP Interim Dean and Jane Gray, Interim Human Resource Director – HSC</td>
<td>1/31/2019</td>
<td>Closed</td>
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1. Inaccurate recording of leave of absences in EIS.

Inaccurate recording of leave of absences from the HRM-64 Leave Request form were identified resulting in incorrect leave accrual balances for 11 active employees and an overpayment to one terminated employee. Additionally, we noted two departments within SHP did not consistently utilize Leave Request and Time Card (UPO-23) forms from November 2016 to May 2017 as required by University Policy. As a result, Internal Audit was unable to validate whether all leave taken and hours worked were accurately recorded in EIS. Internal Audit tested a sample of 30 employees out of a population of 54 (56%) that consisted of SHP faculty and staff during the period starting September 1, 2016, to August 31, 2017.

Specifically, the following were noted:
- For 11 active employees and 1 terminated employee, vacation and sick leave taken on HRM-64 forms were either not recorded in EIS or recorded incorrectly by the timekeeper.
- For 15 employees, HRM-64 and UPO-23 forms were not available for review for certain months from November 2016 through May 2017. Employees entered their leave directly in EIS and communicated leave either verbally or by e-mail to their supervisor. As a result, Internal Audit was unable to validate whether leave taken and hours worked were accurately recorded in EIS.

Internal Audit did not identify any exceptions for leave processed after the eLeave implementation on June 1, 2017.

Recommendations for the Interim Dean of School of Health Professions and the Interim Human Resource Director at UNTHSC:

1.1.b. Collaborate with the Interim Human Resource Director at UNTHSC to update employee’s leave of absences in EIS to reflect the correct leave balances.

1c. SHP will collaborate with the Interim Human Resource Director at UNTHSC to address overpayments and determine the best course of action for employees identified with overpayments due to inaccurate leave balances.

Dr. Nicoleta Bugnariu, SHP Interim Dean and Jane Gray, Interim Human Resource Director –HSC

1/31/2019 Closed
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<th>Internal/External</th>
<th>Reporting Agency</th>
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<td>18-014 HSC</td>
<td>Governance and Regulatory Compliance</td>
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<td>UNT/SHP</td>
<td>Inaccurate recording of leave of absences in EIS. Inaccurate recording of leave of absences from the HRM-64 Leave Request Form were identified resulting in incorrect leave accrual balances for 11 active employees and an overpayment to one terminated employee. Additionally, we noted two departments within SHP did not consistently use Leave Request and Time Card (UPO-23) forms from November 2016 to May 2017 to record leave, which resulted in incorrect leave balances for employees. As a result, Internal Audit was unable to validate whether leave taken and hours worked were accurately recorded. Internal Audit tested a sample of 30 employees out of a population of 54 (56%) that consisted of SHP faculty and staff during the period starting September 1, 2016, to August 31, 2017. Specifically, the following were noted: • For 11 active employees and 1 terminated employee, vacation and sick leave taken on HRM-64 forms were either not recorded in EIS or recorded incorrectly by the timekeeper. • For 15 employees, HRM-64 and UPO-23 forms were not available for review for certain months from November 2016 through May 2017. Employees entered their leave directly in EIS and communicated leave either verbally or by e-mail to their supervisor. As a result, Internal Audit was unable to validate whether leave taken and hours worked were accurately recorded in EIS. Internal Audit did not identify any exceptions for leave processed after the eLeave implementation on June 1, 2017.</td>
<td>High</td>
<td>Recommendations for the Interim Dean of School of Health Professions and the Interim Human Resource Director at UNTHSC: 1.1.d. Ensure internal payroll records are corrected. 1d. SHP will collaborate with Human Resource office to ensure internal payroll records are corrected.</td>
<td>Dr. Nicoleta Bugnariu, SHP Interim Dean and Jane Gray, Interim Human Resource Director – HSC</td>
<td>1/31/2019</td>
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<td>18-014 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>School of Health Professions</td>
<td>UNT System</td>
<td>Inadequate controls were identified surrounding the Research Participant payment process. School of Health Professions (SHP) awards research participants who serve as study participants for participating in research studies. University and non-University employees are recruited as research participants via flyers, word of mouth and through the UNTHSC Daily News. For FY2017, SHP requested a total of $20,425 in cash and gift cards for research participants. During our review of cash controls and disbursement logs the following were noted: • Employees who received cash payments were not processed through the Payroll Office and subject to IRS tax regulations. The University does not have specific guidelines for payments to University and Non-University employees. • For non-University employees, there is not a process in place to account for the research participant payments. As a result, Internal Audit was unable to validate whether leave taken and hours worked were accurately recorded in EIS. Internal Audit did not identify any exceptions for leave processed after the eLeave implementation on June 1, 2017.</td>
<td>High</td>
<td>Recommendation for the UNT System Senior Director of Controller Operations: 2.1.b. Collaborate with Institutional Chief Financial Officers to modify research participant payment instructions to include specific guidelines for payments to University and Non-University employees. Once the instructions are developed provide to the UNT System Sr. Director of Procurement for the Procurement Guide to be updated. 1.b. The current research participant payment instructions listed in the procurement guide will be reviewed and will provide specific IRS compliance guidelines for University and Non-University employee participants. The guidelines once updated will be provided to the UNT System Sr. Director of Controller Operations.</td>
<td>Abdul Mohammad, UNT System Senior Director of Controller Operations</td>
<td>6/29/2018</td>
<td>Closed</td>
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Inadequate controls were identified surrounding the Research Participant payment process. School of Health Professions (SHP) utilizes research participants who receive cash payments for participating in research studies. University and non-University employees are recruited as research participants via flyers, word of mouth and through the UNTHSC Daily News. For FY2017, SHP requested a total of $20,425 in cash and gift cards for research participants. During our review of cash controls and disbursement logs the following were noted:

- Employees who received cash payments were not processed through the Payroll office and subjected to IRS tax regulations. The University does not have specific instructions for Principal Investigators (PIs) on how employees should be paid for a research study through the payroll process during a calendar year.
- For non-University employees, there is not a process to place an item to monitor participants that receive an accumulated payment amount over $600 in research studies.

**Recommendation for the UNT System Senior Director of Procurement Services:**
2.2.a. Update the Research Participants’ section in the UNT System Procurement Guide based on procedures developed in recommendation a, and send to all Institutional Provosts.

**Implementation Status:**
Michael Abernethy, UNT System Senior Director for Procurement Services
9/1/2018
Closed

Inadequate controls were identified surrounding the Research Participant payment process. School of Health Professions (SHP) utilizes research participants who receive cash payments for participating in research studies. University and non-University employees are recruited as research participants via flyers, word of mouth and through the UNTHSC Daily News. For FY2017, SHP requested a total of $20,425 in cash and gift cards for research participants. During our review of cash controls and disbursement logs the following were noted:

- Employees who received cash payments were not processed through the Payroll office and subjected to IRS tax regulations. The University does not have specific instructions for Principal Investigators (PIs) on how employees should be paid for a research study through the payroll process during a calendar year.
- For non-University employees, there is not a process to place an item to monitor participants that receive an accumulated payment amount over $600 in research studies.

**Recommendation for the UNTHSC Interim Provost:**
2.3.a. Communicate the updated instructions to Principal Investigators.

**Implementation Status:**
Dr. Charles Taylor, Provost and Executive Vice President for Academic Affairs
12/1/2018
Closed
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<td>3. Course Fees</td>
<td>Moderate</td>
<td>Recommendations for the UNTHSC Vice President of Finance &amp; Planning: 3.1.a. Utilize the University of North Texas Handbook for Instruction Related Fees as a tool and develop comprehensive fee guidelines to provide to Colleges, Schools and departments. Collaborate with University of North Texas Vice Provost for Academic Resources to ensure UNTHSC guidelines are comprehensive, up-to-date and complete. Once developed, provide guidelines to the Provost for review and feedback.</td>
<td>Jeff Scarpelli, UNTHSC Vice President Finance &amp; Planning</td>
<td>11/30/2018</td>
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<td>18-014HSC</td>
<td>Internal UNT System Internal Audit</td>
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<td>School of Health Professions</td>
<td>3. Course Fees</td>
<td>Moderate</td>
<td>Recommendations for the UNTHSC Vice President of Finance &amp; Planning: 3.1.b. Communicate new guidelines to all Colleges, Schools, and departments.</td>
<td>Jeff Scarpelli, UNTHSC Vice President Finance &amp; Planning</td>
<td>11/29/2018</td>
<td>Closed</td>
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Course fee revenue were not always spent in accordance with applicable laws. Six of 38 (16%) expenditures tested were paid with designated funds for items such as faculty travel, membership fees and awards not directly related to the fees collected. Specifically, internal audit identified a total of $9,445.38 in FY 2017 as unallowable expenditures for the following categories:

- Travel: $5,208.45
- Membership Fees: $3,950.00
- Awards: $286.93

The Schools are currently utilizing outdated Fund Group Guidelines dated April 2011 which are not comprehensive and correct.
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<td>2018-017 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>IT Inventory Controls and Data Protection Audit</td>
<td>UNT Dallas</td>
<td>Central Receiving</td>
<td>The University of North Texas at Dallas lacks a Central Receiving function to count and examine received merchandise to match the purchase order.</td>
<td>High</td>
<td>Recommendation for Chief Financial Officer: 1.1.a. Create a dedicated, independent Central Receiving unit or a single Property Management resource to verify goods received match the purchase order at the time of receipt and immediately document receipt of goods in the central system.</td>
<td>Jim Main, Executive VP for Finance and Administration &amp; CFO</td>
<td>9/1/2018 REV. 03/01/2019</td>
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<td>IT Inventory Controls and Data Protection Audit</td>
<td>UNT Dallas</td>
<td>Asset Management</td>
<td>The record of assets in the centralized IT Asset Management database was not reliable.</td>
<td>High</td>
<td>Recommendations for Chief Financial Officer: 2.1.a. Create a process to require that assets are entered with detail into the centralized system and updated as the device moves.</td>
<td>Jim Main, Executive VP for Finance and Administration &amp; CFO</td>
<td>11/1/2018 REV. 03/1/2019</td>
<td>Closed</td>
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| Internal         | UNT System Internal Audit | Fiscal Year 2018 | 18-017-DAL | Governance and Regulatory Compliance | IT Inventory Controls and Data Protection Audit | UNT Dallas | The record of assets in the centralized EIS Asset Management database was not reliable. As of December 1, 2017, there were 156 assets in EIS without a university-generated asset tag number or a vendor-provided service/serial ID. Without an identifying tag number or any kind in the system, locating the device would not be possible. Additionally, UNT Dallas has a five-year refresh cycle whereby all IT devices are scheduled to be replaced every five years. However, IA found 433 IT assets in the system older than five years, some dating back to a purchase date of 2004. This indicates that many items may no longer be with the institution, but the database has not been updated. Also to note, the custodian listed in EIS was an active employee on only 122 of the 1,134 devices (4%). | High | Recommendations for Chief Financial Officer:  
2.1.b. Establish controls and check points to verify the accuracy of the assets in the EIS database. | Jim Main, Executive VP for Finance and Administration & CFO | 11/1/2018 | REV. 03/1/2019 | Closed |
| Internal         | UNT System Internal Audit | Fiscal Year 2018 | 18-017-DAL | Governance and Regulatory Compliance | IT Inventory Controls and Data Protection Audit | UNT Dallas | The record of assets in the centralized EIS Asset Management database was not reliable. As of December 1, 2017, there were 156 assets in EIS without a university-generated asset tag number or a vendor-provided service/serial ID. Without an identifying tag number or any kind in the system, locating the device would not be possible. Additionally, UNT Dallas has a five-year refresh cycle whereby all IT devices are scheduled to be replaced every five years. However, IA found 433 IT assets in the system older than five years, some dating back to a purchase date of 2004. This indicates that many items may no longer be with the institution, but the database has not been updated. Also to note, the custodian listed in EIS was an active employee on only 122 of the 1,134 devices (4%). | High | Recommendations for Chief Financial Officer:  
2.1.c. Assign a resource the responsibility of validating all data in the EIS IT Asset Management Center for UNT Dallas assets. | Jim Main, Executive VP for Finance and Administration & CFO | 12/31/2018 | Rev. 08/31/2019 | Closed |
<table>
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<td>Governance and Regulatory Compliance</td>
<td>IT Inventory Controls and Data Protection Audit</td>
<td>UNT Dallas</td>
<td>3. Data Destruction</td>
<td>Moderate</td>
<td>Recommendations for the Office of IT Director:</td>
<td></td>
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<td>10/1/2018</td>
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UNT Dallas was not destroying data on their devices before the chain of custody exchange to the UNT Property Management. However, in Dallas, the chain of custody exchange was not complete as the device was not wiped before it was transferred to the surplus warehouse. UNT Dallas employs a five-year life cycle on IT devices. When a device becomes of age, it is ready for replacement and disposition for the device to be disposed, sold, donated, or reused. UNT Dallas has a relationship with UNT Property Management whereby a Request for Surplus Pickup Form is completed and the UNT Property Management department collects the device in a university-owned vehicle. The pickup form indicates that the device should be wiped before it is transferred to the surplus warehouse under the understanding that the UNT Property Management department will take care of the data destruction process. According to UNT Property Management, all UNT Dallas device hard drives have been successfully destroyed at the surplus warehouse in Denton.

3.1.a. Adhere to the certification statement on the Request for Surplus Pickup Form chain of custody the device to be more hard drives, passwords, and any security features to factory defaults.

3.1.b. In accordance with the UNT System Information Security Handbook, create a UNT Dallas policy specifically addressing:

1. The UNT Dallas Office of IT is responsible for the destruction of data in its possession or control in accordance with the UNT System Information Security Handbook.

2. The UNT Dallas Office of IT will conduct training for UNT Dallas IT staff to ensure compliance with policy.

3. UNT Dallas will create an audit trail for these processes to ensure compliance with policy.

4. UNT Dallas will create a document outlining and certifying necessary steps have been taken to ensure devices are properly disposed of prior to transfer to UNT Property Management for destruction.

Kevin Rocha, Director of Office of Information Technology | 12/1/2018 | Closed |
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<td>18-017 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>IT Inventory Controls and Data Protection Audit</td>
<td>UNT Dallas 4. Outdated Policy</td>
<td>Moderate</td>
<td>Recommendation for the Chief Financial Officer: 4.1.a. UNT Dallas will update UNT Dallas Policy 11.005 Physical Asset Management to set the basic requirements needed for asset management to meet the state requirements.</td>
<td>Jim Main, Executive VP for Finance and Administration &amp; CFO</td>
<td>11/1/2018</td>
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<td>Internal</td>
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<td>18-017 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>IT Inventory Controls and Data Protection Audit</td>
<td>UNT Dallas 4. Outdated Policy</td>
<td>Moderate</td>
<td>Recommendation for the Chief Financial Officer: 4.1.b. To support the success of the new policy, develop written departmental procedures for the Property Manager to carry out asset management responsibilities.</td>
<td>Jim Main, Executive VP for Finance and Administration &amp; CFO</td>
<td>REV. 03/1/2019</td>
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<td>2018</td>
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<td>Information Technology Business Continuity Plan - College of Science</td>
<td>A Business Continuity Plan has not been created. The College of Science (CoS) does not have a BCP in place. The Division is leading the effort to create a BCP and has started working with the Computing Committee, consisting of faculty and staff representatives from CLASS, CoS, and Mayborn.</td>
<td>High</td>
<td>Recommendation for Dean of the College of Science: 1.1.a. CoS should develop a BCP for critical IT services in the event of a disruptive IT service. 1b. Test the Business Continuity Plan by May 15th, 2019 (1/16/18 Audit Exit Conference decision).</td>
<td>Tim Christian, CoS Senior Assistant Dean, Computing for Arts and Sciences IT</td>
<td>5/15/2019</td>
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<td>Governance and Regulatory Compliance</td>
<td>Information Technology Business Continuity Plan - College of Science</td>
<td>A Business Continuity Plan has not been created. The College of Science (CoS) does not have a BCP in place. The Division is leading the effort to create a BCP and has started working with the Computing Committee, consisting of faculty and staff representatives from CLASS, CoS, and Mayborn.</td>
<td>High</td>
<td>Recommendation for Dean of the College of Science: 1.1.b. CoS should test their BCP once it has been developed.</td>
<td>Tim Christian, CoS Senior Assistant Dean, Computing for Arts and Sciences IT</td>
<td>5/15/2019</td>
<td>Pending plan creation (see above)</td>
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<td>18-018a</td>
<td>Governance and Regulatory Compliance</td>
<td>IT Business Continuity Plan - College of Science</td>
<td>UNT</td>
<td>Business Impact Analysis not performed. A Business Impact Analysis has not been performed. The College of Science (CoS) had not evaluated their applications/services inventory, identified their mission critical IT applications/services, and categorized their risk for priority.</td>
<td>Moderate</td>
<td>Recommendation for Dean of the College of Science: 3.1.a. CoS should assign a person or persons to lead the development, maintenance, and testing of the college's BCP for the college.</td>
<td>Dr. Su Gao, Dean of the College of Science.</td>
<td>5/22/2018</td>
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<td>18-018a</td>
<td>Governance and Regulatory Compliance</td>
<td>IT Business Continuity Plan - College of Science</td>
<td>UNT</td>
<td>An individual has not been assigned to lead the Business Continuity Plan effort. As determined during the Entrance Conference, the College of Science (CoS) had not assigned a person or persons the responsibilities for developing, maintaining, and testing a Business Continuity Plan (BCP) for the college.</td>
<td>High</td>
<td>Recommendation for Dean of the College of Science: 3.1.a. CoS should assign a person or persons to lead the development, maintenance, and testing of the college's BCP for the college.</td>
<td>Dr. Su Gao, Dean of the College of Science.</td>
<td>5/18/2018</td>
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<td>High</td>
<td>Recommendation for Dean of the College of Liberal Arts and Social Sciences: 1.1.a. CLASS should develop a BCP for critical IT services in the event of a disruption to IT services.</td>
<td>Tim Christian, CoS Senior Assistant Dean, Computing for Arts and Sciences IT</td>
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<td>18-018b UNT Governance and Regulatory Compliance</td>
<td>UNT</td>
<td>1. Business Continuity Plan not created</td>
<td>High</td>
<td>Recommendation for Dean of the College of Liberal Arts and Social Sciences: 1.1.b. CLASS should test their BCP once it has been developed.</td>
<td>Tim Christian, CoS Senior Assistant Dean, Computing for Arts and Sciences IT</td>
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UNT Enterprise Audit Report Inventory
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<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
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<tr>
<td>2018</td>
<td>IT Business Continuity Plan - College Liberal Arts and Social Sciences</td>
<td>UNT</td>
<td>Business Impact Analysis not performed</td>
<td>High</td>
<td>Recommendation for Dean of the College of the Liberal Arts and Social Sciences: 2.1.a. CLASS should perform a BIA to determine critical applications requiring a BCP.</td>
<td>Dean Holdeman, Dean of the College of Liberal Arts and Social Sciences</td>
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<td>A Business Impact Analysis has not been performed. The College of Liberal Arts and Social Sciences (CLASS) had not identified their application inventory, identified their most critical IT applications/services, and prioritized those applications/services to be included in the BCP. The College is leading the Business Continuity Plan (BCP) effort, and the college needs a Business Impact Analysis (BIA), including work with the Computing Committee, consisting of representatives from CLASS, the College of Science (CoS), and The Mayborn School of Journalism (Mayborn).</td>
<td></td>
<td>1a. We agree with the finding and plan to create a Business Impact Analysis (BIA) by May 16th, 2018 (1/16/18 Audit Exit Conference decision). As of February 24th, 2018, the BIA has been drafted and completed - more than two times faster than the aforementioned official date.</td>
<td>5/11/2018</td>
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<td></td>
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<td>An individual has not been assigned to lead the Business Continuity Plan effort. As determined during the Entrance Conference, the College of Liberal Arts and Social Sciences (CLASS) had not assigned a person or persons the responsibility for developing, maintaining, and testing the College Liberal Arts and Social Sciences Business Continuity Plan (BCP) for the college.</td>
<td>Moderate</td>
<td>Recommendation for Dean of the College of Liberal Arts and Social Sciences: 3.1.a. CLASS should assign a person or persons to lead the BCP development, maintenance, and testing.</td>
<td>Dean Holdeman, Dean of the College of Liberal Arts and Social Sciences</td>
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<td>18-018c-UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>A Business Continuity Plan not created.</td>
<td>High</td>
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</table>

A Business Continuity Plan has not been created and tested. Mayborn does not have a BCP in place. The Christian is leading the effort to create a BCP and has started working with the Computing Committee, consisting of faculty and staff representatives from CLASS, CoS, and Mayborn.

A Business Continuity Plan has not been created and tested. Mayborn does not have a BCP in place. The Christian is leading the effort to create a BCP and has started working with the Computing Committee, consisting of faculty and staff representatives from CLASS, CoS, and Mayborn.

A Business Continuity Plan has not been created and tested. Mayborn does not have a BCP in place. The Christian is leading the effort to create a BCP and has started working with the Computing Committee, consisting of faculty and staff representatives from CLASS, CoS, and Mayborn.
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<th>Audit Category</th>
<th>Report Name</th>
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<td>Governance and Regulatory Compliance</td>
<td>IT Business Continuity Plan - Mayborn School of Journalism</td>
<td>UNT</td>
<td>A Business Impact Analysis not performed. A Business Impact Analysis has not been performed. The Mayborn School of Journalism (Mayborn) had not evaluated their applications/service inventory, identified their mission-critical IT applications/services, and risk ranked them for priority. The Director is leading the Business Continuity Plan (BCP) effort, and the initial work on a Business Impact Analysis (BCA) has been started with the Computing Committee, consisting of representatives from the College of Liberal Arts and Social Sciences (CLASS), the College of Science (CoS), and Mayborn.</td>
<td>High</td>
<td>Recommendation for Dean of the Mayborn School of Journalism: 2.1.a. Mayborn should perform a BIA to determine critical applications requiring a BCP.</td>
<td>Dorothy Bland, Dean, Mayborn School of Journalism</td>
<td>Tim Christian, CAS Senior Assistant Dean, Computing for Arts and Sciences IT</td>
<td>5/22/2018</td>
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<td>Governance and Regulatory Compliance</td>
<td>IT Business Continuity Plan - Mayborn School of Journalism</td>
<td>UNT</td>
<td>An individual has not been assigned to lead the Business Continuity Plan effort. An individual has not been assigned to lead the Business Continuity Plan effort. As determined during the Entrance Conference, the Mayborn School of Journalism (Mayborn) had not assigned a person or persons the responsibility for developing, maintaining, and testing the college’s BCP. The Director is leading the Business Continuity Plan (BCP) for the college.</td>
<td>Moderate</td>
<td>Recommendation for Dean of the Mayborn School of Journalism: 3.1.a. Mayborn should assign a person or persons to lead the development, maintenance, and testing of the college’s BCP.</td>
<td>Dorothy Bland, Dean, Mayborn School of Journalism</td>
<td>Dorothy Bland, CAS Senior Assistant Dean for CAS IT and Douglas Lewis, Computing Lab Manager, Mayborn School of Journalism</td>
<td>5/22/2018</td>
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<td>18-018f UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Toulouse Graduate School</td>
<td>A Business Continuity Plan not created. The Toulouse Graduate School does not have a Business Continuity Plan (BCP) in place. Natalie Garcia-McIntire is leading the effort to create a BCP and has started contacting the departments and areas in Toulouse to get their feedback on what applications and resources are important to them.</td>
<td>High</td>
<td>Recommendation for Dean of the Toulouse Graduate School: 1.1.a. Toulouse should develop a BCP for critical IT services in the event of a disruption to IT services. 1.1.b. Toulouse should test their BCP once it has been developed.</td>
<td>Victor Prybutok, Dean, Toulouse Graduate School</td>
<td>7/1/2018</td>
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<td>Toulouse Graduate School</td>
<td>A Business Continuity Plan not created. The Toulouse Graduate School does not have a Business Continuity Plan (BCP) in place. Natalie Garcia-McIntire is leading the effort to create a BCP and has started contacting the departments and areas in Toulouse to get their feedback on what applications and resources are important to them.</td>
<td>High</td>
<td>Recommendation for Dean of the Toulouse Graduate School: 1.1.a. Toulouse should develop a BCP for critical IT services in the event of a disruption to IT services. 1.1.b. Toulouse should test their BCP once it has been developed.</td>
<td>Victor Prybutok, Dean, Toulouse Graduate School</td>
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<td>Governance and Regulatory Compliance</td>
<td>IT Business Continuity Plan - Toulouse Graduate School</td>
<td>An inventory of IT services has not been created. The Toulouse Graduate School had not created an inventory, identifying all IT services and applications used by their Faculty, staff, and students. Natalie Garcia McIntire is leading the BCP effort, and has started creating software used by the Toulouse graduate schools to establish which are important to them.</td>
<td>High</td>
<td>Recommendation for Dean of the Toulouse Graduate School: Toulouse should develop an inventory of all IT applications/services used by faculty, staff, and students for use in determining critical applications.</td>
<td>Victor Prybutok, Dean, Toulouse Graduate School</td>
<td>5/17/2018</td>
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<td>Governance and Regulatory Compliance</td>
<td>IT Business Continuity Plan - Toulouse Graduate School</td>
<td>A Business Impact Analysis has not been performed. The Toulouse Graduate School had not evaluated their applications/services inventory, identified all IT applications/services, and risk ranked them for priority. Natalie Garcia McIntire is leading the BCP effort, and has started work on a Business Impact Analysis (BIA).</td>
<td>High</td>
<td>Recommendation for Dean of the Toulouse Graduate School: Toulouse should perform a BIA to determine critical applications requiring a BCP.</td>
<td>Victor Prybutok, Dean, Toulouse Graduate School</td>
<td>5/17/2018</td>
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<td>Toulouse Business Continuity Plan - Toulouse Graduate School</td>
<td>Moderate</td>
<td>Recommendation for Dean of the Toulouse Graduate School: 1.1.a. Toulouse should assign a person or persons to lead the development, maintenance, and testing of the college's BCP.</td>
<td>1a. The BCP has been created. It is currently under review by the Dean and other stakeholders within the college.</td>
<td>Roy Zumwalt, Senior IT Support Manager</td>
<td>5/22/2018</td>
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<td>Governance and Regulatory Compliance</td>
<td>Toulouse Business Continuity Plan - Toulouse Graduate School</td>
<td>High</td>
<td>Recommendation for Dean of TAMS/Honors: 1.1.a. TAMS and Honors College should develop BCPs for critical IT services in the event of a disruption to IT services.</td>
<td>1a. The BCP has been created. We will plan a meeting to review the document and devise a plan for testing. This will include a round table discussion of appropriate roles and an assessment of the appropriate roles for stakeholders in the department.</td>
<td>Roy Zumwalt, Senior IT Support Manager</td>
<td>5/22/2018</td>
<td>Completed</td>
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**Key Observations**: An individual has not been assigned to lead the Business Continuity Plan effort. As determined during the Entrance Conference, the Toulouse Graduate School had not assigned a person or persons the responsibility for maintaining, facilitating, and testing the Business Continuity Plan (BCP) for the college.

**Risk Level**: Moderate

**Recommendation Details**: Recommendation for Dean of the Toulouse Graduate School:

1.1.a. Toulouse should assign a person or persons to lead the development, maintenance, and testing of the college's BCP.

**Management Response**: Dean Prybutok has assigned Marty Newman and Natalie Garcia-McIntire the task of leading the BCP effort for Toulouse.
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<td>IT Business Continuity Plan - TAMS and Honors</td>
<td>UNT</td>
<td>1. Business Continuity Plan not created</td>
<td>High</td>
<td>Recommendation for Dean of TAMS: 1.1.b. TAMS and Honors College should test their BCPs once they have been developed.</td>
<td>Roy Zumwalt, IT Support Manager</td>
<td>6/22/2018</td>
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<td>IT Business Continuity Plan - TAMS and Honors</td>
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<td>2. Inventory not performed</td>
<td>High</td>
<td>Recommendation for Dean of TAMS: 2.1.a. TAMS and Honors College should develop an inventory of all IT applications and services used by faculty, staff and students for use in performing a BIA.</td>
<td>Roy Zumwalt, IT Support Manager</td>
<td>6/22/2018</td>
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<td>UNT</td>
<td>3. Business Impact Analysis not performed</td>
<td>A Business Impact Analysis has not been performed. The TAMS and Honors College had not evaluated their application/service inventory, identified their mission-critical IT applications/services, and risk ranked them for priority. Roy Zumwalt is leading the BCP effort and has started work on a Business Impact Analysis (BIA), working with faculty and staff and other stakeholders within the college.</td>
<td>High</td>
<td>Recommendation for Dean of TAMS: 3.1.a. TAMS and Honors College should perform BIAs to determine critical applications requiring a BCP.</td>
<td>Roy Zumwalt, Senior IT Support Manager</td>
<td>5/22/2018</td>
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<td>IT Business Continuity Plan - TAMS and Honors</td>
<td>UNT</td>
<td>4. Individual not assigned to lead Business Continuity Plan</td>
<td>An individual has not been assigned to lead the Business Continuity Plan effort. As determined during the Entrance Conference, TAMS and Honors College had not assigned a person or persons the responsibility for developing, maintaining, and testing BCPs for the colleges.</td>
<td>Moderate</td>
<td>Recommendation for Dean of TAMS: 4.1.a. TAMS and Honors College should assign a person or persons to lead the development, maintenance, and testing of the BCPs.</td>
<td>Dr. Glenisson de Oliveira, Dean of TAMS</td>
<td>5/22/2018</td>
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<td>Individual Responsible for Implementation</td>
<td>Expected Implementation Date</td>
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<td>Fiscal Year 2018</td>
<td>18-018h UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>IT Business Continuity Plan - Libraries</td>
<td>UNT</td>
<td>A Business Continuity Plan has not been created and tested. The UNT Libraries Business Continuity Plan (BCP) does not address a strategy for the continuation of business in the event of disruption of IT services. The Library does have a Disaster Recovery Plan, but will specific steps to continue business in the event of an IT outage.</td>
<td>High</td>
<td>Recommendation for Dean of UNT Libraries: 1.1.a. UNT Libraries should develop a BCP for critical IT services. 1.1.b. UNT Libraries should test their BCP once it has been developed.</td>
<td>Scott Jackson, Assistant Dean for Facilities and Systems, UNT Libraries (also involved – Jeffrey Guintivano, Senior Systems Integration Manager, Cathy Hartman, Interim Dean of Libraries)</td>
<td>5/22/2018</td>
<td>Closed</td>
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</table>

2. Business Continuity Plan has not been created and tested. The UNT Libraries Business Continuity Plan (BCP) does not address a strategy for the continuation of business in the event of disruption of IT services. The Library does have a Disaster Recovery Plan, but will specific steps to continue business in the event of an IT outage.

High

Recommendation for Dean of UNT Libraries:

1.1.a. UNT Libraries should develop a BCP for critical IT services.

1.1.b. UNT Libraries should test their BCP once it has been developed.

Scott Jackson, Assistant Dean for Facilities and Systems, UNT Libraries (also involved – Jeffrey Guintivano, Senior Systems Integration Manager, Cathy Hartman, Interim Dean of Libraries) | 5/22/2018 | Closed |
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<th>Audit Category</th>
<th>Case Name</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
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<td><strong>Fiscal Year 2018</strong></td>
<td>18-018f</td>
<td><strong>Governance and Regulatory Compliance</strong></td>
<td><strong>IT Business Continuity Plan - Libraries</strong></td>
<td><strong>UNT</strong></td>
<td><em>The Business Impact Analysis performed does not address critical IT applications/software essential to the mission of UNT Libraries.</em> The UNT Libraries Business Impact Analysis (BIA) does not include an assessment of high-impact IT applications essential to the mission of UNT Libraries. The BIA analysis is also not inclusive of all business units.</td>
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<td><strong>Fiscal Year 2018</strong></td>
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<td><strong>Governance and Regulatory Compliance</strong></td>
<td><strong>IT Business Continuity Plan - College of Engineering</strong></td>
<td><strong>UNT</strong></td>
<td><strong>A Business Continuity Plan has not been created and tested.</strong> CENG does not have a Business Continuity Plan (BCP) in place. The plan is still being developed and the College should address the lack of preparedness.</td>
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<td>IT Business Continuity Plan - College of Engineering</td>
<td>UNT</td>
<td>A Business Continuity Plan has not been created and tested. The CENG does not have a Business Continuity Plan (BCP). The plan is under development. The College of Engineering (CENG) does not have a Business Continuity Plan (BCP). Jim Byford is leading the effort to create a BCP and has made a draft from which the College will work from to finalize a BCP.</td>
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<td>18-018i UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>IT Business Continuity Plan - College of Engineering</td>
<td>UNT</td>
<td>An inventory of IT services has not been created. The College of Engineering (CENG) has not created an inventory, identifying all IT services and applications used by their faculty, staff, and students. This is essential for implementing the BCP effort, and has started identifying software used by the College of Engineering to establish which are important to the College.</td>
<td>High</td>
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<td>Governance and Regulatory Compliance</td>
<td>IT Business Continuity Plan - College of Engineering</td>
<td>UNT</td>
<td>A Business Impact Analysis has not been performed. The College of Engineering (CENG) had not evaluated their application/service inventory, identified their mission critical IT applications/services, and risk ranked them for priority. Jim Byford is leading the BCP effort, and has started work on a Business Impact Analysis (BIA).</td>
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<td>IT Business Continuity Plan - College of Engineering</td>
<td>UNT</td>
<td>An individual has not been assigned to lead the Business Continuity Plan effort. As determined during the Entrance Conference, the College of Engineering (CENG) had not assigned a person or persons the responsibility for developing, maintaining, and testing a Business Continuity Plan (BCP) for the college.</td>
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<td>18-018j UNT</td>
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<td>IT Business Continuity Plan - College of Health and Public Service</td>
<td>UNT</td>
<td>A Business Continuity Plan has not been created.</td>
<td>High</td>
<td>Recommendation for Dean of the College of Health and Public Service: 1.1.a. HPS should develop a BCP for critical IT services.</td>
<td>Linda Holloway, Dean, College of Health and Public Service</td>
<td>5/31/2018</td>
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<tr>
<td>18-018j UNT</td>
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<td>IT Business Continuity Plan - College of Health and Public Service</td>
<td>UNT</td>
<td>A Business Continuity Plan has not been created.</td>
<td>High</td>
<td>Recommendation for Dean of the College of Health and Public Service: 1.1.b. HPS should test their BCP once it has been developed.</td>
<td>Linda Holloway, Dean, College of Health and Public Service</td>
<td>5/31/2018</td>
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<td>Governance and Regulatory Compliance</td>
<td>IT Business Continuity Plan - College of Health and Public Service</td>
<td>1. Business Impact Analysis not performed. A Business Impact Analysis has not been performed. The College of Health and Public Service (HPS) had not evaluated the applicability/service inventory, identified all IT applications/services, prioritized them, and defined a BIA team. Jackie Thames, Senior IT Support Manager is leading the Business Continuity Plan (BCP) effort, and has started work on a Business Impact Analysis (BIA), by creating a committee made up of staff from all the departments and areas in the College of Health and Public Service to get their feedback on what applications/services are important to them.</td>
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<td>IT Business Continuity Plan - College of Health and Public Service</td>
<td>2. Individual not assigned to lead Business Continuity Plan effort. As determined during the Entrance Conference, the College of Health and Public Service (HPS) had not assigned a person or persons the responsibility for developing, maintaining, and testing a Business Continuity Plan (BCP) for the college.</td>
<td>Moderate</td>
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<td>Governance and Regulatory Compliance</td>
<td>IT Business Continuity Plan - College of Merchandising Hospitality &amp; Tourism (CMHT) does not have a BCP in place. Sampath Pamidimukkala is leading the effort to create a BCP and has started working on a team consisting of representatives from faculty and administration.</td>
<td>High</td>
<td>Recommendation for Dean of College of Merchandising Hospitality &amp; Tourism: 1.1.a. CMHT should develop a BCP for critical IT services in the event of a disruption to IT services. 1a. BCP created on March 19th and revised on March 29th. Tested BCP by working with faculty and staff to make sure the process set in place will work.</td>
<td>Sampath Pamidimukkala, Senior IT Support Manager</td>
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<td>IT Business Continuity Plan - College of Merchandising Hospitality &amp; Tourism (CMHT) does not have a BCP in place. Sampath Pamidimukkala is leading the effort to create a BCP and has started working on a team consisting of representatives from faculty and administration.</td>
<td>High</td>
<td>Recommendation for Dean of College of Merchandising Hospitality &amp; Tourism: 1.1.b. CMHT should test its BCP once it has been developed. 1b. BCP created on March 19th and revised on March 29th. Tested BCP by working with faculty and staff to make sure the process set in place will work.</td>
<td>Sampath Pamidimukkala, Senior IT Support Manager</td>
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<td>IT Business Continuity Plan - College of Merchandising Hospitality &amp; Tourism</td>
<td>An inventory of IT services has not been created. The College of Merchandising, Hospitality &amp; Tourism (CMHT) had not created an inventory, identifying all IT applications and services used by faculty, staff, and students. Sampath Pamidimukkala is leading the BCP effort and has started work creating a complete list of applications/services used within CMHT.</td>
<td>High</td>
<td>Recommendation for Dean of College of Merchandising, Hospitality &amp; Tourism: 2.1.a. CMHT should develop an inventory of all IT applications and services used by faculty, staff, and students for use in performing a BIA.</td>
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<td>IT Business Continuity Plan - College of Merchandising Hospitality &amp; Tourism</td>
<td>A Business Impact Analysis has not been performed. The College of Merchandising, Hospitality &amp; Tourism (CMHT) had not evaluated their application/service inventory, identified their mission-critical IT applications/services, and risk ranked them for priority. Sampath Pamidimukkala is leading the Business Continuity Plan (BCP) effort. He has started work on a Business Impact Analysis (BIA), with a team consisting of representatives from faculty and administration, and other stakeholders within the university.</td>
<td>High</td>
<td>Recommendation for Dean of College of Merchandising, Hospitality &amp; Tourism: 3.1.a. CMHT should perform a BIA to determine critical applications requiring a BCP.</td>
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<td>IT Business Continuity Plan - College of Merchandising, Hospitality &amp; Tourism</td>
<td>Moderate</td>
<td>Recommendation for Dean of College of Merchandising, Hospitality &amp; Tourism: 1.1.a. CMHT should assign a person or persons to lead the development, maintenance, and testing of the college's BCP. 1a.Dr. Forney tasked Sampath Pamidimukkala, CMHT Senior IT Support manager, with leading the BCP effort.</td>
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<td>IT Business Continuity Plan - College of Information</td>
<td>High</td>
<td>Recommendation for Dean of College of Information: 1.1.a. COI will create and test a new BCP. 1a COI will create and test a new BCP.</td>
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<td>IT Business Continuity Plan - College of Information</td>
<td>UNT</td>
<td>An inventory of IT services has not been created. The College of Information (COI) had not created an inventory, identifying all IT services and applications used by their faculty, staff, and students.</td>
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<td>IT Business Continuity Plan - College of Information</td>
<td>A. Business Impact Analysis not performed.</td>
<td>High</td>
<td>In COI we will complete a risk analysis to identify critical IT assets, applications and services to include in the BCP.</td>
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<td>IT Business Continuity Plan - College of Information</td>
<td>An individual has not been assigned to lead the Business Continuity Plan effort.</td>
<td>Moderate</td>
<td>Recommendation for Dean of the College of Information: 4.1.a. COI should assign a person or persons to lead the development, maintenance, and testing of the college’s BCP.</td>
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<td>Fiscal Year</td>
<td>Audit Number</td>
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<td>18-018m UN</td>
<td>Governance and Regulatory Compliance</td>
<td>IT Business Continuity Plan - CVAD</td>
<td>UNT</td>
<td>A Business Continuity Plan has not been created and tested. The College of Visual Arts and Design (CVAD) does not have a Business Continuity Plan (BCP) in place. Ed Ligon and Michael Baggett are leading the effort to create a BCP and have contacted the department and areas in the College of Visual Arts and Design for feedback on what applications and resources are impacted by them.</td>
<td>High</td>
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<td>18-018m UN</td>
<td>Governance and Regulatory Compliance</td>
<td>IT Business Continuity Plan - CVAD</td>
<td>UNT</td>
<td>A Business Continuity Plan has not been created and tested. The College of Visual Arts and Design (CVAD) does not have a Business Continuity Plan (BCP) in place. Ed Ligon and Michael Baggett are leading the effort to create a BCP and have contacted the department and areas in the College of Visual Arts and Design for feedback on what applications and resources are impacted by them.</td>
<td>High</td>
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<td>Governance and Regulatory Compliance</td>
<td>IT Business Continuity Plan - CVAD</td>
<td>UNT</td>
<td>A Business Impact Analysis not performed. It is uncertain if a Business Impact Analysis has or has not been performed. The College of Visual Arts and Design (CVAD) has not established their applications/inventory, identified all IT applications/services, or risk ranked them for priority. Eric Ligon and Michael Baggett are leading the Business Continuity Plan (BCP) effort.</td>
<td>High</td>
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<td>UNT System Internal Audit</td>
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<td>18-018m UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>IT Business Continuity Plan - CVAD</td>
<td>UNT</td>
<td>An individual has not been assigned to lead the Business Continuity Plan effort. As determined during the Entrance Conference, the College of Visual Arts and Design (CVAD) had not assigned a person or persons the responsibility for developing, maintaining, and testing a Business Continuity Plan (BCP) for the college.</td>
<td>Moderate</td>
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</tbody>
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<table>
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<tr>
<th>Internal/External</th>
<th>Reporting Agency</th>
<th>Fiscal Year</th>
<th>Audit Number</th>
<th>Audit Category</th>
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<th>Key Observations</th>
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<th>Management Response</th>
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<td>Fiscal Year 2018</td>
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<td>Governance and Regulatory Compliance</td>
<td>IT Business Continuity Plan - College of Music</td>
<td>UNT</td>
<td>A Business Continuity Plan not created</td>
<td>High</td>
<td>Recommendation for Dean of the College of Music: 1.1.a. COM should develop a BCP for critical IT services in the event of a disruptive IT services. 1a. The draft of the College of Music Business Continuity Plan (BCP) was completed on March 28, 2018. BCP review will be completed by May 1, 2018 and BCP testing will commence. Testing will be completed by August 31, 2018.</td>
<td>Jon Nelson, Associate Dean for Operations</td>
<td>8/31/2018</td>
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<td>IT Business Continuity Plan - College of Music</td>
<td>UNT</td>
<td>A Business Continuity Plan not created</td>
<td>High</td>
<td>Recommendation for Dean of the College of Music: 1.1.b. COM should test their BCP once it has been developed. 1b. The draft of the College of Music Business Continuity Plan (BCP) was completed on March 28, 2018. BCP review will be completed by May 1, 2018 and BCP testing will commence. Testing will be completed by August 31, 2018.</td>
<td>Jon Nelson, Associate Dean for Operations</td>
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<td>IT Business Continuity Plan - College of Music</td>
<td>High</td>
<td>Recommendation for Dean of the College of Music: 1a. The inventory of College of Music IT services and applications was completed on March 28, 2018.</td>
<td>Jon Nelson, Associate Dean for Operations</td>
<td>5/22/2018</td>
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<td>Moderate</td>
<td>Recommendation for Dean of the College of Music:</td>
<td>1a. Associate Dean Nelson accepted task to lead the BCP effort.</td>
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<td>Individual not assigned to lead Business Continuity Plan</td>
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<td>As determined during the Entrance Conference, the College of Music (COM) had not assigned a person or persons the responsibility for developing, maintaining, and testing a Business Continuity Plan (BCP) for the college.</td>
<td>1a. Jon Nelson, Associate Dean of the College of Music.</td>
<td>5/22/2018</td>
<td>Closed</td>
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<th>18-406</th>
<th>Governance and Regulatory Compliance</th>
<th>Provost Transition Audit</th>
<th>UNTHSC</th>
<th>High</th>
<th>Recommendation for the Interim Provost and Faculty Affairs Manager:</th>
<th>1a. The Faculty Affairs Manager will work with the UNTHSC Vice President for Finance &amp; Planning and the UNT Associate Controller UNTHSC to establish departmental cash controls procedures that comply with the official UNTHSC Cash Handling Controls Policy that is currently in development.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash handling procedures in the Faculty Affairs Department are not adequate during booking, collection, recording, depositing, and reconciliation of room rental fees.</td>
<td>Faculty Affairs is responsible for the scheduling of facility room reservations throughout campus utilizing the Event Management System. Rental fees are billed and collected for private events according to established guidelines.</td>
<td>Specifically, the following were noted:</td>
<td>• There is limited segregation of duties for the collecting, recording, and depositing of cash collections. Specifically, the Room Scheduling Coordinator records all transactions and charges to the Event Management System, performs all collection activities, physically handles and independently safeguards all funds collected, and prepares all deposits.</td>
<td>• A Cash Receipt Log is not maintained. All collections are recorded in the Event Management System, and no updated Confirmation Summary serves as the receipt for the payer for specific room reservations. However, a summary of all payments posted is generated from the system.</td>
<td>• There is not a reconciliation of system entries and payments recorded to the system to actual total deposits (i.e., no confirmation that the deposits are complete).</td>
<td>• The billing statement sent to external parties does not instruct the payer to make check payments to UNTHSC.</td>
<td>• Checks are not restrictively endorsed immediately upon receipt.</td>
<td>1a. The billing statement has been updated and instructs check payments to be made to UNTHSC.</td>
<td>1a. A restrictive endorsement stamp will be used on check payments received.</td>
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<td>Audit Number</td>
<td>Audit Category</td>
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<td>Key Observations</td>
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<td>Provost Transition Audit</td>
<td>UNTHSC</td>
<td>Cash Handling</td>
<td>High</td>
<td>Recommendations for the UNTHSC Vice President for Finance &amp; Planning and the UNTS Associate Controller at UNTHSC: 1.2.a. Utilize the UNT System 04.302 Cash Handling Controls as a guide to develop Cash Handling Control policies and procedures for UNTHSC. 2a. Cash Handling Control policies and procedures will be developed using the UNT System 04.302 Cash Handling Controls policy as a guide.</td>
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Cash handling procedures in the Faculty Affairs Department are not adequate during the billing, recording, depositing, and reconciliation of room rental fees. Faculty Affairs is responsible for the scheduling of facility room reservations throughout campus utilizing the Event Management System. Rental fees are billed and collected for private events according to established guidelines. Specifically, the following were noted:

- There is limited segregation of duties for the collecting, recording, and depositing of cash collections. Specifically, the Room Scheduling Coordinator records all transactions and charges to the Event Management System, performs all collection activities, physically handles and independently safeguards all funds collected, and prepares all deposits.
- A Cash Receipt Log is not maintained. All collections are recorded to the Event Management System as received, and the updated Confirmation Summary serves as the receipt for the payer for specific room reservations. However, a summary of all payments posted is not generated from the system.
- There is not a reconciliation of system events and payments recorded to the system to actual total deposits (i.e. no confirmation that the deposit is complete).
- The billing statement sent to external parties does not instruct the payer to make check payments to UNTHSC.
- Checks are not restrictively endorsed immediately upon receipt.

Recommendations for the UNTHSC Vice President for Finance & Planning and the UNTS Associate Controller at UNTHSC:

1.2.b. Communicate to all employees handling cash at UNTHSC the updated policies and procedures to assist them in fulfilling their cash handling responsibilities.

2b. The final Cash Handling Control policies and procedures will be provided to all employees handling cash in order to assist them with their cash handling responsibilities.

Geoffrey Scarpelli, Vice President Finance & Planning
Paula Welch, UNT System Associate Controller at UNTHSC
12/31/2018

Closed
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<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
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<th>Management Response</th>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
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<td>Cash handling procedures in the Faculty Affairs Department are not adequate during the billing,</td>
<td>High</td>
<td>Recommendations for the UNTHSC Vice President for Finance &amp; Planning and the UNTS</td>
<td>Geoffrey Scarpelli,</td>
<td>12/31/2018</td>
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<td>collecting, recording, depositing, and reconciling of annual rental fees. Faculty Affairs is</td>
<td></td>
<td>Associate Controller at UNTS</td>
<td>Paula Welch, UNTS</td>
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<td>responsible for the scheduling of facility room reservations. Faculty Affairs performs the</td>
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<td>following were noted:</td>
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<td>Recommendation Details Management Response Individual Responsible for Implementation</td>
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<td>• There is limited segregation of duties for the collecting, recording, and depositing of cash</td>
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<td>Expected Implementation Date Recommendation Status</td>
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<td>System Internal Audit Report Name</td>
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<td>collections. Faculty Affairs independently safeguards all funds collected, and prepares all</td>
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<td>System Internal Audit Report Name</td>
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<td>• There is not a reconciliation of system events and payments. Payments issued to the</td>
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<td>System Internal Audit Report Name</td>
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<td>drilling statement sent to external parties does not instruct the payer to make check payments.</td>
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<td>No observations. This was a management advisory service (MAS).</td>
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<td>University-Owned Cell Phone Billing Process (MAS)</td>
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<td>No observations. This was a management advisory service (MAS).</td>
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<td>18-020</td>
<td>Governance and Regulatory Compliance</td>
<td>Student Awareness and Training - Lab Safety Audit</td>
<td>UNT</td>
<td>Lack of automatic fire sprinkler system; lack of full-coverage fire detection system (currently, there is partial detection system coverage); improper ventilation (pertaining to a life-safety fire risk); natural gas-like smell detected in the outdoor kiln area; gas pipes positioned over outdoor kilns; inadequate barriers/protection and warning signs for outdoor kilns.</td>
<td>High</td>
<td>Recommendation for Jennifer Cowley, Provost and Vice President for Academic Affairs:</td>
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<td>18-020</td>
<td>Governance and Regulatory Compliance</td>
<td>Student Awareness and Training - Lab Safety Audit</td>
<td>UNT</td>
<td>A consolidated chemical inventory for all University labs is not maintained. Currently, RMS uses a spreadsheet program to track the chemical inventory. Internal Audit's conversations with the Director of Environmental Risk, academic departments have historically had issues maintaining a chemical inventory and submitting the inventory results to Risk Management Services (RMS). While Chemistry and Physics have addressed their chemical inventory issues, other academic departments are in the process of developing inventory processes and procedures to achieve compliance. Internal Audit noted that RMS does not currently have a standard operating procedure that specifically addresses chemical inventory in labs. According to the Director of Environmental Risk, tracking of chemical inventory is in the infancy stage. Additionally, the current processes for tracking chemical inventory is manual.</td>
<td>High</td>
<td>Recommendation for Scott Dunkle, Director of Environmental Risk:</td>
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<td>Governance and Regulatory Compliance</td>
<td>Student Awareness and Training - Lab Safety Audit</td>
<td>UNT</td>
<td>A consolidated chemical inventory is not maintained. Currently, RMS uses a spreadsheet program to track the chemical inventory. Based on Internal Audit's conversation with the Director of Environmental Risk, the academic departments have historically had issues maintaining a chemical inventory and submitting the inventory results to Risk Management Services (RMS). While Chemistry and Physics have addressed their chemical inventory issues, other academic departments are in the process of developing inventory processes and procedures to achieve compliance. Internal Audit noted that RMS does not currently have a standard operating procedure that specifically addresses chemical inventories. According to the Director of Environmental Risk, tracking of chemical inventory is in the infancy stage. Additionally, the current process for tracking chemical inventory is manual.</td>
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<td>2018-2019</td>
<td>Governance and Regulatory Compliance</td>
<td>Student Awareness and Training - Lab Safety Audit</td>
<td>Emergency contact lists on lab doors were missing or contained outdated information. In addition, Risk Management Services does not have a comprehensive listing of lab managers. Emergency contact lists generally contain phone numbers for UNT Police Department, Denton Police Department, Denton Fire Department, Risk Management Services (RMS), and Poison Control among others. During walkthroughs of Chemistry, Engineering, and Studio Art labs, Internal Audit observed the following: Multiple labs did not have an emergency contact list posted either on the outside or inside lab entrance door or wall. Emergency contact lists contained outdated names and contact information. For example, the RMS contact on several emergency contact lists was an individual who is no longer employed at UNT. Based on discussion with the Discovery Park RMS Lab Safety Officer, there is not a listing of lab managers for labs at Discovery Park. The Chemical Hygiene Officer for RMS stated that there is a listing of lab managers for Chemistry, Physics, and Studio Art labs.</td>
<td>High</td>
<td>Recommendations for Scott Dunkle, Director of Environmental Risk: 3.1.a. Ensure that accurate and up-to-date emergency contact lists are posted on outside lab doors. Scott Dunkle, Director, Environmental Risk; Fatima Adeyemo, Radiation Safety Officer</td>
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<td>High</td>
<td>Recommendations for Scott Dunkle, Director of Environmental Risk: 3.1.b. Develop and maintain a comprehensive listing of current lab managers for science and art labs. Scott Dunkle, Director, Environmental Risk; Fatima Adeyemo, Radiation Safety Officer</td>
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<td>Student Awareness and Training - Lab Safety Audit</td>
<td>UNT</td>
<td>A. Obstructed Access in Labs</td>
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<td>Governance and Regulatory Compliance</td>
<td>Student Awareness and Training - Lab Safety Audit</td>
<td>UNT</td>
<td>A IT Review of Third Party Cloud Service</td>
</tr>
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<td></td>
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<td>Governance and Regulatory Compliance</td>
<td>Student Awareness and Training - Lab Safety Audit</td>
<td>UNT</td>
<td>A IT Review of Third Party Cloud Service</td>
</tr>
</tbody>
</table>
Internal / UNT System Internal Audit
Fiscal Year 2018
Audit Number 18-020 UNT
Governance and Regulatory Compliance
Student Awareness and Training - Lab safety audit

7. Eyewash Fountain Inspections
There was no documentation of weekly eyewash fountain inspections. During walkthroughs of Chemistry, Engineering, and Studio Art Labs, Internal Audit observed that required weekly inspections of eyewash fountains were not documented. There were sign off sheets located next to each eyewash fountain, but they were either not being updated or were sporadically prepared. Several sign off sheets observed the last entry date noted was in 2014.

Recommendation:
Recommendations for Scott Dunkle, Director of Environmental Risk:
7.1.b. Either instruct or provide training to those who are required to conduct and document weekly eyewash fountain inspections.

1b. As of February 2018, RMS hired a student worker to assist with weekly eyewash activations and inspections. Laboratories found out of compliance with weekly activation criteria will be instructed regarding their activation obligations.

Scott Dunkle, Director, Environmental Risk; Shih-Huang Huang, Chemical Hygiene Officer; Anthony Roman, Lab Safety Officer
Exp. Imp. Date: 8/1/2018
Rev. Imp. Date: 12/31/2018
Closed

8. Training Verification & Lab Access
Verification of completed training is not submitted when lab access for a student is requested.

Based on discussions with RMS personnel, completion of required online training is not consistently documented and submitted. In addition, documentation of completed in-person training is not consistently documented, by Lab PI’s and submitted to RMS.

Recommendation:
Recommendation for Scott Dunkle, Director of Environmental Risk:
8.1.a. Develop a process and procedure to require lab training verification be submitted to UNT Access Control or the College of Engineering IT where applicable when lab access is requested.

1a. RMS, in conjunction with UNT Access Control and the College of Engineering IT, will evaluate options for updating training verification and develop a procedure to improve upon current lab access protocols.

Scott Dunkle, Director, Environmental Risk; Jonathan Dowd, Application Support Analyst; Fabiha Al-Amin, Radiation Safety Officer
12/31/2018
Closed
### UNTS Enterprise Audit Report Inventory

<table>
<thead>
<tr>
<th>Audit Number</th>
<th>Audit Name</th>
<th>Date</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Risk Management Response</th>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal UNT System EORRC (EORRC) Audit</td>
<td>Fiscal Year 2018</td>
<td>4/10/2018</td>
<td>Governance and Regulatory Compliance (GRC)</td>
<td>Moderate</td>
<td>9.1.a. Download lab information from OSMP database before each semi-annual lab inspection.</td>
<td>The new RMS lab information will mirror that of the OSMP.</td>
<td>Scott Dunkle, Director, Environmental Risk; Anthony Roman, Lab Safety Officer; Shih-Huang Huang, Chemical Hygiene Officer; EORRC Committee (EORRC) meetings.</td>
<td>4/10/2018</td>
<td>Completed</td>
</tr>
</tbody>
</table>

### Key Observations:
- Lab inspectors are not utilizing the most current listing of science and art labs to complete their lab inspections. The Office of Space Management and Planning (OSMP) maintains an accurate lab listing from OSMP, which RMS uses to validate their lab inspections. Based on discussions with the Director of OSMP, the database is reviewed and updated throughout the academic year.

### Recommendation Details:
- The new RMS lab information will mirror that of the OSMP.

### Risk Management Response:
- The new lab information will be linked and continually updated through the RMS database as mentioned above. It is important to reduce the OSMP database to a format that is not suitable for lab inspections. For instance, a list that contains space type code 250 corresponding to Research/Non-Class Laboratories. To compound the issue, there are many different types of laboratory classifications within the OSMP system, such as Class Laboratory, Class Laboratory Service, Individual Study Laboratory, Individual Study Laboratory Service, Research/Non-class Laboratory, and Research/Non-class Laboratory Service, including: science and art labs. Based on discussions with the Director of OSMP, the database is reviewed and updated throughout the academic year.

### Implementation:
- The Office of Space Management and Planning (OSMP) administers an annual survey to update its database and maintain an accurate record of space and the utilization of the space. Examples, include classrooms, housing labs, research labs, and storage space. The OSMP database includes science and art labs. Based on discussions with the Director of OSMP, the database is reviewed and updated throughout the academic year.

### Notes:
- The Office of Space Management and Planning (OSMP) maintains its own lab listing for lab inspectors. Based on discussions with RMS personnel, RMS will be linked and continually updated through the OSMP database as mentioned above, it is important to reduce the OSMP data cannot be used as a sole source to identify laboratories that require inspections. For instance, a room that has a space type code of 210, referring to a class laboratory, can be found in departments throughout the university. While RMS personnel perform lab inspections twice a year, RMS do not always correspond. RMS personnel perform lab inspections twice a year. Because of the above processes, the lab listings between OSMP and RMS do not always correspond. RMS personnel perform lab inspections twice a year.
<table>
<thead>
<tr>
<th>Internal/External</th>
<th>Reporting Agency</th>
<th>Fiscal Year</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
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<tbody>
<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2018</td>
<td>Audit Number</td>
<td>18-020</td>
<td>Student Awareness and Training - Lab Safety Audit</td>
<td>The College of Visual Arts and Design uses a Liability Release form that contains significant legal deficiencies. Internal Audit obtained a copy of a Liability Release form that students sign prior to participating in the Art 112 Shop. The Office of General Counsel (OGC) reviewed the Liability Release form and concluded the Liability Release form as written is significantly deficient. Additionally, the Liability Release form was not vetted, reviewed, or prepared by OGC.</td>
<td>Moderate</td>
<td>Recommendation for Jennifer Cowley, Provost and Vice President for Academic Affairs: 10.1.a. Discontinue the use of liability releases for students participating in science and art labs.</td>
<td>Gregory Watts, Dean of CVAD</td>
<td>4/5/2018</td>
<td>Closed</td>
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<td>Internal</td>
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<td>Audit Number</td>
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<td>No observations were noted. N/A N/A N/A N/A N/A N/A</td>
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<td>18-202 SYS</td>
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### Internal UNTS System Internal Audit

**Fiscal Year**: 2018

<table>
<thead>
<tr>
<th>Report Name</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Out-of-State Teaching Fee Research Project</td>
<td>UNT</td>
<td>No observations were made.</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

#### High-Risk Observations

1. **Controlled Substance Disposal Process**
   - During our testing, we noted instances where controlled substances were not promptly returned for disposal, as required under the U.S. Drug Enforcement Administration regulations.

2. **Principal Investigators (PIs)**
   - Specifically, Internal Audit identified controlled substances dated April 2017 in one of the two SCP laboratory locations. Currently, UNTHSC does not have a formally defined timeframe for PIs to return expired controlled substances to help ensure compliance with federal regulations.

3. **Controlled Substance Policies**
   - We observed that UNTHSC does not have a formally defined window for PIs to return expired controlled substances. Instead, there is a vague instruction on this matter.

4. **Peer Institutions**
   - Internal Audit reviewed peer institutions’ controlled substance policies. The University of Houston and University of Texas at Austin have specific windows of 30 and 90 days, respectively, for employees to handle controlled substances.

**Recommendations**

- **Associate Director, Biosafety, Environmental Health & Safety**
  - Confer with peer institutions, UNT Health, and the City of Fort Worth and UNTHSC Police Departments regarding controlled substances disposal options. Present results to the Vice President of Research, the Associate VP of Research Compliance, and the Safety Director.

**Details**

- **Maya Nair, Associate Director, Biosafety, Environmental Health & Safety**
  - Associate Director, Environmental Health & Safety department UNTHSC will confer with peer institutions, UNT Health, and the City of Fort Worth and UNTHSC Police Departments regarding controlled substances disposal options. Present results to the Vice President of Research, the Associate VP of Research Compliance, and the Safety Director.

**Implementation Status**

- Closed
| Internal | UNT System Internal Audit | Fiscal Year 2018 | 18-015 | Financial | UNT System College of Pharmacy Financial Review | 1. Controlled Substance Disposal Process - We noted instances in our testing, where controlled substances were not promptly returned for disposal, as required under the U.S. Drug Enforcement Administration requirements. Specifically, Internal Audit identified expired controlled substances dated April 2017 in one of the two SCP laboratory locations. Currently, UNTHSC does not have a formally defined window for when Principal Investigators (PIs) should return expired controlled substances to help ensure compliance with federal regulations. Internal Audit inquired a clarification regarding the definition of 'Promptly disposal for controlled substances' in the regulation with the DEA Diversion Inspector for UNTHSC. Although the DEA does not formally define a timeframe in the regulation of when controlled substances must be disposed, DEA licensed holders should dispose of expired controlled substances at regular intervals to avoid orphaned controlled substances found years later by the Institution. Furthermore, Internal Audit reviewed peer institutions’ controlled substance policies/procedures. For the University of Houston and University of Texas at Austin, a specific window of 30 and 90 days, respectively, is provided to employees handling controlled substances. | High | Recommendations for the Associate Director, Biosafety, Environmental Health & Safety: a. Work with the VP of Research, the Associate VP of Research Compliance and the Safety Director to determine the most effective and efficient process. This process should ensure compliance with DEA regulations, ensuring expired controlled substances are disposed of at regular intervals, but no later than every six months. Furthermore, the process should take into consideration the administrative burden for the PI. | Maya Nair, Associate Director, Biosafety, Environmental Health & Safety | 1/31/2019 | Closed |

**Internal** | **UNT System Internal Audit** | **Fiscal Year 2018** | **18-015** | **Financial** | **UNT System College of Pharmacy Financial Review** | **1. Controlled Substance Disposal Process - We noted instances in our testing, where controlled substances were not promptly returned for disposal, as required under the U.S. Drug Enforcement Administration requirements. Specifically, Internal Audit identified expired controlled substances dated April 2017 in one of the two SCP laboratory locations. Currently, UNTHSC does not have a formally defined window for when Principal Investigators (PIs) should return expired controlled substances to help ensure compliance with federal regulations. Internal Audit inquired a clarification regarding the definition of 'Promptly disposal for controlled substances' in the regulation with the DEA Diversion Inspector for UNTHSC. Although the DEA does not formally define a timeframe in the regulation of when controlled substances must be disposed, DEA licensed holders should dispose of expired controlled substances at regular intervals to avoid orphaned controlled substances found years later by the Institution. Furthermore, Internal Audit reviewed peer institutions’ controlled substance policies/procedures. For the University of Houston and University of Texas at Austin, a specific window of 30 and 90 days, respectively, is provided to employees handling controlled substances.** | High | **Recommendations for the Associate Director, Biosafety, Environmental Health & Safety:** c. Once the process is finalized, update the “Manage Controlled Substances in Research” manual and communicate the changes to the Principal Investigators. | Maya Nair, Associate Director, Biosafety, Environmental Health & Safety | 1/31/2019 | Closed |
<table>
<thead>
<tr>
<th>Internal / External</th>
<th>Reporting Agency</th>
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>2018-015-HSC</td>
<td>HSC Financial Review</td>
<td>UNTHSC</td>
<td>Pharmcy Financial Review</td>
<td>The noted instances are no testing, where controlled substances were not promptly returned for disposal, as required under the U.S. Drug Enforcement Administration requirements. Specifically, Internal Audit identified expired controlled substances dated April 2017 in one of the two SCP laboratory locations. Currently, UNTHSC does not have a formally defined window for when Principal Investigators (PIs) should return expired controlled substances. To help ensure compliance with federal regulations, Internal Audit inquired a clarification regarding the definition of Promptly disposed for controlled substances in the regulation with the DEA Diversion Inspector for UNTHSC. Although the DEA does not formally define a timeframe in the regulation of when controlled substances must be disposed, DEA licensed holders should dispose of expired controlled substances at regular intervals to avoid orphaned controlled substances found years later by the Institution. Furthermore, Internal Audit reviewed peer institutions' controlled substances policies/procedures. For the University of Houston and University of Texas at Austin, a specific window of 30 and 90 days, respectively, is provided to employees handling controlled substances.</td>
<td>High</td>
<td>Recommendations for the Associate Director, Biosafety, Environmental Health &amp; Safety: d. Work with the Principal Investigators to dispose of all expired controlled substances based on the new process immediately.</td>
<td>Maya Nair, Associate Director, Biosafety, Environmental Health &amp; Safety</td>
<td>1/31/2019</td>
<td>Closed</td>
</tr>
<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>2018-015-HSC</td>
<td>HSC Financial Review</td>
<td>UNTHSC</td>
<td>Pharmcy Financial Review</td>
<td>Inaccurate recording of leave - Instances of inaccurate, incomplete, or unsupported leave of absence reporting were identified in the test sample of 25 employees drawn from a population of 86 active employees and 6 employees drawn from a sample of 30 terminated employees. Specifically, the following were noted: • One part-time faculty employee did not have leave recorded in EIS from his hire date in 2012 through late 2017. • Four current employees and one terminated employee within the Pharmaceutical Sciences department did not have leave reported in EIS from late 2013 through early 2016. • For two active employees, vacation leave reported on the HRM-64 form was either not recorded to EIS or recorded incorrectly by the timekeeper. • Four employees had missing attestations of &quot;No Leave Taken&quot; subsequent to the implementation of eLeave. The eLeave implementation effective June 1, 2017 eliminated all manual processes, therefore the issues identified in the first three bullets will no longer be a concern.</td>
<td>High</td>
<td>1.1. Recommendations for the Senior Academic and Business Director of System College of Pharmacy and the Interim Human Resources Director (UNTHSC): a. Determine whether the five employees identified within Pharmaceutical Sciences had unreported leave (i.e. sick and vacation) from fiscal years 2013 to 2016. In order to identify unreported leave, obtain the HRM-64 forms and review if any submitted forms were not accurately entered in EIS.</td>
<td>Margaret Demers, Senior Academic and Business Director of System College of Pharmacy and Jane Gray, Interim Human Resources Director (UNTHSC)</td>
<td>1/15/2019</td>
<td>Closed</td>
</tr>
</tbody>
</table>
Instances of inaccurate, incomplete, or unsupported leave of absence reporting were identified in the test sample of 25 employees drawn from a population of 86 active employees and 6 employees drawn from a sample of 30 terminated employees.

Specifically, the following were noted:

• One part-time faculty employee did not have leave recorded in EIS from his hire date in 2012 through late 2017.
• Four current employees and one terminated employee within the Pharmaceutical Sciences department did not have leave reported in EIS from late 2013 through early 2016.
• For two active employees, vacation leave reported on the HRM-64 form was either not recorded to EIS or recorded incorrectly by the timekeeper.

• Four employees had missing attestations of “No Leave Taken” subsequent to the implementation of eLeave.

The eLeave implementation effective June 1, 2017 eliminated all manual processes, therefore the issues identified above (first three bullets) will no longer be a concern.

2.1.b. Recommendations for the Senior Academic and Business Director of System College of Pharmacy and the Interim Human Resources Director UNTHSC:

b. If inaccuracies were identified, collaborate with the Interim Human Resource Director UNTHSC to update the employee’s leave of absence in EIS.

1a, 1b, 1c. The SCP requested and reviewed the HRM-64 forms as recommended for all referenced employees during the 2013-2016 time period. The additional review performed by the SCP did not identify any evidence of unreported leave for the employees. SCP recommends that the absence of corroborating evidence is difficult to confirm with certainty for the presence of inaccurately reported leave. SCP recommends that the future nature of this finding and has designed a plan of action.

Margaret Demers, Senior Academic and Business Director of System College of Pharmacy and Jane Gray, Interim Human Resources Director UNTHSC

1/15/2019

Closed
<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Audit Category</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018-2019</td>
<td>Financial</td>
<td>Internal UNT System College of Pharmacy Financial Review</td>
<td>UNT System Internal</td>
<td>Inaccurate recording of presence for lab employees. Although all employees are required to wear lab coats in the lab, the lab employees stated that the lab coats’ sleeves were too tight to wear while performing tasks.</td>
<td>High</td>
<td>Implement procedures to ensure monthly time reporting is completed, including any required attestation of leave taken within eLeave.</td>
<td>Dr. Betty Stewart, Provost, Executive Vice President for Academic Affairs.</td>
</tr>
<tr>
<td>2018-2019</td>
<td>Regulatory and Compliance Audit</td>
<td>Internal UNT System Human Resources Audit</td>
<td>UNT System College of Pharmacy Human Resources Review</td>
<td>Inaccurate recording of absence for lab employees. Although all employees are required to wear lab coats in the lab, the lab employees stated that the lab coats’ sleeves were too tight to wear while performing tasks.</td>
<td>High</td>
<td>Implement procedures to ensure monthly time reporting is completed, including any required attestation of leave taken within eLeave.</td>
<td>Dr. Betty Stewart, Provost, Executive Vice President for Academic Affairs.</td>
</tr>
</tbody>
</table>

**Details:**

- **Internal UNT System Human Resources Audit:**
  - **Fiscal Year:** 2018-2019
  - **Audit Number:** UNTHSC stage 4: SCP employees are mapped to the appropriate supervisor.
  - **Date:** 8/31/2018
  - **Reporting Agency:** Internal / External
  - **Category:** UNTHSC stage 3: SCP employees are mapped to the appropriate supervisor.
  - **Compliance:** UNTHSC stage 2: SCP employees are mapped to the appropriate supervisor.
  - **Component Institution:** UNT System College of Pharmacy Human Resources Review
  - **Recommendation Status:** Closed

**Observations:**

- Inaccurate recording of presence for lab employees. Although all employees are required to wear lab coats in the lab, the lab employees stated that the lab coats’ sleeves were too tight to wear while performing tasks.

**Recommendations:**

- Implement procedures to ensure monthly time reporting is completed, including any required attestation of leave taken within eLeave.

**Management Response:**

- Dr. Betty Stewart, Provost, Executive Vice President for Academic Affairs.
<table>
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<tr>
<th>Institution</th>
<th>Reporting Agency</th>
<th>Fiscal Year</th>
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2018</td>
<td>18-020 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Student Awareness and Training - Lab Safety Audit</td>
<td>UNT Dallas</td>
<td>1. Ventilation in Laboratories: The ventilation system in the four laboratories is inadequate to control lab emissions. UNT Dallas retrofitted four classrooms into laboratories. Laboratory ventilation systems should be adequate to control lab emissions and provide a constant air flow for breathing. The four laboratories have a total of nine ventilators. Some had a flow of only one cubic foot per minute. The ventilation area in the rooms, behind the ventilation hoods purchased, did increase the velocity to 500 fpm in one laboratory; however, this is a temporary solution and they take lab bench workspace. This reduces the workspace for students and experiments. The four laboratories did not have a ventilation system that provided continued air replacement and an exhaust removal system to remove the air from the rooms of the building. There is a risk that toxic substances linger in the air of the laboratories.</td>
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<tr>
<td></td>
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<td></td>
<td>Governance and Regulatory Compliance</td>
<td>Student Awareness and Training - Lab Safety Audit</td>
<td>UNT Dallas</td>
<td>2. Chemical Hygiene Officer: There is no Chemical Hygiene Officer at UNT Dallas. The Lab Manager and Instructor of Biology order and store the chemicals; however, she has not been trained as a Chemical Hygiene Officer. The Chemical Hygiene Officer is responsible for knowing and ensuring compliance with corresponding regulations, procedures and develops protocols for lab employees that use the laboratories. Additionally, a minimum attained a bachelor’s degree in chemistry.</td>
</tr>
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</table>

**Risk Level: High**

**Recommendations:**

1. Recommendation for Dr. Betty Stewart, Provost, Executive Vice President of Academic Affairs:
   - b. Search for an alternative laboratory site that meets the OSHA, Laboratories § 1910.1450, C. The Laboratory Facility criteria for ventilation and exhaust systems.

1. UNT Dallas Management is engaging with Cedar Valley college to explore use of laboratory space as needed.

Dr. Betty Stewart, Provost and Executive Vice President for Academic Affairs. 8/31/2018

1a. Dr. Irene Rodriguez, Lab Manager and Instructor of Biology at UNT Dallas, has agreed to become the UNT Dallas Chemical Hygiene Officer. She will attend training sponsored by the American Chemical Society, November 7 and 8, 2018 in San Francisco, Ca.

Dr. Irene Rodriguez, Lab Manager and Instructor of Biology. 11/30/2018

1. Recommendation for Dr. Betty Stewart, Provost, Executive Vice President of Academic Affairs: a. Either identify an existing employee at UNT Dallas that meets the requirements for a Chemical Hygiene Officer, contract with a vendor that meets the requirements to perform the duties of the Chemical Hygiene Officer, or consider funding a new position of Chemical Hygiene Officer.

1a. UNT Dallas Management is engaging with Cedar Valley college to explore use of laboratory space as needed.

Dr. Betty Stewart, Provost and Executive Vice President for Academic Affairs. 8/31/2018

1b. Dr. Irene Rodriguez, Lab Manager and Instructor of Biology at UNT Dallas, has agreed to become the UNT Dallas Chemical Hygiene Officer. She will attend training sponsored by the American Chemical Society, November 7 and 8, 2018 in San Francisco, Ca.

Dr. Irene Rodriguez, Lab Manager and Instructor of Biology. 11/30/2018
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<td>Grants and Contracts Compliance Audit</td>
<td>Policies &amp; Procedures</td>
<td>High</td>
<td>1.1.b. Recommendations for the Executive Director of Sponsored Programs:</td>
<td></td>
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<td>Risk Level</td>
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</table>
| High      | 1.1.a. Recommendations for Dr. Jyoti Shah, Interim Chair of Biological Sciences:  
   a. Coordinate with Institutional Records Management to secure documents containing confidential information. | Management will coordinate with Institutional Records Management to secure documents containing confidential information. | Dr. Jyoti Shah, Interim Chair of Biological Sciences | 5/31/2019 | Closed |
|           | 1.1.b. Recommendations for Dr. Jyoti Shah, Interim Chair of Biological Sciences:  
   b. Coordinate with Institutional Records Management to identify documents containing confidential information for disposal. | Management will coordinate with Institutional Records Management to identify documents containing confidential information for disposal. | Dr. Jyoti Shah, Interim Chair of Biological Sciences | 5/31/2019 | Closed |
Biology Sciences Audit

UNT

1. Personally Identifiable Information

Documents with social security numbers were stored in an unlocked filing cabinet. Copies of checks were retained without account information being redacted. Additionally, financial data was not redacted on a support document submitted for travel reimbursement.

During the course of the audit, Internal Audit observed a filing cabinet located in a public area that contained various personnel documents. Some of the documents contained Personally Identifiable Information (PII), including social security numbers. While most of the documents were personal documents of the individual who possessed the filing cabinets, some documents pertained to other employees. The documents dated from the 1980s and 1990s.

While reviewing processes and procedures related to cash handling, Internal Audit observed that copies of checks were made prior to deposit. The account information on these checks was not redacted, and the copies of checks were stored in a cabinet that did not have a lock.

During our review of travel expenses, we noted PII was not redacted from support documentation prior to upload in Perceptive Content. Specifically, the bank account number on a check was not redacted.

High

1.1.c. Recommendations for Dr. Jyoti Shah, Interim Chair of Biology Sciences:

1c. Coordinate with Institutional Records and Management to discuss and evaluate the need to retain copies of deposited checks.

1d. Management will no longer retain copies of deposited checks. Per Institutional Records Management Program, management will maintain cash deposit vouchers for the fiscal year end plus three years.

Dr. Jyoti Shah, Interim Chair of Biology Sciences 9/28/2018 Closed
### Key Observations

- **Documents with Social Security Numbers:** Documents with social security numbers were stored in an unlocked filing cabinet. Copies of checks were retained without account information being redacted. Additionally, financial data was not redacted on a support document submitted for travel reimbursement.

- **Personnel Documents:** During the course of the audit, Internal Audit observed a filing cabinet located in a public area that contained personnel documents. Some of the documents contained personally identifiable information (PII), including social security numbers. While most of the documents were personal documents of the individual who possessed the filing cabinet, some documents pertained to other employees. The documents dated from the 1980s and 1990s.

- **Cash Handling:** While reviewing processes and procedures related to cash handling, Internal Audit observed that copies of checks were made prior to deposit. The account information on these checks was not redacted, and the copies of checks were stored in a cabinet that did not have a lock.

- **Travel Expenses:** During our review of travel expenses, we noted PII was not redacted from support documentation prior to upload in Perceptive Content. Specifically, the bank account number on a check was not redacted.

### Risk Level

- **High**

### Recommendation Details

- **Physical Security:** Develop a process and procedure to mask credit card and bank account information on support documentation for travel reimbursement prior to submission for upload into Perceptive Content.

### Management Response

- **Management will develop a process to mask any banking information on travel vouchers prior to submitting for payment.**

### Implementation Status

- **Closed**

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### Recommendation Details

- **Physical Security:** Develop a process and procedure to ensure that PII is protected.

### Management Response

- **Management will develop a process and procedure to ensure that PII is protected.**

### Implementation Status

- **Closed**

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### Recommendation Details

- **Physical Security:** Develop a process and procedure to mask credit card and bank account information on support documentation prior to upload in Perceptive Content.

### Management Response

- **Management will develop a process and procedure to mask any banking information on travel vouchers prior to submitting for payment.**

### Implementation Status

- **Closed**

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### Recommendation Details

- **Physical Security:** Develop a process and procedure to ensure that PII is protected.

### Management Response

- **Management will develop a process and procedure to ensure that PII is protected.**

### Implementation Status

- **Closed**

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### Biological Sciences Audit

**Government and Regulatory Compliance**

**Audit Number**: 18-402

**Institution**: UNT

**Key Observations**

1. **Personally Identifiable Information**

   Documents with social security numbers were stored in an unlocked filing cabinet. Copies of checks were retained without account information being redacted. Additionally, financial data was not redacted on a support document submitted for travel reimbursement.

   During the course of the audit, Internal Audit observed a filing cabinet located in a public area that contained various personnel documents. Some of the documents contained Personally Identifiable Information (PII), including social security numbers. While most of the documents were personnel documents of the individual who possessed the filing cabinets, some documents pertained to other employees. The documents dated from the 1980s and 1990s.

   While reviewing processes and procedures related to cash handling, Internal Audit observed that copies of checks were made prior to deposit. The account information on these checks was not redacted, and the copies of checks were stored in a cabinet that did not have a lock.

   During our review of travel expenses, we noted PII was not redacted from support documentation prior to upload in Perceptive Content. Specifically, the bank account number on a check was not redacted.

**Risk Level**: High

**Recommendations**

1.g. **Recommendations for Dr. Jyoti Shah, Interim Chair of Biological Sciences**:

   a. Ensure employees receive annual training related to the protection of PII.

   b. Management will coordinate with Institutional Records Management to develop and implement PII protection training for employees handling PII information.

**Management Response**

Dr. Jyoti Shah, Interim Chair of Biological Sciences
5/31/2019
Closed

2. **Operation of University Vehicles**

   An ineligible individual operated vehicles in Biological Sciences. Internal Audit identified three pickup trucks in Biological Sciences. To determine who had operated these trucks, Internal Audit reviewed FY17 mileage logs. One of 13 (7.7%) individuals who operated a vehicle during FY17 had no valid driver’s license according to the state motor vehicle database. As a result, they were not eligible to oper rate a University vehicle. According to the mileage logs, the ineligible driver operated all three pickup trucks in Biological Sciences during FY17.

   Due to a prior motor vehicle violation, Risk Management Services (RMS) had determined in January 2015 that this individual was not eligible to operate a University vehicle. Based on review of e-mail correspondence, this individual had been notified of the ineligibility. However, this individual continued to drive the trucks in Biological Sciences after this notification. This individual is no longer employed at UNT.

   Additionally, Internal Audit noted the following problems related to the operation of University vehicles in Biological Sciences:

   a. Monthly mileage logs for the 3 trucks were not submitted to Automotive Services 4 of 36 months (11.1%) during FY17.

   b. The keys to the trucks were not properly secured.

**Risk Level**: High

**Recommendations**

2.a. **Recommendations for Dr. Jyoti Shah, Interim Chair of Biological Sciences**:

   a. Develop a process and procedure to ensure that only individuals who are eligible to operate a University vehicle have access to vehicle keys.

   b. Develop a process and procedure to ensure that only individuals who are eligible to operate a University vehicle have access to vehicle keys.

   c. Management will coordinate with Institutional Records Management to develop and implement PII protection training for employees handling PII information.

**Management Response**

Dr. Jyoti Shah, Interim Chair of Biological Sciences
12/31/18
Closed
2. Operation of University Vehicles

An ineligible individual operated vehicles in Biological Sciences. Internal Audit identified three pickup trucks in Biological Sciences. To determine who had operated these trucks, Internal Audit accessed and reviewed 36 vehicle mileage logs. Of 13 (7.7%) individuals who operated vehicles, only one (7.7%) individual was not eligible to operate a University vehicle. This ineligible individual operated all three pickup trucks in Biological Sciences during FY17 due to a prior vehicle violation. Risk Management Services (RMS) had determined in January 2015 that this individual was not eligible to operate a University vehicle. Based on review of email correspondence, this individual had been notified of the ineligibility. However, this individual continued to drive the trucks in Biological Sciences after this notification. This individual is no longer employed at UNT.

Additionally, Internal Audit noted the following problems related to the operation of University vehicles in Biological Sciences:

- Monthly mileage logs for the 3 trucks were not submitted to Automotive Services 4 of 36 months (11.1%) during FY17.
- The keys to the trucks were not properly secured.

### Recommendations

1.c. Develop a process and procedure to ensure that completed vehicle mileage logs are submitted monthly to Automotive Services.
2.c. All vehicle keys are stored in a combination lock box located in the Biology Instrument Workshop. Access to these keys is outlined in the procedure.

### Management Response

Dr. Jyoti Shah, Interim Chair of Biological Sciences

12/11/2018
Closed
### 2. Operation of University Vehicles

An ineligible individual operated vehicles in Biological Sciences. Internal Audit identified three pickup trucks in Biological Sciences. To determine who had operated these trucks, Internal Audit obtained three fiscal year (FY)17 mileage logs for each pickup truck. Internal Audit reviewed the logs for FY17. An ineligible individual operated three pickup trucks in Biological Sciences during FY17. Due to a prior motor vehicle violation, Risk Management Services (RMS) had determined in January 2015 that this individual was not eligible to operate a University vehicle. Based on a review of e-mail correspondence, this individual had been notified of the ineligibility. However, this individual continued to drive the trucks in Biological Sciences after this notification. This individual is no longer employed at UNT.

Additionally, Internal Audit noted the following problems related to the operation of University vehicles in Biological Sciences:

- Monthly mileage logs for the 3 trucks were not submitted to Automotive Services 4 of 36 months (11.1%) during FY17.
- The keys to the trucks were not properly secured.

### Recommendation for Doug Welch, Executive Director of Risk Management Services:

2.2.a. Develop an escalation protocol, including the appropriate Vice President and the Vice President for Finance & Administration, that includes addressing operation of University vehicles by ineligible drivers.

#### UNT Risk Management Services

- Doug Welch, Executive Director
- 10/31/18
- Closed

### 3. Purchasing Card Documentation

Support documentation was not available for 12 of 17 (70.6%) months of purchasing card (PCard) transactions for a program in Biological Sciences. Because the documentation for these 12 months was missing, these transactions were not reviewed and approved as required by the UNT System Purchasing Card Guidelines. These 12 months of transactions accounted for 108 of 131 (82.4%) transactions totaling $23,585.59. Internal Audit was able to test documentation for 23 transactions totaling $4,906.98.

- The financial expense description in the Citibank Global Card Management System (GCMS) was either blank or listed as unknown for 35 of 131 (26.7%) transactions. The cardholder is responsible for assigning descriptions in GCMS. However, in this instance, the reconciler attempted to enter descriptions for a number of transactions.

The following non-compliance instances were noted from the 23 transactions Internal Audit was able to test:

- 5 of 23 (21.7%) transactions included a restricted item purchase;
- 2 of 23 (8.7%) transactions did not provide a clear business purpose;
- 2 of 23 (8.7%) transactions included a restricted vendor purchase;
- 3 of 3 (100.0%) transactions did not provide vendor status documentation for purchases of $500 or more;
- 1 of 5 (20%) monthly cycle PCard account statements was not signed by the approver; and
- 1 of 23 (4.3%) failed the link test, indicating renewal of biological sciences.

### Recommendation for Dr. Jyoti Shah, Interim Chair of Biological Sciences:

3.1.a. Ensure all PCard account statements are signed by the approver and reconciler.

#### New Concur PCard functionality requires several levels of approval based on funding source prior to posting.

#### Dr. Jyoti Shah, Interim Chair of Biological Sciences

- 12/31/18
- Closed
<table>
<thead>
<tr>
<th>Audit Number</th>
<th>Audit Category</th>
<th>Internal / External</th>
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<th>Fiscal Year</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
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<td>Governance and Regulatory Compliance</td>
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<td>High</td>
<td>3.1.b. Recommendations for Dr. Jyoti Shah, Interim Chair of Biological Sciences: Evaluate the need to assign multiple reconcilers to perform monthly PCard reconciliations.</td>
<td>Closed</td>
<td>Dr. Jyoti Shah, Interim Chair of Biological Sciences</td>
<td>12/31/18</td>
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<td>High</td>
<td>3.1.c. Recommendations for Dr. Jyoti Shah, Interim Chair of Biological Sciences: Develop a process and procedure to perform quarterly reviews to ensure that PCard holders maintain transaction documentation in compliance with the UNT System Purchasing Card Program Guide.</td>
<td>Closed</td>
<td>Dr. Jyoti Shah, Interim Chair of Biological Sciences</td>
<td>12/31/18</td>
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<td>Biological Sciences</td>
<td>Support documentation was not available for 12 of 17 (70.6%) months of purchasing card (PCard) transactions for a program in Biological Sciences. Support documentation for these 12 months was missing. These transactions were not reviewed and approved as required by the UNT System Purchasing Card Guidelines. Three 12 month systems of transactions accounted for 308 of 510 (61.1%) transactions totaling $100,689.18. Internal Audit was able to test documentation for 20 transactions totaling $6,904.68. Additionally, the financial expense description in the Citibank Global Card Management System (GCMS) were either blank or listed as unknown for 51 of 510 (24.7%) transactions. The cardholder is responsible for assigning descriptions in GCMS. However, in this instance, the reconciler attempted to enter descriptions for a number of transactions. The following non-compliance instances were noted from the 23 transactions internal audit was able to test: 1 of 23 (4.3%) transactions included a restricted vendor purchase; 2 of 23 (8.7%) transactions included a restricted item purchase; 3 of 23 (13.0%) transactions did not provide vendor status documentation for purchases of $500 or more; 1 of 23 (4.3%) transactions did not provide a clear business use purpose; 2 of 23 (21.7%) transactions included a restricted item purchase; 3 of 5 (20%) monthly cycle PCard account statements was not signed by the approver; and</td>
<td>High</td>
<td>3.4. Development of a process and procedure to identify when the financial expense description field in GCMS is either blank or unknown.</td>
<td>3.5. Management will monitor training with the PCard matrix referenced in 1a &amp; 1b above.</td>
<td>Barry Sullenberger, Purchasing Card Supplier &amp; Approver.</td>
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<td>Purchasing Card Documentation</td>
<td>Support documentation was not available for 12 of 17 (70.6%) months of purchasing card (PCard) transactions for a program in Biological Sciences.</td>
<td>High</td>
<td>a. Recommend for Wendy Risdon, Academic Financial &amp; Research Officer, College of Science:</td>
<td>a. Develop a checklist of PCard testing attributes.</td>
<td>Wendy Risdon, Academic Financial &amp; Research Officer, College of Science</td>
<td>12/31/18</td>
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<td>Purchasing Card Documentation</td>
<td>Support documentation was not available for 12 of 17 (70.6%) months of purchasing card (PCard) transactions for a program in Biological Sciences.</td>
<td>High</td>
<td>b. Perform periodic surprise PCard audits of the various departments in the College of Science.</td>
<td>b. College of Science will perform surprise PCard audits of various departments in the College of Science.</td>
<td>Wendy Risdon, Academic Financial &amp; Research Officer, College of Science</td>
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<td>UNT</td>
<td>4. Asset Management: University assets in Biological sciences were not managed in compliance with UNT Policy 10.048.</td>
<td>High</td>
<td>a. Recommendations for Dr. Jyoti Shah, Chair of Biological Sciences:</td>
<td>a. Evaluate the need to assign multiple employees to perform the annual physical inventory.</td>
<td>Dr. Jyoti Shah, Interim Chair of Biological Sciences</td>
<td>08/31/18</td>
<td>Closed</td>
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<td>18-402 UNT</td>
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<td>Biological Sciences Audit</td>
<td>UNT</td>
<td>4. Asset Management: University assets in Biological sciences were not managed in compliance with UNT Policy 10.048.</td>
<td>High</td>
<td>b. Develop processes and procedures to ensure that:</td>
<td>b. Missing assets will be reported promptly to UNT Property Management. b. Management will utilize CAS IT services to erase computer hard drives before sending them to surplus. b. Visual confirmation is performed for all assets during the annual inventory, via either in-person observation or a dated photo that shows the property tag.</td>
<td>Dr. Jyoti Shah, Interim Chair of Biological Sciences</td>
<td>08/31/18</td>
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<td>Governance and Regulatory Compliance</td>
<td>Biological Sciences Audit</td>
<td>UNT Cash Handling</td>
<td>High</td>
<td>In Internal Audit noted the following cash handling issues:</td>
<td>3. Management will develop cash handling procedures. The plan will be developed in consultation with Larry Worthy, Executive Director of Asset Protection.</td>
<td>Dr. Jyoti Shah, Interim Chair of Biological Sciences</td>
<td>10/31/2018</td>
<td>Closed</td>
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<td>a. Develop written cash handling procedures as required by UNT Policy 10.006.</td>
<td>1a. Management will develop cash handling procedures. This plan will be developed in consultation with Larry Worthy, Executive Director of Asset Protection.</td>
<td>Dr. Jyoti Shah, Interim Chair of Biological Sciences</td>
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**Key Observations:**
- UNT Cash Handling policies were not consistently followed.
- UNT Audit noted the following cash handling issues:
  1. No documented cash handling procedures.
  2. Two individuals who manage cash had not completed cash handling training.
  3. Funds stored in a desk drawer.
  4. Funds stored in an unlocked filing cabinet.
  5. Deposits not made within the three business days of receipt.
  6. Deposit forms were not always signed by a verifier.
  7. Individuals who receive cash either do not consistently record cash receipts in a log or do not maintain a cash receipts log.

**Recommendations:**
- Develop written cash handling procedures as required by UNT Policy 10.006.
- Survey employees in the department to identify individuals who perform cash handling duties.
- Each of these individuals will be required to complete cash handling training.
- Survey employees in the department to identify individuals who perform cash handling duties.

**Management Response:**
- Management will develop cash handling procedures. The plan will be developed in consultation with Larry Worthy, Executive Director of Asset Protection.

**Expected Implementation Date:**
- 10/31/2018

**Recommendation Status:**
- Closed
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<td>2018-2019</td>
<td>18-402 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Biological Sciences Audit</td>
<td>UNT</td>
<td>Cash Handling</td>
<td>High</td>
<td>1.5.1.c. Recommendations for Dr. Jyoti Shah, Interim Chair of Biological Sciences: c. Ensure all individuals with cash handling responsibilities receive training on University cash handling policies and departmental cash handling written procedures.</td>
<td>Departmental procedure will require that all cash and check deposits be verified by the immediate supervisor prior to deposit.</td>
<td>Dr. Jyoti Shah, Interim Chair of Biological Sciences</td>
<td>10/31/2018</td>
<td>Closed</td>
</tr>
<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>2018-2019</td>
<td>18-402 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Biological Sciences Audit</td>
<td>UNT</td>
<td>Cash Handling</td>
<td>High</td>
<td>1.5.1.d.1. Recommendations for Dr. Jyoti Shah, Interim Chair of Biological Sciences: d. Ensure that all cash and check deposits are verified by supervisor prior to deposit.</td>
<td>Departmental procedure will require that all cash and check deposits be verified by the immediate supervisor prior to deposit.</td>
<td>Dr. Jyoti Shah, Interim Chair of Biological Sciences</td>
<td>10/31/2018</td>
<td>Closed</td>
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<td>Governance and Regulatory Compliance</td>
<td>Biological Sciences Audit</td>
<td>UNT</td>
<td>Cash Handling</td>
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<td>1. Cash Handling</td>
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<td>- UNT Cash Handling policies were not consistently followed.</td>
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<td>- Internal Audit noted the following cash handling issues:</td>
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<td>- No documented cash handling procedure;</td>
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<td>- Two individuals who manage cash had not completed cash handling training;</td>
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<td>- Funds stored in a safe;</td>
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<td>- Funds stored in an unsecured filing cabinet;</td>
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<td>- Deposits not made within three business days of receipt;</td>
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<td>- Deposits forms were not always signed by a verifier; and</td>
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<td>- Individuals who receive cash either do not consistently record cash receipts in a log or do not maintain a cash receipts log.</td>
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<tr>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>In the interim, procedures will require that those individuals who receive cash and checks record the receipt of funds in a log.</td>
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<td></td>
<td></td>
<td>Dr. Jyoti Shah, Interim Chair of Biological Sciences 10/31/2018 Closed</td>
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<th>Governance and Regulatory Compliance</th>
<th>Biological Sciences Audit</th>
<th>UNT</th>
<th>Travel Registration and Reimbursement</th>
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<tr>
<td></td>
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<td></td>
<td>6. Travel Registration and Reimbursement</td>
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<td>- International travel was not registered prior to departure, and UNT System Travel guidelines were not consistently followed.</td>
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<td>- UNT System Regulation 08.15000 – Travel Registration became effective on November 10, 2016. This Regulation requires that all international travel be registered prior to departure by all University business officers responsible for travel plans.</td>
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<td></td>
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<td>- Internal Audit reviewed 18 international trips after the effective date of UNT System Regulation 08.15000. Based on discussion with Risk Management Services, 15 of 18 (83.3%) international trips were not registered.</td>
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<td>- Internal Audit reviewed a sample of 21 travel vouchers from a population of 324 vouchers in Biological Sciences. The following instances were noted:</td>
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<td>- Travel Budget Authorization (TBA) form was not prepared prior to travel and approved for 9 of 21 vouchers (42.9%); and</td>
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<td>- There was a partial conference agenda or no conference agenda included with travel voucher for 4 of 21 (19.0%) vouchers.</td>
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<thead>
<tr>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>In the interim, procedures will require that all University-related international travel in Biological Sciences is registered prior to departure.</td>
<td></td>
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<td></td>
<td></td>
<td>Dr. Jyoti Shah, Interim Chair of Biological Sciences 12/31/2018 Closed</td>
</tr>
<tr>
<td>Audit Number</td>
<td>Audit Category</td>
<td>Report Name</td>
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<tr>
<td>18-402 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Biological Sciences Audit</td>
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<td>Biological Sciences Audit</td>
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<td>Internal</td>
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<th>Report Number</th>
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<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
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</thead>
<tbody>
<tr>
<td>18-402 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Biological Sciences Audit</td>
<td>Finance and budget personnel staffing concern in the Department of Biological Sciences.</td>
<td>Moderate</td>
<td>a. Contact and discuss with UNT Human Resources to evaluate staffing and role definitions for individuals with financial and budgetary responsibilities in Biological Sciences.</td>
<td>1a. Management will meet with UNT Human Resources to evaluate staffing and role definitions for individuals with financial and budgetary responsibilities in Biological Sciences.</td>
<td>Dr. Jyoti Shah, Interim Chair of Biological Sciences</td>
<td>5/31/2019</td>
<td>Closed</td>
</tr>
<tr>
<td>18-402 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Biological Sciences Audit</td>
<td>The default administrator password on a printer had not been changed, and the immediate image overwrite setting was not enabled.</td>
<td>Moderate</td>
<td>a. Coordinate with CAS IT Services to ensure that all printer passwords are changed from the default administrator password.</td>
<td>1a. Management will coordinate with CAS IT Services to ensure that all printer passwords are changed from the default administrator password.</td>
<td>Tim Christian, Senior Assistant Dean for IT Services</td>
<td>10/31/2018</td>
<td>Closed</td>
</tr>
<tr>
<td>Internal/External</td>
<td>Reporting Agency</td>
<td>Fiscal Year</td>
<td>Report Name</td>
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<td>Individual Responsible for Implementation</td>
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<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2018</td>
<td>Biological Sciences Audit</td>
<td>UNT</td>
<td>10. Printer Password &amp; Security Setting</td>
<td>Moderate</td>
<td>10.1.b. Recommendations for Dr. Jyoti Shah, Interim Chair of Biological Sciences: b. Coordinate with CAS IT Services to ensure that security settings to overwrite image data are enabled.</td>
<td>Management will coordinate with CAS IT Services to ensure that security settings to overwrite image data are enabled.</td>
<td>Tim Christian, Senior Assistant Dean for IT Services</td>
</tr>
<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2018</td>
<td>Advancement Audit</td>
<td>UNT</td>
<td>1. Redaction of Bank Account Information</td>
<td>High</td>
<td>1.1.a. Recommendation for Clint Shipp, Executive Director of Advancement Services: a. Develop a process and procedure to redact bank account information on donor checks before scanning into Perceptive Content.</td>
<td>Materials has been purchased to cover (redact) and copy checks before they are scanned into Perceptive Content.</td>
<td>Clint Shipp, Executive Director of Advancement Services</td>
</tr>
<tr>
<td>Internal/ External</td>
<td>Reporting Agency</td>
<td>Fiscal Year</td>
<td>Report Name</td>
<td>Report Number</td>
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<td>Risk Level</td>
<td>Recommendation Details</td>
<td>Management Response</td>
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<td>Fiscal Year 2018</td>
<td>18-408A UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Advancement Audit</td>
<td>UNT</td>
<td>2. Cash Handling Training</td>
<td>Six employees in the Advancement Gift Administration area who are responsible for handling cash have not either received or completed annual cash control training per UNT Policy 10.006. The three who have not completed the training are: 1. Jane Doe, 2. John Smith, 3. Sarah Brown. The one who started but never completed the training is: Tony Johnson. Two other employees had previously completed training, but did not renew their annual training requirement.</td>
<td>High</td>
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2018</td>
<td>18-408A UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Advancement Audit</td>
<td>UNT</td>
<td>2. Cash Handling Training</td>
<td>Six employees in the Advancement Gift Administration area who are responsible for handling cash have not either received or completed annual cash control training per UNT Policy 10.006. Three of the employees have not been through annual cash handling training. Two other employees had previously completed training, but did not renew their annual training requirement.</td>
<td>High</td>
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<td>Internal/External</td>
<td>Reporting Agency</td>
<td>Fiscal Year</td>
<td>Audit Number</td>
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<td>Key Observations</td>
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<td>18-408-EXT1</td>
<td>Governance and Regulatory Compliance</td>
<td>Advancement Audit</td>
<td>UNT</td>
<td>A. Business Continuity Plan</td>
<td>Advancement does not have a written Business Continuity Plan for mission critical information resources.</td>
<td>High</td>
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<td>18-408-EXT1</td>
<td>Governance and Regulatory Compliance</td>
<td>Advancement Audit</td>
<td>UNT</td>
<td>A. Business Continuity Plan</td>
<td>Advancement does not have a written Business Continuity Plan for mission critical information resources.</td>
<td>High</td>
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<td>18-408 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Advancement Audit</td>
<td>UNT</td>
<td>A. Governance Continuity Plan</td>
<td>Advancement does not have a written Business Continuity Plan for mission critical information resources. Prior to the disaster recovery, donor information is backed up daily from previous day to servers managed by Blackbaud and stored remotely. Raisers Edge is the program used by Advancement Gift Administration personnel to input and process information which would eventually be stored in Blackbaud servers.</td>
<td>High</td>
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<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2018</td>
<td>18-408 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Advancement Audit</td>
<td>UNT</td>
<td>A. Computer log-in</td>
<td>A student employee, in the gift processing area, stated that he never logged out of a computer after completing his shift. This was to ensure another student employee could have access to a program which the student earlier had difficulties accessing.</td>
<td>Moderate</td>
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<tr>
<td>Internal/External</td>
<td>Reporting Agency</td>
<td>Fiscal Year</td>
<td>Audit Number</td>
<td>Audit Category</td>
<td>Report Name</td>
<td>Component Institution</td>
<td>Key Observations</td>
<td>Risk Level</td>
<td>Recommendation Details</td>
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<td>Fiscal Year 2018</td>
<td>18-408 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Advancement Audit</td>
<td>UNT</td>
<td>A student employee, in the gift processing area, stated that he once remained logged in on a computer after completing his shift. This was so another student employee could have access to a program which the student earlier had difficulty accessing.</td>
<td>Moderate</td>
<td>4.1.b. Recommendations for Clint Shipp, Executive Director of Advancement Services: b. Management should maintain documentation of completed training.</td>
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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2018</td>
<td>18-408 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Advancement Audit</td>
<td>UNT</td>
<td>A student employee, in the gift processing area, stated that he once remained logged in on a computer after completing his shift. This was so another student employee could have access to a program which the student earlier had difficulty accessing.</td>
<td>Moderate</td>
<td>4.1.c. Recommendations for Clint Shipp, Executive Director of Advancement Services: c. Evaluate the need for all Advancement employees to receive computer use training.</td>
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<td>Reporting Agency</td>
<td>Fiscal Year</td>
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<td>Recommendation Details</td>
<td>Management Response</td>
<td>Individual Responsible for Implementation</td>
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<td>Internal</td>
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<td>Fiscal Year 2018</td>
<td>18-408_MDI</td>
<td>Governance and Regulatory Compliance</td>
<td>One of two Advancement policies, UNT Policy 09.002 Fundraising Private Support was last reviewed by Advancement in 2011.</td>
<td>Moderate</td>
<td>Recommendations for Kimberly Collinsworth, Assistant Vice President for Donor Relations and Advancement Services: a. Review and update Advancement policy 09.002 Fundraising Private Support.</td>
<td>1a. Policy 09.002 Fundraising and Private Support is currently under review by the Executive Leadership Team in Advancement under the direction of Kim Collinsworth. Kimberly Collinsworth, Assistant Vice President for Donor Relations and Advancement Services</td>
<td>10/1/2018</td>
</tr>
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<td>Internal</td>
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<td>18-408_MDI</td>
<td>Governance and Regulatory Compliance</td>
<td>One of two Advancement policies, UNT Policy 09.002 Fundraising Private Support was last reviewed by Advancement in 2011.</td>
<td>Moderate</td>
<td>5.1.b. Recommendations for Kimberly Collinsworth, Assistant Vice President for Donor Relations and Advancement Services: b. Develop a process and procedure to review Advancement policies and update at a minimum once every six years, unless otherwise required by state or federal law and note in the policy the date last reviewed and/or updated.</td>
<td>1b. The Assistant Vice President for Donor Relations and Advancement Services will proactively initiate review every five years (to ensure completion by sixth year). If no changes have been previously made, these dates are noted via Outlook calendar as a task. Kimberly Collinsworth, Assistant Vice President for Donor Relations and Advancement Services</td>
<td>10/1/2018</td>
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<td>Enrollment</td>
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<td>N/A</td>
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<tr>
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<td>17-307 HSC</td>
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<td>Enrollment</td>
<td>UNT Dallas</td>
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<td>Reporting Agency</td>
<td>Fiscal Year</td>
<td>Report Name</td>
<td>Component Institution</td>
<td>Key Observations</td>
<td>Risk Level</td>
<td>Recommendation Details</td>
<td>Management Response</td>
<td>Individual Responsible for Implementation</td>
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<td>Internal (Outsourced)</td>
<td>PwC</td>
<td>Fiscal Year 2018</td>
<td>17-306 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Enrollment</td>
<td>Low</td>
<td>UNT Student Academic Records should retain the monitoring report used to confirm that class audit rolls were completed timely.</td>
<td>The Office of the Registrar will retain an audit roll monitoring report demonstrating that monitoring occurred and all professors have completed the audit roll process.</td>
<td>Bryan Heard, Director of Records, Registration and Reports</td>
</tr>
<tr>
<td>Internal (Outsourced)</td>
<td>BKD</td>
<td>Fiscal Year 2018</td>
<td>18-009 HSC</td>
<td>Financial Cancer Prevention and Research Institute of Texas Program (CPRIT)</td>
<td>No observations were noted.</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
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<td>Internal / External</td>
<td>Reporting Agency</td>
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<td>Report No.</td>
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<tr>
<td>Internal (Out - Sourced)</td>
<td>PwC</td>
<td>Fiscal Year 2018</td>
<td>18-301</td>
<td>SYS Financial Benefits Proportionality</td>
<td>UNT System</td>
<td>The System performed monitoring activities to ensure compliance with contract terms related to construction of the Interdisciplinary Research Building. Payments to the contractor were accurate, allowable, and supported. However, it should improve certain monitoring activities, such as reconciling the dollar amounts paid to subcontractors with corresponding supporting documents, verifying that the contractor obtained all required bonds, and ensuring that the contractor used E-Verify.</td>
<td>Low</td>
<td>The System should develop and implement a process to: - Reconcile the amounts reported as paid to subcontractors in the HUB Progress Assessment Reports with the amounts in the request for payment that the contractor submitted.</td>
<td>Management agrees with the recommendation. The System will develop and implement a process to: - Reconcile the amounts reported as paid to subcontractors in the HUB Progress Assessment Reports with the amounts in the request for payment that the contractor submitted.</td>
</tr>
<tr>
<td>External</td>
<td>State Auditor’s Office</td>
<td>Fiscal Year 2019</td>
<td>SAO Report No. 19-001</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT System</td>
<td>The System performed monitoring activities to ensure compliance with contract terms related to construction of the Interdisciplinary Research Building. Payments to the contractor were accurate, allowable, and supported. However, it should improve certain monitoring activities, such as reconciling the dollar amounts paid to subcontractors with corresponding supporting documents, verifying that the contractor obtained all required bonds, and ensuring that the contractor used E-Verify.</td>
<td>Low</td>
<td>The System should develop and implement a process to: - Reconcile the amounts reported as paid to subcontractors in the HUB Progress Assessment Reports with the amounts in the request for payment that the contractor submitted.</td>
<td>The UNT System agrees with this recommendation. Amounts paid to subcontractors are reconciled to the HUB Progress Assessment Reports. For large contracts, the final reconciliation is completed at the end of the project.</td>
</tr>
<tr>
<td>Institution</td>
<td>Reporting Agency</td>
<td>Fiscal Year</td>
<td>SAO Report No.</td>
<td>Audit Category</td>
<td>Component Institution</td>
<td>Key Observations</td>
<td>Risk Level</td>
<td>Recommendation Details</td>
<td>Management Response</td>
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<td>External</td>
<td>State Auditor's Office</td>
<td>Fiscal Year 2019</td>
<td>SAO Report No. 19-001</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT System</td>
<td>An Audit Report in A Selected Contract at the University of North Texas System</td>
<td>The System performed monitoring activities to ensure compliance with contract terms related to construction of the Interdisciplinary Research Building. Additionally, payments to the contractor were accurate, allowable, and supported. However, it should improve certain monitoring activities, such as reconciling the dollar amounts paid to subcontractors with corresponding supporting documents, verifying that the contractor obtained all required bonds, and ensuring that the contractor used E-Verify. The System adequately performed oversight activities related to the Interdisciplinary Research Building's construction contract. The System adequately monitored the construction of the Interdisciplinary Research Building through February 28, 2018. As part of that monitoring, the System contracted with an independent entity for inspection services in accordance with Texas Education Code, Section 51.782(d). In addition to an independent inspector, the System received daily construction activity logs, attended weekly meetings to monitor the construction project status, and received other monitoring reports as required by the contract.</td>
<td>Low</td>
<td>Recommendation 1: The System should develop and implement a process to: Ensure that contractors obtain the appropriate bond coverage that is required.</td>
</tr>
<tr>
<td>External</td>
<td>State Auditor's Office</td>
<td>Fiscal Year 2019</td>
<td>SAO Report No. 19-001</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT System</td>
<td>An Audit Report in A Selected Contract at the University of North Texas System</td>
<td>The System performed monitoring activities to ensure compliance with contract terms related to construction of the Interdisciplinary Research Building. Additionally, payments to the contractor were accurate, allowable, and supported. However, it should improve certain monitoring activities, such as reconciling the dollar amounts paid to subcontractors with corresponding supporting documents, verifying that the contractor obtained all required bonds, and ensuring that the contractor used E-Verify. The System adequately performed oversight activities related to the Interdisciplinary Research Building's construction contract. The System adequately monitored the construction of the Interdisciplinary Research Building through February 28, 2018. As part of that monitoring, the System contracted with an independent entity for inspection services in accordance with Texas Education Code, Section 51.782(d). In addition to an independent inspector, the System received daily construction activity logs, attended weekly meetings to monitor the construction project status, and received other monitoring reports as required by the contract.</td>
<td>Low</td>
<td>Recommendation 2: The System should develop and implement a process to: Confirm that contractors are using E-Verify.</td>
</tr>
<tr>
<td>Internal/External</td>
<td>Reporting Agency</td>
<td>Fiscal Year</td>
<td>Report Name</td>
<td>Component Institution</td>
<td>Key Observations</td>
<td>Risk Level</td>
<td>Recommendation Details</td>
<td>Management Response</td>
<td>Responsible Party</td>
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<td>State Auditor’s Office</td>
<td>Fiscal Year 2019</td>
<td>SAO Report No. 19-001</td>
<td>Governance and Regulatory Compliance</td>
<td>An Audit Report in a Selected Contract at the University of North Texas System</td>
<td>UNT System: The system substantially complied with applicable requirements related to Contracting Policies, Procedures, and Training. The system implemented policies and procedures to address most of the applicable contract-related requirements in Texas Education Code, Section 51.9337, and Texas Government Code, Chapter 2261, Subchapter F. However, the system should ensure that (1) continues to develop and approve policies related to the use of institutional resources and ethics training; (2) includes all significant contract components in its Contract Management Handbook; and (3) creates documentation to support that all individuals involved in the contracting approval process received all required training. Policies and procedures. The system implemented policies and procedures to address most of the contract requirements of Texas Education Code, Section 51.9337, and Texas Government Code, Chapter 2261, Subchapter F (see text box for more information), which both became effective September 1, 2015. As part of the implementation of these statutes, the System’s Board of Regents, established August 2015, included a requirement for the System to develop additional policies and procedures related to the use of institutional resources and regular ethics training for required staff. Senate Bill 20 (84th Legislature, Regular Session) stated that entities should implement changes resulting from those statutes “as soon as practicable.”</td>
<td>Moderate</td>
<td>Recommendations: The system should: Continue to implement policies and procedures as required by the Board of Regents. Management’s Response: The system should: Continue to implement policies and procedures as required by the Board of Regents.</td>
<td>Management’s Response: The system should: Update its Contract Management Handbook to include the negotiation and closeout processes.</td>
</tr>
</tbody>
</table>

The UNT System agrees with this recommendation and has revised its training to include ethics, procurement methods and purchasing technology as of July 31, 2018.

Responsible party: Senior Director of Procurement Services.

7/31/2018 | Closed |

The UNT System agrees with this recommendation and has revised its training to include ethics, procurement methods and purchasing technology as of July 31, 2018.

Responsible party: Senior Director of Procurement Services.

10/31/2018 | Closed |
### External Audit Report: Governance and Regulatory Compliance

**Audit Report:** An Audit Report in a Selected Contract at the University of North Texas System

**System:** UNT System

<table>
<thead>
<tr>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>The system substantially complied with applicable requirements related to Contracting Policies, Procedures, and Training.</td>
<td>Moderate</td>
<td>The system should:</td>
<td>The UNT System agrees with this recommendation and will complete an audit during fiscal year 2019 to identify any individuals with contract approval authority who have not completed the required training. Those individuals will be required to fulfill this training by August 31, 2019.</td>
<td>Senior Director of Procurement Services</td>
<td>8/31/2019</td>
<td>Closed</td>
</tr>
</tbody>
</table>

#### Recommendations
- Ensure that all individuals involved in the contracts approval process have completed all required training and maintain documentation of that training.

**Responsible party:** Senior Director of Procurement Services.

---

**Additional Note:**

Although the system reported contract notifications to the Legislative Budget Board (LBB) and posted certain contract documentation on its Web site, it should enhance its reporting process to ensure that it complies with applicable statutes.

- **LBB Reporting**
  - The system did not notify the LBB within 10 days of signing the audited contract, as required by Texas Government Code, Section 2166.2551. The system signed the audited contract on April 25, 2016, but it submitted the notification to the LBB approximately eight months later on December 16, 2016. Additionally, specific information related to the contract, such as milestone dates and contract value, was not accurate in that notification.
  - The General Appropriations Act (84th Legislature) required the System to submit a notice to the LBB containing specific details about the audited contract. The LBB calls this an Attestation Letter. Review of the System's Attestation Letter indicated that:
    1. it was not submitted at least 10 days prior to making the first payment on the contract as required; instead, it was submitted 15 months after the first payment was made, and
    2. the information contained in that letter was not complete.

- **Management's Response**
  - The UNT System is now current on all contract reporting to the LBB as required and will continue to report in the required timeframe.

**Responsible party:** Senior Director of Procurement Services.

**Recommendation Status:** NA - Open.
<table>
<thead>
<tr>
<th>Component Institution</th>
<th>Report Name</th>
<th>Key Observations</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNT System</td>
<td>An Audit Report in a Selected Contract at the University of North Texas System</td>
<td>The System should enhance compliance with statutory reporting requirements:</td>
</tr>
</tbody>
</table>

- **LBB Reporting**
  - The System did not notify the LBB within 10 days of entering the audited contract, as required by Texas Government Code, Section 2166.2551. The System signed the audited contract on April 25, 2016, but it submitted the notification to the LBB approximately eight months later on December 16, 2016. Additionally, specific information related to the contract, such as milestone dates and contract values, was not accurate in that notification.
  - Additionally, the General Appropriations Act (84th Legislature) required the System to submit a notice to the LBB containing specific details about the audited contract. The LBB calls this an Attestation Letter. Review of the System's Attestation Letter indicated that: (1) it was not submitted at least 10 days prior to making the first payment on the contract as required; instead, it was submitted 15 months after the first payment was made, and (2) the information contained in that letter was not complete and accurate.

- **Recommendation**
  - The System should:
    - Continue posting the required contract information, including the authority it exercised to enter into certain contracts without complying with competitive bidding procedures, on its Web site.|

- **Management’s Response**
  - The UNT System will continue posting the required contract information.
<table>
<thead>
<tr>
<th>Internal/External</th>
<th>Reporting Agency</th>
<th>Fiscal Year</th>
<th>Audit Number</th>
<th>Report Name</th>
<th>Comptroller Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
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<td>Fiscal Year 2019</td>
<td>N/A</td>
<td>Research</td>
<td>Criminal Justice Administration (CJA) National Advisory Board (NAB) 1880616-OVAG</td>
<td>The Criminal Justice Administration (CJA) National Advisory Board (NAB) 1880616-OVAG</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
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<td>Audit Number</td>
<td>Audit Category</td>
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<td>Component Institution</td>
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<td>Risk Level</td>
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<td>Internal</td>
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<td>Fiscal Year 2019</td>
<td>18-021 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Grants and Contracts Compliance Audit</td>
<td>UNT</td>
<td>Travel Expenditures</td>
<td>Moderate</td>
<td>1. A. b. Ensure that all travel budget authorization forms are approved prior to travel.</td>
<td>Manageable - 11/21/2018</td>
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**Observations:**
- Travel vouchers were not prepared in accordance with UNT System Travel Guidelines.
- Internal Audit reviewed 100 percent of travel expenditures charged to the project.
- During review, Internal Audit noted the following:
  - Four travel vouchers included reimbursement request for mileage over 60 days after travel and not included in taxable income.
  - One instance where mileage reimbursement was inaccurately calculated.
  - Three instances where 2017 mileage rate was used to calculate 2018 mileage reimbursements.
  - One instance where travel budget authorization form (TBA) was not approved prior to employee travel.

**Recommendations:**
1. **Moderate**
   - 1.1.b. Recommendation for Dr. Alexandra Ponette-Gonzalez, Principal Investigator:
     - Ensure a Travel Budget Authorization (TBA) form is completed and approved prior to employee travel.

**Management Response:**
- Dr. Alexandra Ponette-Gonzalez will ensure that the TBA form has been completed properly and submitted prior to her or her employee's travel.

**Expected Implementation Date:**
- 11/21/2018

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<table>
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<th>Reporting Agency</th>
<th>Fiscal Year</th>
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<th>Audit Category</th>
<th>Report Name</th>
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<th>Management Response</th>
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<td>18-021 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Grants and Contracts Compliance Audit</td>
<td>UNT</td>
<td>Travel Expenditures</td>
<td>Moderate</td>
<td>1.2.a. Develop a checklist for travel voucher preparers and reviewers to ensure reimbursement claims are accurate and in compliance with UNT System Travel Guidelines.</td>
<td>Manageable - 11/21/2018</td>
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**Observations:**
- Travel vouchers were not prepared in accordance with UNT System Travel Guidelines.
- Internal Audit reviewed 100 percent of travel expenditures charged to the project.
- During review, Internal Audit noted the following:
  - Four travel vouchers included reimbursement request for mileage over 60 days after travel and not included in taxable income.
  - One instance where mileage reimbursement was inaccurately calculated.
  - Three instances where 2017 mileage rate was used to calculate 2018 mileage reimbursements.
  - One instance where travel budget authorization form (TBA) was not approved prior to employee travel.

**Recommendations:**
1. **Moderate**
   - 1.2.a. Recommendation for Dr. C. Reid Ferring, Interim Chair for Department of Geography:
     - Develop a checklist for travel voucher preparers and reviewers to ensure reimbursement claims are accurate and in compliance with UNT System Travel Guidelines.

**Management Response:**
- Dr. C. Reid Ferring's checklist for travel voucher preparers will include:
  1. Employee submits all documentation of travel expenses (itinerary, receipts) to AA windsor.
  2. AA reviews all travel claims, verifies rates (per diem, mileage, etc.) and compliance with State/Federal regulations (e.g., non-overnight travel, no alcohol reimbursements, etc.)
  3. AA submits vouchers to Chair/account holder for review and approval prior to submission to CLASS or Grant Accounting for approval.

**Expected Implementation Date:**
- 11/21/2018
<table>
<thead>
<tr>
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<th>Reporting Agency</th>
<th>Fiscal Year</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Individual Responsible for Implementation</th>
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<th>Recommendation Status</th>
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</table>
| Internal         | UNT System Internal Audit | Fiscal Year 2019 | 18-021 UNT | Governance and Regulatory Compliance | Grants and Contracts Compliance Audit | UNT System | 1. Travel Expenditures | 1. A.I. Recommendations for Shelley Pavero, Director of Payments: 

* Coordinate with Payroll to develop a process to ensure travel reimbursements submitted after 60 days of occurrence are appropriately included in taxable income. | Shelley Pavero, Director of Payments | 2/1/2019 | Closed |
| Internal         | UNT System Internal Audit | Fiscal Year 2019 | 18-021 UNT | Governance and Regulatory Compliance | Grants and Contracts Compliance Audit | UNT System | 1. Travel Expenditures | 1. A.I. Recommendations for Shelley Pavero, Director of Payments: 

* Evaluate the UNT System Travel Guidelines to determine the effectiveness of a monthly mileage reimbursement requirement. | Shelley Pavero, Director of Payments | 2/1/2019 | Closed |
9 of the twelve Research policies reviewed by auditor were not reviewed in accordance with UNT Policy 02.001 Policy on Policies. During the course of the audit, Internal Audit noted the following Office of Research and Innovation policies that had not been reviewed within the past six years, in accordance with UNT Policy 02.001 Policy on Policies:

- 13.001 Animal Care and Use
- 13.002 Award Management of Sponsored Projects
- 13.003 Recovery and Distribution of Facilities and Administration Funds
- 13.004 Use of Human Subjects in Research
- 13.005 Research Misconduct
- 13.006 Proposal Submission to External Sponsors
- 13.007 Grants and Contracts Related to Sponsored Projects
- 13.008 Export Controls
- 13.009 Office of Research Compliance

The management team of the Office of Research Innovation 10/31/2019 Closed

Office of Grants and Contracts Administration (OGCA) uses a strip-cut paper shredder. Based on feedback from information technology questionnaires, Internal Audit reviewed the paper shredder located in OGCA. Internal Audit observed the contents of the shred bins and noted that the shredders were strip-cut shredders. It was possible to read the text on the strips of shredded paper.

Recommendation for Chuck Tarantino, Assistant Vice President of OGCA:
- Obtain cross-cut paper shredders to destroy documents containing sensitive information to render the information unreadable.

The Office of Grants and Contracts Administration purchased a cross-cut shredder.

Chuck Tarantino, Assistant Vice President, Office of Grants and Contracts Administration 11/21/2018 Closed
### Heading 1

**Internal**  
**UNT System Internal Audit**  
**Fiscal Year 2019**  
**Audit Number** 18-021 UNT  
**Institution** UNT  
**Category** Governance and Regulatory Compliance  
**Component** Grants and Contracts Compliance Audit  
**Report Name** Printer Security Setting

<table>
<thead>
<tr>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>To further thwart data loss, an organization’s information security measures should incorporate technology that destroys latent digital images on the MFP’s hard drive. Ricoh’s DataOverwriteSecurity System achieves that goal as it destroys temporary data stored on the MFP’s hard drive by writing over the latent image with random sequences of “1’s” and “0’s.”</td>
<td>Moderate</td>
<td>4.1.a. Recommendation for Chuck Tarantino, Assistant Vice President of OGCA and Abraham John, Senior Director of Administrative Information Technology Services (AITS): 4.1.a. The printer security setting to overwrite image data was enabled on September 11, 2018.</td>
<td>Chuck Tarantino, Assistant Vice President, Office of Grants and Contracts Administration 11/21/2018 Closed</td>
</tr>
<tr>
<td>The workflow for one Electronic Payroll Action Request processed on the project did not require approval from the College Research Office. Electronic Payroll Action Requests (ePars) are submitted for an employee to receive payment from a specified funding source. In order for an ePar to be submitted, it must go through the ePar Workflow Approval process and receive the appropriate approvals depending on the funding source. Internal Audit reviewed all ePars submitted for payment on the project for appropriate approvals, including the Principal Investigator (PI), Department Head, College Research Officer (CRO), and Provost’s Office. Internal Audit noted one of five employee ePars processed on the project was not required to be reviewed and approved by the CRO.</td>
<td>Moderate</td>
<td>1.1.a. Recommendation for Chuck Tarantino: a. Ensure ePars for employees paid on sponsored projects receive the appropriate approvals.</td>
<td>Lauren Buchanan, Senior Director, Office of Grants and Contracts Administration 11/21/2018 Closed</td>
</tr>
</tbody>
</table>

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**Internal**  
**UNT System Internal Audit**  
**Fiscal Year 2019**  
**Audit Number** 18-022 UNT  
**Institution** UNT  
**Category** Governance and Regulatory Compliance  
**Component** Effort Reporting Process  
**Report Name** Electronic Payroll Action Request Approval

Internal Audit reviewed all ePars submitted for payment on the project for appropriate approvals, including the Principal Investigator (PI), Department Head, College Research Officer (CRO), and Provost’s Office. Internal Audit noted one of five employee ePars processed on the project was not required to be reviewed and approved by the CRO.
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<th>Audit Category</th>
<th>Report Name</th>
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<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
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<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2019</td>
<td>18-022 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Effort Reporting Process</td>
<td>UNTHSC</td>
<td>Thirty (30) policies related to the Texas HIPPY Corps initiative project were not consistently encompassed or approved, and in some cases, outlined unsupervised expenses. Internal Audit reviewed documented approvals and support for fifty (50) project expenditures made between the period of October 2017 and June 2018. All expenses in the sample and the extent of the project’s vision of work. Review may impact approval process missing, a tip was paid, and an itemized receipt was omitted. In the sample of fifty (50) project expenditures, thirty four (34) were made using a purchasing card. In the sample of fifty (50) purchasing card purchases, thirty four (34) purchases without Principal Investigator approval, twenty four (24) purchases without grant research officer approval, eight (8) purchases without reconciler approval, five (5) purchases without cardholder monthly statement approval, one (1) tip paid on food delivery purchases totaling $128.13, and one (1) group food purchase for $1,877.77 without an itemized receipt.</td>
<td>High</td>
<td>n.a. Recommendations for the Executive Director of sponsored programs: n. Work with the Office of Compliance to review, update and streamline the UNTHSC Grant Management policies.</td>
<td>Andrea Anderson, Executive Director of Sponsored Programs</td>
<td>12/31/2018</td>
<td>Complete</td>
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<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2019</td>
<td>18-410 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Home Instruction for Parents of Preschool Youngsters (HIPPY)</td>
<td>UNT</td>
<td>Purchasing card expenses under the Texas HIPPY Corps initiative project were not consistently encompassed or approved, and in some cases, outlined unsupervised expenses. Internal Audit reviewed documented approvals and support for fifty (50) project expenditures made between the period of October 2017 and June 2018. All expenses in the sample and the extent of the project’s vision of work. Review may impact approval process missing, a tip was paid, and an itemized receipt was omitted. In the sample of fifty (50) project expenditures, thirty four (34) were made using a purchasing card. In the sample of fifty (50) purchasing card purchases, thirty four (34) purchases without Principal Investigator approval, twenty four (24) purchases without grant research officer approval, eight (8) purchases without reconciler approval, five (5) purchases without cardholder monthly statement approval, one (1) tip paid on food delivery purchases totaling $128.13, and one (1) group food purchase for $1,877.77 without an itemized receipt.</td>
<td>High</td>
<td>n.a. Recommendations for DeeAnna Oliveira, Senior Research Analyst, College of Education: n. Move unallowable costs from the sponsored project to an appropriate departmental account.</td>
<td>DeeAnna Oliveira, Sr. Research Analyst, College of Education</td>
<td>10/12/2018</td>
<td>Complete</td>
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<td>Internal/External</td>
<td>Reporting Agency</td>
<td>Fiscal Year</td>
<td>Audit Name</td>
<td>Audit Category</td>
<td>Report Name</td>
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<td>Key Observations</td>
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<td>Recommendation Details</td>
<td>Management Response</td>
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<td>Fiscal Year 2019</td>
<td>[Audit Name]</td>
<td>[Audit Category]</td>
<td>[Report Name]</td>
<td>[Compliant Indicators]</td>
<td>[Key Observations]</td>
<td>High</td>
<td>1. Purchasing Card Expenses: Internal Audit found an issue with 100% of the sample taken of the thirty four (34) purchases made using the purchasing card. All issues noted below were found within the thirty four (34) purchases made using a purchasing card.</td>
<td>2a. We agree with the recommendation. We will assign duties related to purchasing card approvals that reflect segregated responsibilities and accountability. The roles will be: • Chair, Educational Psychology: Dr. Wendy Middlemiss, PI and Associate Professor • Grant-level Approver: DeeAnna Oliveira, SRRA for College of Education • Reconciler: Adriana Trevino, Project Director Each line item for purchases made within the college on sponsored projects will route to the appropriate approver prior to posting on the GL. This should alleviate purchases being posted by BSC without the appropriate grant review and approval.</td>
<td>1/28/2020</td>
<td>Nicole Schopen</td>
<td></td>
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2019</td>
<td>[Audit Name]</td>
<td>[Audit Category]</td>
<td>[Report Name]</td>
<td>[Compliant Indicators]</td>
<td>[Key Observations]</td>
<td>High</td>
<td>1. Purchasing Card Expenses: Purchasing card expenses under the Texas HIPPY Corps Initiative project were not consistently reconciled or approved, and in some cases, not reconciled at all. Internal Audit reviewed documented approvals and support for fifty (50) project expenditures made between the period of October 2017 and June 2018. All expenses in the sample met the intent of the project’s scope of work, however many layers of approval were missing. One (1) tip paid on food delivery purchases totaling $128.13, and one (1) group food purchase for $1,877.77 without an itemized receipt.</td>
<td>2a. We agree with the recommendation. We will assign duties related to purchasing card approvals that reflect segregated responsibilities and accountability. The roles will be: • Chair, Educational Psychology: Dr. Wendy Middlemiss, PI and Associate Professor • Grant-level Approver: DeeAnna Oliveira, SRRA for College of Education • Reconciler: Adriana Trevino, Project Director</td>
<td>1/28/2020</td>
<td>Nicole Schopen, Associate Professor</td>
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**Recommendation Status**: Page 355 of 559
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<thead>
<tr>
<th>Report Number</th>
<th>Audit Category</th>
<th>Report Name</th>
<th>Component Institution</th>
<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
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<tr>
<td>UNT System Internal Audit</td>
<td>Governance and Regulatory Compliance</td>
<td>Home Instruction for Parents of Preschool Youngsters (HIPPY)</td>
<td>UNT</td>
<td>1. Purchasing Card Expenses: Purchasing card expenses under the Texas HIPPY Corps Initiative project were not consistently reconciled or approved, and in some cases, contained unsupported expenses. Internal Audit reviewed documented approvals and support for 100% of project expenditures made between the period of October 2017 and June 2018. 249 expenses were in the sample or a portion of the project's scope of work, however many layers of approval were missing or the standard approval period was exceeded. In the sample of 100% project expenditures, thirty four (34) were made using a purchasing card. All twenty-six (26) purchases made using the purchasing card. Internal Audit found an issue with 100% of the sample taken of purchasing card purchases, namely: Thirty four (34) purchases without Principal Investigator approval, Twenty four (24) purchases without grant research officer approval, Eight (8) purchases without reconciler approval, Five (5) purchases without cardholder monthly statement approval, One (1) tip paid on food delivery purchase totaling $128.13, and One (1) group food purchase for $1,877.77 without an itemized receipt.</td>
<td>High</td>
<td>1.2.b. Recommendations for Dr. Robin Henson, Department Chair, Educational Psychology: 2b. Ensure that all parties in the purchasing card process receive training to gain an understanding of the University expectations and State requirements.</td>
<td>1a. We agree with the recommendation. We will ensure that all parties in the purchasing card process will receive training so they may execute the process according to University expectations and State requirements. Documentation of training completion will be kept on file in the HIPPY office.</td>
</tr>
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<td>UNT System Internal Audit</td>
<td>Governance and Regulatory Compliance</td>
<td>Home Instruction for Parents of Preschool Youngsters (HIPPY)</td>
<td>UNT</td>
<td>2. IT Assets: Many IT assets under the HIPPY program could not be located, and most were outdated or no longer operational. The Department of Educational Psychology had 250 assets during the April 2018 Annual Physical Inventory. Thirty-three assets were identified as belonging to the HIPPY program, of which ten were at an offsite location with subcontracted entities. Internal Audit visited all locations and twenty-two assets were located. However, one-third (11 of 33) of the IT assets could not be located. Almost all of the machines that could not be found were outdated. Specifically of the 11 that could not be found, 9 were more than 6 years old.</td>
<td>High</td>
<td>2.1.a. Recommendations for Dr. Robin Henson, Department Chair, Educational Psychology: a. Ensure that the Asset Coordinator for the Department of Educational Psychology updates assets in the central EIS database to properly reflect the custodian and location for all assets belonging to the HIPPY program.</td>
<td>1a. We agree with the recommendation. We will ensure that the central EIS database is updated to reflect the custodian and location for all assets belonging to the HIPPY program. Adriana Trevino will supervise a process that itemizes all HIPPY assets and documents: (a) the name of the asset owner, (b) physical location/address of the asset, (c) a picture of the asset with the inventory identification tag number, (d) the type of device, and (e) the asset replacement cost. Adriana Trevino will provide this information to Alecia Adams, EPSY Administrative Coordinator, who will update the database.</td>
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<td>Audit Category</td>
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<td>Key Observations</td>
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<td>18-410 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Home Instruction for Parents of Preschool Youngsters (HIPPY)</td>
<td>UNIT</td>
<td>Many IT assets under the HIPPY program could not be located, and most were outdated or no longer operational. The Department of Educational Psychology had 250 assets during the Apr 2018 Annual Physical Inventory. Thirty-three assets were identified as belonging to the HIPPY program of which ten were at an offsite location with subcontracted entities. Internal Audit visited all locations and twenty-two assets were located. However, one-third (11 of 33) of the IT assets could not be located. Almost all of the machines that could not be found were outdated. Specifically of the 11 that could not be located, 9 were more than 6 years old.</td>
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<td>Many IT assets under the HIPPY program could not be located, and most were outdated or no longer operational. The Department of Educational Psychology had 250 assets during the Apr 2018 Annual Physical Inventory. Thirty-three assets were identified as belonging to the HIPPY program of which ten were at an offsite location with subcontracted entities. Internal Audit visited all locations and twenty-two assets were located. However, one-third (11 of 33) of the IT assets could not be located. Almost all of the machines that could not be found were outdated. Specifically of the 11 that could not be located, 9 were more than 6 years old.</td>
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Internal Audit - Governance and Regulatory Compliance

Fiscal Year: 2019
Audit Number: 18-410 UNT
Report Name: Governance and Regulatory Compliance

Component Institution: UNT
Key Observations:
- Many IT assets under the HIPPY program could not be located, and most were outdated or no longer operational.
- The Department of Educational Psychology had 250 assets during the April 2018 Annual Physical Inventory. Thirty-three assets were identified as belonging to the HIPPY program, of which ten were at an offsite location with subcontracted entities. Internal Audit visited all locations and twenty-two assets were located. However, one-third (11 of 33) of the IT assets could not be located. Almost all of the machines that could not be found were outdated. Specifically, of the 11 that could not be located, 9 were more than 6 years old.

Audit Category: Home Instruction for Parents of Preschool Youngsters (HIPPY)

Risk Level: High

Recommendation Details:
- d. During the annual inventory process, ensure that a visual confirmation is performed for all HIPPY assets via either in-person observation or a dated photo that shows the asset tag.

Management Response:
- We agree with the recommendation. We will develop a process where a visual confirmation of all HIPPY assets is performed either in person or via a dated picture that includes the inventory identification tag number. Alecia Adams will implement this process and work directly with Adriana Trevino on the most efficient ways to execute it within HIPPY.

Individual Responsible for Implementation:
- Alecia Adams, EPSY Administrative Coordinator

Expected Implementation Date: 4/30/2019

Recommendation Status: Closed

Internal Audit - Governance and Regulatory Compliance

Fiscal Year: 2019
Audit Number: 18-410 UNT
Report Name: Governance and Regulatory Compliance

Component Institution: UNT
Key Observations:
- The funding source was inaccurate for five sponsored projects on the Awards Report.
- During the course of the review, it was noted that a HIPPY project receiving Federal flow-through funds was listed as receiving funds from a non-profit source on the Awards Report located on the public-facing website for the Office of Grants & Contract Administration (OGCA). As of July 2018, a download of the current awards-to-date report from the OGCA website listed project GF40065 has a non-profit funding source although it was a federal flow-through project. Upon further review, four additional projects were identified with an incorrect funding type.
- In consultation with OGCA, it was determined the project funding source was correctly identified in the central EIS database, however, the web-based report contained a programming error on the extraction of the sponsor type field. OGCA management also confirmed, to their knowledge, no external parties rely on this report for decision-making and external reporting does not rely on data from this report. The five sponsored projects found with an inaccurate funding source are as follows:

Audit Category: Home Instruction for Parents of Preschool Youngsters (HIPPY)

Risk Level: Moderate

Recommendation Details:
- a. Identify and correct the issue regarding the sponsor funding type field on the Awards Report available for download from the OGCA website.

Management Response:
- OGCA reviewed the funding source for the five identified projects. After completing our review, the year-to-date FY2018 Awards Excel file was updated as stated in the OGCA Action column in the table below. The annual web version of the report will also contain the updated funding source when it is published (expected by October 19, 2018). OGCA will now incorporate a review of the funding source information into our procedures. Any identified issues will be corrected prior to publishing the report.

Individual Responsible for Implementation:
- Lauren Buchanan, Senior Director, IT, Office of Grants and Contracts Administration

Expected Implementation Date: 10/19/2018

Recommendation Status: Closed
### Audit Number
- 18-410 UNT

### Component Institution
- Governance and Regulatory Compliance

### Report Name
- Home Instruction for Parents of Preschool Youngsters (HIPPY)

### Key Observations
- Effort Reporting
  - A full turnover of staff and the recent changes in the program's effort reporting process created an environment for an increased risk of noncompliance around effort reporting.
  - During the course of the review, the HIPPY project’s principal investigator retired and all staff working on the project left the program. The program was in the midst of finalizing the change in the process for tracking and confirming effort reporting was incorrect, strengthening controls, and increasing visibility for how the percentages were determined.

### Risk Level
- Moderate

### Recommendation Details
- A recommendation for Chuck Tarantino, Assistant Vice President, Office of Grants & Contracts Administration:
  a. Provide OGCA training for all new employees with the HIPPY program on UNT’s process for effort reporting, the PI’s role and obligations, and retain certificates of completion for training as delivered.

### Management Response
- The annual UNT online Effort Reporting training will be required of all new UNT employees with the HIPPY program. The Assistant Vice President, OGCA will meet with the current HIPPY PI and staff to discuss the effort reporting process and to address any questions that they may have after completing the online training.

### Recommendation Status
- Closed

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### Internal / External
- Internal

### Reporting Agency
- UNT System Internal Audit

### Fiscal Year
- Fiscal Year 2019

### Report Name
- Kristin Farmer Autism Center

### Key Observations
- HIPAA Training
  - Two employees from a random sample of 19 did not have verifiable HIPAA training.
  - The Kristin Farmer Autism Center employs approximately 112 full-time and part-time employees. All employees are required to comply with HIPAA (Health Insurance Portability and Accountability Act). Random sampling was performed on 19 employees to verify HIPAA training was received.

### Risk Level
- High

### Recommendation Details
- A recommendation for Executive Director of Kristin Farmer Autism Center:
  a. Strengthen controls on maintaining verifiable training in the KFAC employee files.

### Management Response
- Orientation procedures will now include a HIPAA completion certificate be placed in each employee’s file following training.

### Recommendation Status
- Closed

---

### Internal / External
- Internal

### Reporting Agency
- UNT System Internal Audit

### Fiscal Year
- Fiscal Year 2019

### Report Name
- Kristin Farmer Autism Center

### Key Observations
- Key Observations
  - Two employees from a random sample of 19 did not have verifiable HIPAA training.

### Risk Level
- High

### Recommendation Details
- A recommendation for Kristin Farmer Autism Center:
  a. Work with controls on maintaining verifiable training in the KFAC employee files.

### Management Response
- Orientation procedures will now include a HIPAA completion certificate be placed in each employee’s file following training.

### Recommendation Status
- Completed
### Internal UNT System Internal Audit

**Fiscal Year:** 2019  
**Audit Number:** 18-417 UNT  
**Audit Category:** Governance and Regulatory Compliance  
**Report Name:** Kristin Farmer Autism Center

<table>
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<th>Key Observations</th>
<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
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<td>Two employees from a random sample of 19 did not have verifiable HIPAA training. The Kristin Farmer Autism Center employs approximately 112 full time and part time employees. All employees are required to comply with HIPAA (Health Insurance Portability and Accountability Act). Random sampling was performed on 19 employees to verify HIPAA training was received.</td>
<td>High</td>
<td>1.1.b. Recommendations for Executive Director of Kristin Farmer Autism Center: b. Review all employee files for verifiable HIPAA training documentation.</td>
<td>Kevin Callahan, Executive Director</td>
</tr>
</tbody>
</table>
| • Two new employees had not received training, however;  
• One employee was terminated and the employee file was archived;  
• Two employees’ training could not be verified;  
• Fourteen employees were verified as receiving training | | | |

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<td>Two employees from a random sample of 19 did not have verifiable HIPAA training. The Kristin Farmer Autism Center employs approximately 112 full time and part time employees. All employees are required to comply with HIPAA (Health Insurance Portability and Accountability Act). Random sampling was performed on 19 employees to verify HIPAA training was received.</td>
<td>High</td>
<td>1.1.c. Recommendations for Executive Director of Kristin Farmer Autism Center: c. Ensure all employees have received HIPAA training and document the training.</td>
<td>Kevin Callahan, Executive Director</td>
</tr>
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</table>
| • Two new employees had not received training, however;  
• One employee was terminated and the employee file was archived;  
• Two employees’ training could not be verified;  
• Fourteen employees were verified as receiving training | | | |
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<th>Area of Concern</th>
<th>Recommendations</th>
<th>Management Response</th>
<th>Recommendation Status</th>
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</table>
| 2. Cash Handling Training | 2.1.a. Recommendations for Executive Director of Kristin Farmer Autism Center:  
- Suspend the two students' cash handling responsibilities until they have completed cash handling training. | 1a. Cash handling responsibilities were suspended. We scheduled a "Cash Handling" training session with the Executive Director of Asset Protection to be completed by all student workers as of October 11, 2018. | Closed |
| | 2.1.b. Recommendations for Executive Director of Kristin Farmer Autism Center:  
- Review and strengthen cash handling training procedures to ensure all individuals handling cash have received cash handling training. | 1b. The KFAC Human Resources representative added "Cash Handling" training to the KFAC's new hire tracking tool in order to ensure that every new employee is scheduled to receive this training when appropriate. Completed 10/22/2018. | Closed |

Two Cash Handling student workers had not attended cash control training. There are three full-time employees and two part-time student employees who have cash handling authority in the Kristin Farmer Autism Center (KFAC). The three full-time employees had received cash control training while the two students had not received the training. | 2. Cash Handling Training | 2.1.a. Recommendations for Executive Director of Kristin Farmer Autism Center:  
- Suspend the two students' cash handling responsibilities until they have completed cash handling training. | 1a. Cash handling responsibilities were suspended. We scheduled a "Cash Handling" training session with the Executive Director of Asset Protection to be completed by all student workers as of October 11, 2018. | Closed |
| | 2.1.b. Recommendations for Executive Director of Kristin Farmer Autism Center:  
- Review and strengthen cash handling training procedures to ensure all individuals handling cash have received cash handling training. | 1b. The KFAC Human Resources representative added "Cash Handling" training to the KFAC's new hire tracking tool in order to ensure that every new employee is scheduled to receive this training when appropriate. Completed 10/22/2018. | Closed |
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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2019</td>
<td>18-417 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Kristin Farmer Autism Center</td>
<td>Check payments received by reception personnel are not endorsed with deposit stamp when received by individual clients. The KFAC Receipt of Payments for Services does not provide a step to endorse checks upon receipt (stamp the back of check with deposit stamp) when received by individual clients. The back of the check is deposit stamped when received by the Medical Coding and Billing Specialist. However, when a check is received through the Postal Service there is a step to stamp back of check with deposit stamp.</td>
<td>High</td>
<td>3.1.a. Recommendations for Executive Director of Kristin Farmer Autism Center: a. Amend the Receipt of Payments for Services Policy Logistics manual with “stamp back of check with deposit stamp” at the time of receipt of payment.</td>
<td>1a. Action 10/19/18: The KFAC policy manual will be updated to include the step for endorsing checks. A KFAC endorsement stamp has been provided for use by authorized front desk reception staff. Completed 10/26/2018</td>
<td>Kevin Callahan, Executive Director</td>
<td>10/26/2018</td>
<td>Closed</td>
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<td>Internal</td>
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<td>High</td>
<td>3.1.b. Recommendations for Executive Director of Kristin Farmer Autism Center: b. Ensure all individuals handling cash receive training to endorse checks upon receipt.</td>
<td>1b. Action 10/22/18: Add ‘check endorsement’ step to front desk cash handling processes; Conduct related training with authorized front desk cash handling personnel. Completed 10/26/2018</td>
<td>Kevin Callahan, Executive Director</td>
<td>10/26/2018</td>
<td>Closed</td>
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<td>Audit Number</td>
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<tr>
<td>18-417-1581</td>
<td>Governance and Regulatory Compliance</td>
<td>The Medical Billing and Coding Specialist collects the mail and opens mail that contain insurance payment checks. There is no separation of duties from receiving payments in the mail, maintaining documentation, preparing deposits and reconciling records. The Medical Billing and Coding Specialist performs all of the above.</td>
<td>High</td>
<td>To Develop and establish a new procedure to require a second administrative staff person to collect and open daily mail, add all checks to a daily check log, and then deliver the log and all checks to the Medical Billing and Coding Specialist for deposit. Complete by 10/26/2018.</td>
<td>Kevin Callahan, Executive Director</td>
<td>10/26/2018</td>
<td>Closed</td>
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<td>18-417-1581</td>
<td>Governance and Regulatory Compliance</td>
<td>A Business Continuity Plan exists in parts, but not in one consolidated manual. Kristin Farmer Autism Center has several process and procedures manual for different tasks. These manuals explain how to perform the different tasks. There is no separate system for recording client services. The Continuity Plan provides procedures should the system go “off line.”</td>
<td>Moderate</td>
<td>To Develop a complete written Business Continuity Plan for mission critical resources by November 30, 2018.</td>
<td>Kevin Callahan, Executive Director</td>
<td>11/30/2018</td>
<td>Closed</td>
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| Internal         | UNT System Internal Audit | Fiscal Year 2019 | 18-417 UNT | Governance and Regulatory Compliance Kristin Farmer Autism Center | Moderate | a. Develop continuity plan  
 b. Academic Continuity Plan exists in parts, but not in one consolidated manual.  
 The Kristin Farmer Autism Center has several process and procedures manual for different tasks. These manuals explain how to perform the different tasks and are the recording Client Services Backup procedures should this system go "off line."  
 c. Develop a process and procedure to annually test the Business Continuity Plan. | 1c. Will plan and conduct an annual test of the KFAC's Business Continuity Plan in coordination with the Executive leadership retreat. The first test will occur by December 21, 2018. | Senior Administrator, Executive Director | 11/9/2018 | Closed |
| Internal         | UNT System Internal Audit | Fiscal Year 2019 | 18-417 UNT | Governance and Regulatory Compliance Kristin Farmer Autism Center | Moderate | a. Develop continuity plan  
 b. Academic Continuity Plan exists in parts, but not in one consolidated manual.  
 The Kristin Farmer Autism Center has several process and procedures manual for different tasks. These manuals explain how to perform the different tasks and are the recording Client Services Backup procedures should this system go "off line."  
 c. Develop a process and procedure to annually test the Business Continuity Plan. | 1c. Will plan and conduct an annual test of the KFAC's Business Continuity Plan in coordination with the Executive leadership retreat. The first test will occur by December 21, 2018. | Senior Administrator, Executive Director | 11/9/2018 | Closed |
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<td>UNT System</td>
<td>A manual process breakdown in identifying off-cycle payroll payments for 'Additional Pay' resulted in an overpayment to the Chancellor for temporary non-salaried housing allowances. In accordance with her employment agreement, the Chancellor was entitled to receive temporary housing allowances of $3,000.00 per month for the first three months of her employment, to be paid through the UNT Payroll system. During our review of payroll payments for FY 2018, we noted an untimely submission of the Chancellor's Electronic Payroll Action Request (ePar) for these allowances, which required an off-cycle payroll payment. Currently, PeopleSoft is not configured to automatically deduct any off-cycle payroll payments for 'Additional Pay' from the total amount scheduled to be paid on the employee's ePar. Therefore, UNT System Controller Operations Department must manually identify any off-cycle payroll payments for 'Additional Pay' and update the total amount in the system. Although the off-cycle payroll payments was in accordance with the Chancellor's employment contract, the off-cycle payroll payment resulted in a total gross compensation of $12,936.36. This amount includes applicable federal taxes that would have been withheld on behalf of the Chancellor and result in an overpayment in her pay. The taxes are paid to the IRS on behalf of the employee which is an economic benefit to the employee.</td>
<td>High</td>
<td>Recommendations for the Vice Chancellor of Finance:</td>
<td>Gary Rahlfs, Vice Chancellor of Finance</td>
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<td>1. Recommendations for the Chancellor to obtain reimbursement of the payroll overpayments in the amount of $2,936.36.</td>
<td>1a. Work with the Chancellor to obtain reimbursement of the payroll overpayments in the amount of $2,936.36.</td>
<td>Management agrees with this recommendation and fully implemented prior to responding to the audit. The Chancellor reimbursed the UNT System for the overpayment out of her salary payment made on December 3, 2018.</td>
<td>11/2/2018</td>
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<td>1. Temporary Automobile and Housing Allowances</td>
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<td>A manual process breakdown in identifying off-cycle payroll payments for 'Additional Pay' resulted in an overpayment to the Chancellor for temporary automobile and housing allowances. During our review of payroll payments for FY 2018, we noted an untimely submission of the Chancellor’s Electronic Payroll Action Request (ePar) for these allowances, which required an off-cycle payroll payment. Currently, PeopleSoft is not configured to automatically deduct any off-cycle payroll payments for 'Additional Pay' from the total amount scheduled to be paid on the employee’s ePar. Therefore, UNT System Controller Operations department must manually identify any off-cycle payroll payments for 'Additional Pay' and update the total amount in the system. Although the ePar was set up in accordance with the Chancellor’s employment contract, the off-cycle payroll payment resulted in a total gross overpayment of $2,936.36. This amount includes applicable federal taxes that would have been withheld on behalf of the Chancellor and result in an overpayment to the IRS. The taxes are paid to the IRS on behalf of the employee which is an economic benefit to the employee.</td>
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<td>1.1.b. Ensure internal payroll records are corrected.</td>
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<td>1b. Management agrees with this recommendation and has implemented prior to responding to the audit. The Controller Office evaluated the technology needed to configure the off-cycle payroll to be handled automatically. This will require significant effort to implement and would not be beneficial based on the requirements and cost of the custom configuration. This issue was not discovered because of a control step being missed in the month payroll process. The Controller Office discussed this with the payroll team to ensure the controls are now being followed appropriately to properly prevent this type of overpayment.</td>
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<td>Gary Rahlfs, Vice Chancellor of Finance</td>
<td>12/3/2018</td>
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<th>UNT System</th>
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<td>A manual process breakdown in identifying off-cycle payroll payments for 'Additional Pay' resulted in an overpayment to the Chancellor for temporary automobile and housing allowances. During our review of payroll payments for FY 2018, we noted an untimely submission of the Chancellor’s Electronic Payroll Action Request (ePar) for these allowances, which required an off-cycle payroll payment. Currently, PeopleSoft is not configured to automatically deduct any off-cycle payroll payments for 'Additional Pay' from the total amount scheduled to be paid on the employee’s ePar. Therefore, UNT System Controller Operations department must manually identify any off-cycle payroll payments for 'Additional Pay' and update the total amount in the system. Although the ePar was set up in accordance with the Chancellor’s employment contract, the off-cycle payroll payment resulted in a total gross overpayment of $2,936.36. This amount includes applicable federal taxes that would have been withheld on behalf of the Chancellor and result in an overpayment to the IRS. The taxes are paid to the IRS on behalf of the employee which is an economic benefit to the employee.</td>
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<td>1.1.c. Work with Information Technology Shared Services (ITSS) to automatically configure off-cycle payments for 'Additional Pay'</td>
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<td>1c. Management agrees with this recommendation and has implemented prior to responding to the audit. This issue was not caught because of a failed manual control handled by the payroll team. The Controller Office evaluated the technology needed to configure the off-cycle payroll to be handled automatically. This will require significant effort to implement and would not be beneficial based on the requirements and cost of the custom configuration. This issue was not discovered because of a control step being missed in the month payroll process. The Controller Office discussed this with the payroll team to ensure the controls are now being followed appropriately to properly prevent this type of overpayment.</td>
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<td>Gary Rahlfs, Vice Chancellor of Finance</td>
<td>12/3/2018</td>
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### UNT System Internal Audit

**Fiscal Year:** 2019  
**Audit Category:** Governance and Regulatory Compliance  
**Report Name:** Chancellor's Expenditure Review  
**Component Institution:** UNT System

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<th>Risk Level</th>
<th>Recommendation Details</th>
<th>Management Response</th>
<th>Implementation Date</th>
<th>Recommendation Status</th>
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| 1. Temporary Automobile and Housing Allowances  
A manual process breakdown in identifying off-cycle payroll payments for "Additional Pay" resulted in an overpayment to the Chancellor for temporary automobile and housing allowances.  
In accordance with her employment agreement, the Chancellor was entitled to receive temporary automobile allowances of $800.00 per month for an automobile (2000.00 per month for housing via the first three months of employment), then paid through the UNT Payroll System.  
During our review of payroll payments for FY 2018, we noted an untimely submission of the Chancellor’s Electronic Payroll Action Request (ePar) for these allowances, which required an off-cycle payroll payment.  
Currently, PeopleSoft is not configured to automatically deduct any off-cycle payroll payments for "Additional Pay" from the total amount scheduled to be paid on the employee’s ePar. Therefore, UNT System Controller Operations department manually identified any off-cycle payroll payments for "Additional Pay" for the Chancellor’s ePar and manually updated the total amount in the system.  
Although the ePar was set up in accordance with the Chancellor’s employment contract; the off-cycle payroll payment resulted in a total gross overpayment of $2,936.36.  
This amount includes applicable federal taxes that would have been withheld on behalf of the Chancellor and result in an overpayment to the IRS. The taxes are paid to the IRS on behalf of the employee which is an economic benefit to the employee.  
| High | Recommendation for the Vice Chancellor of Finance:  
1.1.d. Identify and review all additional employees with off-cycle payments for "Additional Pay" for calendar year 2018 – current to determine whether employees were appropriately compensated and make necessary corrections.  
| Gary Rahlfs, Vice Chancellor of Finance | 12/3/2018 | Closed |

| 2. Personal Taxable Benefit  
The Chancellor’s employment agreement and IRS Guidelines were not followed. Specifically, a temporary travel allowance was not accounted for as a personal taxable benefit, resulting in an incorrect imputed income on the Chancellor’s W-2 Form.  
The Chancellor was entitled to receive up to twelve round-trip airfares to/from Virginia for family and personal business travel during the first twelve months of her employment. In accordance with the employment agreement, these benefits are a taxable benefit to the Chancellor. These travel expenditures were not properly coded in PeopleSoft, and as a result were not accounted for as imputed income on the Chancellor’s Tax Calendar Year 2017 and 2018. When imputed income is not included as a taxable benefit, the federal tax withholding amounts are not calculated appropriately.  
| High | Recommendation for the Vice Chancellor of Finance:  
2.1.a. Identify all twelve personal airfares reimbursed to the Chancellor which were documented on the travel voucher as ‘trip home’ or ‘personal/family business’ and ensure imputed income is recognized in PeopleSoft.  
<p>| Gary Rahlfs, Vice Chancellor of Finance | 12/7/2018 | Closed |</p>
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<td>High</td>
<td>2. Personal Taxable Benefit</td>
<td>Management agrees with this recommendation and fully implemented prior to responding to the audit.</td>
<td>Gary Rahlfs, Vice Chancellor of Finance</td>
<td>12/7/2018</td>
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The Chancellor’s employment agreement and IRS Guidelines were not followed. Specifically, a temporary travel allowance was not accounted for as a personal taxable benefit, resulting in an incorrect imputed income on the Chancellor’s W-2 Form.

The Chancellor was entitled to receive up to twelve round trip airfares to/from Virginia for family and personal business travel during the first twelve months of her employment. In accordance with the employment agreement and IRS Guidelines, this is a taxable benefit to the Chancellor. These travel expenditures were not properly coded in PeopleSoft, and as a result were not accounted for as imputed income to the Chancellor in Tax Calendar Year 2017 and 2018. When imputed income is not included as a taxable income, the federal tax withholding amounts are not calculated appropriately.

2. Recommendations for the Vice Chancellor of Finance:
2.1.b. Ensure internal payroll records are corrected. Reflect any corrections for the Tax Calendar Year 2017 in the W-2c Form.
2b. Management agrees with this recommendation and fully implemented prior to responding to the audit. The Controller Office corrected this information on December 6, 2018 and submitted to the IRS that same day.

Gary Rahlfs, Vice Chancellor of Finance
12/7/2018
Closed
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<td>19-001 SYS</td>
<td>Personal Taxable Benefit</td>
<td>High</td>
<td>Recommendations for the Vice Chancellor of Finance: 1.1.a. Work with the Chancellor to obtain reimbursement of the travel overpayments in the amount of $924.37.</td>
<td>Management agrees with the recommendation and has implemented prior to responding to the audit. The Chancellor submitted reimbursement for the overpayments on November 26, 2018.</td>
<td>Gary Rahlfs, Vice Chancellor of Finance</td>
<td>11/26/2018</td>
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<td>19-001 SYS</td>
<td>Travel Reimbursements</td>
<td>Moderate</td>
<td>Recommendations for the Vice Chancellor of Finance: 1.1.a. Work with the Chancellor to obtain reimbursement of the travel overpayments in the amount of $924.37.</td>
<td>Management agrees with the recommendation and has implemented prior to responding to the audit. The Chancellor submitted reimbursement for the overpayments on November 26, 2018.</td>
<td>Gary Rahlfs, Vice Chancellor of Finance</td>
<td>11/26/2018</td>
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The Chancellor's employment agreement and UNT System Travel Guidelines for calculating travel expense reimbursements were not followed, resulting in inaccurate travel expense reimbursements for the Chancellor. During our review, we identified 7 out of 34 (21%) travel vouchers in which the travel expense reimbursements were incorrect. Specifically, a total of $924.37 in unallowable travel expenditures were reimbursed to the Chancellor. This amount included: 1. Mileage reimbursements of $643.23 during the first three months of the Chancellor's employment. 2. A duplicate reimbursement for the amount of $121.64 related to her spouse's airfare. 3. Per diem meal reimbursements of $159.50 without explanations while attending the conference. During our review, we identified 7 out of 34 (21%) travel vouchers in which the travel expense reimbursements were incorrect. Specifically, a total of $924.37 in unallowable travel expenditures were reimbursed to the Chancellor. This amount included: 1. Mileage reimbursements of $643.23 during the first three months of the Chancellor's employment. 2. A duplicate reimbursement for the amount of $121.64 related to her spouse's airfare. 3. Per diem meal reimbursements of $159.50 without explanations while attending the conference.
### 3. Travel Reimbursements

The Chancellor's employment agreement and UNT System Travel Guidelines for calculating travel expense reimbursements were not followed, resulting in inaccurate travel expense reimbursements to the Chancellor.

The Chancellor reviews travel expense reimbursements for expenses incurred while traveling on official UNT System business. In addition, the Chancellor reviewed travel expense reimbursements for the Chancellor's employment agreement with the Chancellor's travel team.

However, the Chancellor was not entitled to receive mileage reimbursements within the Denton-Dallas-Fort Worth metropolitan area from October 9, 2017 to January 8, 2018 while receiving a temporary automobile allowance.

During our review, we identified 7 out of 34 (21%) travel vouchers in which the travel expense reimbursements were incorrect. Specifically, a total of $924.37 in unallowable travel expenditures were reimbursed to the Chancellor. This amount included:

- Mileage reimbursements of $643.23 during the first three months of the Chancellor's employment.
- A duplicate reimbursement for the amount of $121.64 related to her spouse's airfare.
- Per diem meal reimbursements of $159.50 without explanations while provided by the conference.

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<th>Individual Responsible for Implementation</th>
<th>Expected Implementation Date</th>
<th>Recommendation Status</th>
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| Moderate   | 1. Recommendations for the Vice Chancellor of Finance:  
1.1.b. Re-train the UNT System Controller Operations - Accounts Payable team to ensure adequate explanation is provided by the traveler when meals are being requested for reimbursement.  
1.b. Management agrees with this recommendation and fully implemented prior to responding to the audit. The Controller Office made sure the travel team is aware of a configuration to allow the system to identify which meals are provided during the trip when per diem is calculated. These two steps will help prevent this issue from occurring in the future. | Gary Rahlfs, Vice Chancellor of Finance | 11/26/2018 | Closed |
|            | 2. Recommendations for the Assistant to the Chancellor:  
3.2.a. Ensure Chancellor's expenditure reimbursements are in accordance with the employment agreement and adequate support documentation/explanation are included with the voucher.  
2a. Management agrees with this recommendation and implemented prior to responding to the audit. The Chancellor and Kay attended Concur travel training for handling reimbursements for the Chancellor's travel. | Kay Miles, Assistant to the Chancellor | 11/19/2018 | Closed |
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<td>19-026 SYS</td>
<td>Information Technology</td>
<td>EIS Roles Base Access Audit</td>
<td>UNT System</td>
<td>Segregation of Duties not defined or evaluated. Segregation of Duties (SOD) is not documented. SOD interrelationships are not reviewed. Financial Services has not documented what constitutes SOD, and therefore what constitutes a violation of SOD. There is no automated solution in place to address SOD.</td>
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<td>Jim Gross, Senior Director of Financial Planning and Analysis at UNT System, manager for the Financial System Support (FSS) Team.</td>
<td>Expected Implementation Date: 05/31/2019 Rev. Imp. Date: 02/29/2020</td>
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<p>| Internal         | UNT System Internal Audit | 2019-2020 | 19-026 SYS | Information Technology | EIS Roles Base Access Audit | UNT System | Segregation of Duties not defined or evaluated. Segregation of Duties (SOD) is not documented. SOD interrelationships are not reviewed. Financial Services has not documented what constitutes SOD, and therefore what constitutes a violation of SOD. There is no automated solution in place to address SOD. |
|                  |                  |            |              |                |             |                       |                                                                                                                                             |
|                  |                  |            |              |                |             |                       |                                                                                                                                             |
|                  |                  |            |              |                |             | Jim Gross, Senior Director of Financial Planning and Analysis at UNT System, manager for the Financial System Support (FSS) Team. | Expected Implementation Date: 05/31/2019 Rev. Imp. Date: 02/29/2020                                                                 |
|                  |                  |            |              |                |             | Open                  |                                                                                                                                             |</p>
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<td>Segregation of Duties not Defined or Evaluated: Segregation of Duties (SOD) is not documented. SOD interrelationships are not reviewed. Financial Services has not documented what constitutes SOD, and therefore what constitutes a violation of SOD. There is no automated solution in place to address SOD.</td>
<td>High</td>
<td>1. Recommendations for Financial Analysis and Planning: 1.1.c. Partner with Information Technology Shared Services (ITSS) to identify and implement an automated solution to evaluate SOD. Work through the ITSS Governance process to address funding for obtaining an automated SOD solution.</td>
<td>Jim Gross, Senior Director of Financial Planning and Analysis at UNT System, manager for the Financial System Support (FSS) Team.</td>
<td>5/31/2019</td>
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<td>High</td>
<td>1. Recommendations for Financial Analysis and Planning: 1.1.d. Establish a procedure to evaluate the output of the SOD automated solution, and take appropriate action to mitigate or accept any conflicts identified.</td>
<td>FSS will create procedures to address potential SOD violations/exceptions. The procedures will include remediation as necessary.</td>
<td>Exp. Imp. Date: 05/31/2019 Rev. Imp. Date: 02/29/2020</td>
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<td>1. Segregation of Duties not Defined or Evaluated: Segregation of Duties (SOD) is not documented. SOD interrelationships are not reviewed. Financial Services has not documented what constitutes SOD, and therefore what constitutes a violation of SOD. There is no automated solution in place to address SOD.</td>
<td>High</td>
<td>Recommendations: 1. Purchase or obtain agreement to utilize an automated solution to analyze SOD in EIS FS systems. Solution should be able to evaluate down to the page level.</td>
<td>Dorothy Flores, Executive Director, Enterprise Applications, IT Shared Services</td>
<td>5/31/2019</td>
<td>Closed</td>
<td>December</td>
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<td>High</td>
<td>Recommendations: 2. Establish a procedure with the business owner to execute the SOD evaluation, delivering the output to the SOD business owner.</td>
<td>Dorothy Flores, Executive Director, Enterprise Applications, IT Shared Services</td>
<td>5/31/2019</td>
<td>Closed</td>
<td>December</td>
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<td>19-026</td>
<td>Information Technology</td>
<td>UNT System</td>
<td>Owners of information are not approving access.</td>
<td>High</td>
<td>1. Recommendations for Financial Analysis and Planning:</td>
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<td>a. Owners of information are not required to approve access requests. The supervisor of a requester serves as approver. This was the case in all 20 access requests tested by IA. ACEs do not have a list of owners who have approved EIS (FS) access. IA obtained a list of information owners from ITSS. ACEs were not aware this list existed.</td>
<td></td>
<td>2.1.a. Obtain the list of information owners for areas of which the FS ACEs grant access. Require approval from the information owners or their delegates prior to granting access.</td>
<td>Jim Gross, Senior Director of Financial Planning and Analysis at UNT System, manager for the Financial System Support (FSS) Team.</td>
<td>7/31/2019</td>
<td>Closed</td>
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<td>b. Also, once a person completes EIS ePro or Procurement training, they are granted access to those systems without further approval. The assumption is that if a person has been enrolled for training it has been approved by their manager. However, anyone at UNT can enroll in EIS ePro training without approval required. Even if the manager has approved the training and system access, this does not constitute approval by the information owner.</td>
<td></td>
<td>2.1.b. After training, if a person requires access to the ePro or Procurement systems, owners must approve access to those systems.</td>
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<td>1b. FSS will implement an electronic solution that will require signoff from the data owner as well as employee’s supervisor to ensure the employee has fulfilled any prerequisite criteria and verify the privileges are appropriate prior to access being granted.</td>
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<td>SYS Role Based Access Audit</td>
<td>UNT System</td>
<td>Users are not reviewing access to their information. ACEs and EISSEC are the parties performing access reviews. They periodically review users with privileged access, terminations, and stale accounts. However, the access of all users is not reviewed and the data owner is not involved in these comprehensive reviews.</td>
<td>High</td>
<td>Recommendations for Financial Analysis and Planning 1. Information owners should ensure access reviews are performed annually for all users in accordance with TAC 202.</td>
<td>1. Recommendations for Financial Analysis and Planning 3.1.a. Information owners should ensure access reviews are performed annually for all users in accordance with TAC 202.</td>
<td>Jim Gross, Senior Director of Financial Planning and Analysis at UNT System, Manager for the Financial System Support (FSS) Team.</td>
<td>8/31/2019</td>
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<td>Owners are not reviewing access to their information. EIS and EISSEC are the parties performing access reviews. They periodically review access with privileged access, terminations, and stale accounts. However, the access of all users is not reviewed and the data owner is not involved in these comprehensive reviews.</td>
<td>High</td>
<td>6. Remediate for Internal Analysis and Planning: 6.1. Remediate inappropriate access if found.</td>
<td>Jim Gross, Senior Director of Financial Planning and Analysis at UNT System, manager for the Financial System Support (FSS) Team.</td>
<td>8/31/2019</td>
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<td>EIS Roles Access Audit</td>
<td>UNT System</td>
<td>Roles granting access are not reviewed. Once a role is established, permissions could be modified to provide access within the role. Then preferences could be modified to be specific to each euid. These access settings are not reviewed.</td>
<td>High</td>
<td>4. Remediate for Internal Analysis and Planning: 4.1. Document the scope and specificity of each EIS FS role.</td>
<td>Jim Gross, Senior Director of Financial Planning and Analysis at UNT System, manager for the Financial System Support (FSS) Team.</td>
<td>12/31/2019</td>
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<td>4. Roles not reviewed</td>
<td>Roles granting access are not reviewed. Once a role is established, permissions could be modified to provide access within the role. Then preferences could be modified to be specific to each user. These access settings are not reviewed.</td>
<td>High</td>
<td>4. Recommendations for Financial Analysis and Planning: 4.1.b. Review access provided by EIS roles to ensure they are granting the access intended by that role.</td>
<td>FSS shall develop a process to ensure that proper access is being granted by having the information owners review EIS roles.</td>
<td>Jim Gross, Senior Director of Financial Planning and Analysis at UNT System, manager for the Financial System Support (FSS) Team.</td>
<td>12/31/2019</td>
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<td>4. Roles not reviewed</td>
<td>Roles granting access are not reviewed. Once a role is established, permissions could be modified to provide access within the role. Then preferences could be modified to be specific to each user. These access settings are not reviewed.</td>
<td>High</td>
<td>4. Recommendations for Financial Analysis and Planning: 4.1.c. Remediate any anomalies discovered.</td>
<td>FSS shall identify and remediate any anomalies discovered.</td>
<td>Jim Gross, Senior Director of Financial Planning and Analysis at UNT System, manager for the Financial System Support (FSS) Team.</td>
<td>12/31/2019</td>
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<td>5. Persons retain inappropriate access. Terminated people have access to FS information. Persons who transfer positions retain their access from previous roles. Terminated people with access to FS information in another department would not be identified. If an employee works at UNT and decides to take a position at HSC, their access would be automatically removed. The challenge is that the scenario of an employee that changes department within the same institution is not being captured by the Role Removal program. This issue is important because people who transfer from one UNT department to another are not identified. When a person transfers between UNT entities, they obtain a status of Terminated from the department they are leaving and then get hired into the new department. Their access should be removed and new appropriate access granted. When a person transcribes within a UNT entity, they retain their access, and additional access needed for their new role is then requested.</td>
<td>High</td>
<td>1. Recommendations for Financial Analysis and Planning: 5.1.a. Remove persons with access to FS who are no longer employed by UNT. 5.1.b. Establish procedures to analyze and verify personnel who have left the employ of UNT have no more than 0.1% access to FS information. Expected Implementation Date: February 8th, 2019 5.1.c. Submit to the IT Priority and Planning Committee to broaden the scope of the Role Removal program to capture employees that require a removal of access.</td>
<td>Jim Gross, Senior Director of Financial Planning and Analysis at UNT System, manager for the Financial System Support (FSS) Team.</td>
<td>4/30/2019</td>
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<td>High</td>
<td>1. Recommendations for Financial Analysis and Planning: 5.1.b. Establish procedures to analyze and verify personnel who have left the employ of UNT have no more than 0.1% access to FS information. Expected Implementation Date: February 8th, 2019 5.1.c. Submit to the IT Priority and Planning Committee to broaden the scope of the Role Removal program to capture employees that require a removal of access.</td>
<td>Jim Gross, Senior Director of Financial Planning and Analysis at UNT System, manager for the Financial System Support (FSS) Team.</td>
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<td>UNT System</td>
<td>5. Persons retain inappropriate access.</td>
<td>Terminal positions have access to FS information. Persons who transfer positions retain their access from previous role. If comparable people with access to FS information is a string of active employees, and these IT people are in a larger work of the University IT, there would be access to FS information. Persons who leave the University IT, they would also lose access to FS information. When a person transfers between UNT entities, they obtain a status of Terminated from the department they are leaving and then get hired into the new department. Their access is automatically removed and new appropriate access granted. When a person transfers within a UNT entity, they retain their access, and additional access needed for their new role is then requested.</td>
<td>HIGH</td>
<td>5. Recommendation for Financial Analysis and Planning: <strong>5.1.c.</strong> Establish procedures whereby persons who transfer to another position, within or across UNT entities, have their EIS FS access removed and access appropriate to their new role granted.</td>
<td><strong>Jim Gross,</strong> Senior Director of Financial Planning and Analysis at UNT System, manager for the Financial System Support (FSS) team.</td>
<td>Exp. Imp. Date: 04/30/2019</td>
<td>Rev. Imp. Date: 07/31/2020</td>
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<td>UNT System</td>
<td>6. Forms and tickets not used to request access.</td>
<td>ACEs do not use a ticketing system to track access requests. The ITSM ticketing system is used for access requests. Requests come in via email, phone, or class attendance list. This results in lack of an audit trail on who requested access, who was granted access, and who worked the request, and how/when the request was resolved.</td>
<td>HIGH</td>
<td>6. Recommendation for Financial Analysis and Planning: <strong>6.1.a.</strong> Choose and enforce the use of a ticketing system to track all access requests received and processed by ACEs.</td>
<td><strong>Jim Gross,</strong> Senior Director of Financial Planning and Analysis at UNT System, manager for the Financial System Support (FSS) team.</td>
<td>Exp. Imp. Date: 05/31/2019</td>
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<td>19-026</td>
<td>SYS Information Technology</td>
<td>EIS Roles Base Access</td>
<td>UNT System</td>
<td>There are no written procedures. There are no written procedures in place for granting access to IT systems. The ACEs rely upon their experience to perform their jobs.</td>
<td>Moderate</td>
<td>7.1.a. Create written procedures for the consistency of granting and modifying access to IT systems.</td>
<td>1a. FSS modified their approach to support in anticipation of the retirement of the primary Procure to Pay (P2P) ACE on 09/1/2018. A lack of redundancy was identified early on and steps were taken to mitigate the issue. Prior to departure, the outgoing ACE engaged in one-on-one training with the current primary P2P ACE for a period of 3 months. The CTO granted the outgoing ACE access to all systems and provided documentation with the entire team in August of 2018. These sessions were recorded with screen capturing and audio, which allows for use as a reference. The entire team now has copies of all current P2P documentation. The team will document the procedures used for granting and modifying access by publishing this information on the team’s knowledgebase. The procedure will follow the guidelines provided by ITSS document Standards for Granting and Removing IT Access.</td>
<td>Jim Gross, Senior Director of Financial Planning and Analysis at UNT System, manager for the Financial System Support (FSS) Team.</td>
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<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2019</td>
<td>18-412</td>
<td>DAL Governance and Regulatory Compliance</td>
<td>Security Camera Audit</td>
<td>UNT Dallas</td>
<td>Currently installed cameras do not capture segments of the parking lots. UNT System Internal Audit identified several areas in the northeast (NE) and southwest (SW) corners of the parking lots that are not viewable by the currently installed cameras attached to the buildings.</td>
<td>High</td>
<td>1.1.a. Convene a committee of UNT Dallas Senior Leadership to determine the most effective and most feasible method to provide camera surveillance to the northeast and southwest corners of the parking lots.</td>
<td>1a. UNT Dallas Campus Safety and Security Committee will review current parking lot surveillance coverage and will develop an implementation plan for adding additional cameras.</td>
<td>Christopher Watts, UNT Dallas Police</td>
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<td>Internal/ External</td>
<td>Reporting Agency</td>
<td>Fiscal Year</td>
<td>Audit Number</td>
<td>Audit Category</td>
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<td>Recommendation Details</td>
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<td>18-412-DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Security Camera Audit</td>
<td>UNT Dallas</td>
<td>A faulty camera. Building 1 cameras facing the basketball court, soccer field and residence hall no longer functioning adequately. The camera on building 1 NE corner provided blurry images and could not be returned to default settings to reconfigure the camera for effective operation. UNT Dallas officials were aware of the issue and planned to replace the camera.</td>
<td>High</td>
<td>a. Replace the aging cameras&lt;br&gt;b. UNT Dallas PD has a process in place to conduct monthly audits of all campus surveillance equipment to ensure proper functionality and will continue to facilitate these audits.</td>
<td>Christopher Shaw, Chief of Police</td>
<td>1/2/2019</td>
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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2019</td>
<td>18-412-DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Security Camera Audit</td>
<td>UNT Dallas</td>
<td>A configuration of variable surveillance monitoring capabilities: Surveillance camera monitoring capabilities not configured to allow contiguous viewing of campus wide activity. The configuration of the equipment and the number of monitors does not allow for complete monitoring of activity on or throughout the campus. The camera feeds must be toggled back and forth between views to monitor activity as it traverses campus.</td>
<td>High</td>
<td>a. Consider relocating the police dispatch to a larger area that could accommodate additional monitors to enhance monitoring capabilities.&lt;br&gt;b. UNT Dallas PD has a process in place to conduct monthly audits of all campus surveillance equipment to ensure proper functionality and will continue to facilitate these audits.</td>
<td>Christopher Shaw, Chief of Police</td>
<td>10/1/2019</td>
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<th>Proposed Implementation Date</th>
<th>Recommendation Status</th>
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</thead>
</table>
| Internal          | UNT System Internal Audit | Fiscal Year 2019 | 18-412 DAL   | Governance and Regulatory Compliance | Security Camera Audit | UNT Dallas | A configuration of camera surveillance monitoring equipment | Surveillance camera monitoring capability not configured to allow contiguous viewing of campus wide activity. The configuration of the equipment and the number of monitors does not allow for contiguous monitoring of activity as it traverses the campus. The current setup lead for toggling back and forth between views to monitor activity as it crosses campus. | High | A.A. Recommendation for UNT Dallas Chief of Police and Director of OIT: 
  b. Discuss the most effective configuration for monitoring of video feeds for the most comprehensive viewing of campus activity. 
  c. If contiguous campus wide viewing is not feasible, ensure all dispatch officers are well trained to navigate through the camera feeds to provide a continuous flow of activity as it crosses campus. | Christopher Shaw, Chief of Police | 10/01/2019 | Closed |
| Internal          | UNT System Internal Audit | Fiscal Year 2020 | 18-412 DAL   | Governance and Regulatory Compliance | Security Camera Audit | UNT Dallas | A configuration of camera surveillance monitoring equipment | Surveillance camera monitoring capability not configured to allow contiguous viewing of campus wide activity. The configuration of the equipment and the number of monitors does not allow for contiguous monitoring of activity as it traverses the campus. The current setup lead for toggling back and forth between views to monitor activity as it crosses campus. | High | A.A. Recommendation for UNT Dallas Chief of Police and Director of OIT: 
  b. If contiguous campus wide viewing is not feasible, ensure all dispatch officers are well trained to navigate through the camera feeds to provide a continuous flow of activity as it crosses campus. | Christopher Shaw, Chief of Police | 10/01/2020 | Closed |
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<td>Security Camera Audit</td>
<td>UNT Dallas</td>
<td>High</td>
<td>It is recommended for the Director of OIT to implement the configuration addressed in step 3.a.</td>
<td>Kevin Rocha, Director of OIT</td>
<td>10/1/2019</td>
<td>Closed</td>
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<td>18-412 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Security Camera Audit</td>
<td>UNT Dallas</td>
<td>High</td>
<td>It is recommended for the Director of OIT to convene a committee comprised of UNT Dallas Chief of Police, Office of Information Technology (OIT) and UNT Dallas Policy Office to establish an appropriate policy for the use and application of security cameras.</td>
<td>Christopher Shaw, Chief of Police</td>
<td>1/2/2019</td>
<td>Closed</td>
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### Security Camera Audit

#### UNT Dallas

**Fiscal Year:** 2019

**Audit Number:** 18-412 DAL

**Audit Category:** Governance and Regulatory Compliance

**Report Name:** Internal Audit

#### Key Observations

- **What We Found:** Surveillance videos are not consistently monitored during hours the campus is open for classes.

- **Internal Audit (IA) observed:** The camera feeds were not monitored on a continuous basis during the open hours of the campus (7:00AM to 10:00PM).

- **IA also observed:** There was only one emergency phone on the DART trail. The DART trail is approximately 300 yards in length and the phone is located approximately half way between the entrance of the UNT Dallas parking lot and the entrance to the DART rail station. IA noted that although there are nine security cameras along the length of the trail, these camera feeds were not continuously monitored during open hours of the UNT Dallas campus.

#### Risk Level: High

**Recommendation Details:**

**5.1.a. Recommendation for UNT Dallas CFO and Chief of Police:**

- Discuss ways to effectively staff the dispatch area to consistently monitor the camera feeds during open hours of the campus (7:00AM to 10:00PM).

**Management Response:**

- **Christopher Shaw, Chief of Police**
  - 10/01/2019

**Status:** Closed

**Recommendation Details:**

**5.2.a. Recommendation for the Chief of Police and Director of OIT:**

- Discuss the most effective configuration for monitoring of video feeds for viewing of campus activity to include the DART trail.

**Management Response:**

- **Dispatch**
  - 10/01/2019

**Status:** Closed
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<td>UNT System Internal Audit</td>
<td>2019</td>
<td>Governance and Regulatory Compliance</td>
<td>Security Camera Audit</td>
<td>Surveillance video feeds are not consistently monitored during open hours of campus.</td>
<td>High</td>
<td>Recommend the configuration change and implement it as requested by OIT.</td>
<td>Kevin Rocha, Director of Police</td>
<td>1/1/2020</td>
<td>Closed</td>
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<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>2019</td>
<td>Governance and Regulatory Compliance</td>
<td>Security Camera Audit</td>
<td>A terminated employee was still on the user access list.</td>
<td>High</td>
<td>Recommend reactivation of employee records and removal of accounts who no longer require access.</td>
<td>Christopher Shaw, Chief of Police</td>
<td>1/2/2019</td>
<td>Closed</td>
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<td>18-412 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Security Camera Audit</td>
<td>UNT Dallas</td>
<td>A. Terminated employee with Access</td>
<td>A terminated employee was still on the user access list. Internal Audit reviewed the user access list for the Milestone application and observed that the application had 21 user accounts. There were only two accounts identified in the configuration list of the user access list. There were no terminated employees listed as of September 4th 2018.</td>
<td>High</td>
<td>6.1.b. Recommend to the UNT Dallas Chief of Police:</td>
<td>Christopher Shaw, Chief of Police</td>
</tr>
<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2019</td>
<td>18-412 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Security Camera Audit</td>
<td>UNT Dallas</td>
<td>7. Business Continuity and Disaster Recovery Plan</td>
<td>There was no documented Business Continuity or Disaster Recovery Plan in place for UNT Dallas Security Camera system. There was no Business Continuity Plan (BCP) in place to document the criticality of the system and recovery time required for system restoration. There was also no documented Service Level Agreement (SLA) in place to ensure a timely restoration of service.</td>
<td>High</td>
<td>7.1.a.1. Recommend to the UNT Dallas Risk Manager:</td>
<td>John Bullock, Risk Manager</td>
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</table>

Note: The recommendation for the Business Continuity Plan is time-sensitive and requires immediate attention to ensure the security camera system remains operational in the event of a disaster. The recommendation for the Service Level Agreement is also time-sensitive and requires immediate attention to ensure system restoration in a timely manner.
### My Business Continuity and Disaster Recovery Plan

**Audit Number**: 18-412 DAL  
**Audit Category**: Governance and Regulatory Compliance  
**Report Name**: Security Camera Audit  
**Component Institution**: UNT Dallas  
**Fiscal Year**: 2019

- **Key Observations**: There was no documented Business Continuity or Disaster Recovery Plan in place for UNT Dallas Security Camera system. There is no Business Continuity Plan (BCP) in place to document the criticality of the system and recovery times required to ensure continued security camera operations. There was also no Disaster Recovery Plan (DRP) or Service Level Agreement (SLA) in place to ensure system restoration in a timely manner.

- **Risk Level**: High  
**Recommendation Details**:  
- 7.1.b. Recommendation for UNT Dallas Risk Manager:  
  - Work with the CFO, Chief of Police and OIT Director to develop and implement a Disaster Recovery Plan (including Service Level Agreements) to address the needs established in the BCP.

- **Management Response**:
  - UNT Dallas Risk Manager, CFO, Police Chief and OIT Director will work together to compile a BCP and Disaster Recovery Plan for the Security Camera system.

- **Individual Responsible for Implementation**: John Bullock, Risk Manager  
**Expected Implementation Date**: 9/1/2019  
**Recommended Implementation Date**: 05/31/2020  
**Recommendation Status**: Open

### My DART Trail fence damage

**Audit Number**: 18-412 DAL  
**Audit Category**: Governance and Regulatory Compliance  
**Report Name**: Security Camera Audit  
**Component Institution**: UNT Dallas  
**Fiscal Year**: 2019

- **Key Observations**: Internal Audit noted a hole under the fence that lines the DART trail; the hole was approximately 12” deep by 36” wide. This appeared to be large enough for an animal or person to crawl through.

- **Risk Level**: Moderate  
**Recommendation Details**:  
- 8.1.a. Recommendation for UNT Dallas Director of Facilities:  
  - Repair the hole under the fence.

- **Management Response**:
  - UNT Dallas Facilities repaired hole under the fence.

- **Individual Responsible for Implementation**: Wayne McInnis, Director of Facilities  
**Expected Implementation Date**: 1/2/2019  
**Recommended Implementation Date**: 04/30/2019  
**Recommendation Status**: Closed
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<td>2019</td>
<td>18-412 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Security Camera Audit</td>
<td>UNT Dallas</td>
<td>A DART Trail fence damage</td>
<td>There was a hole under the DART Trail fence. Internal Audit noted a hole under the fence that lines the DART Trail. The hole was approximately 12&quot; deep by 36&quot; wide. This appeared to be large enough for an animal or person to crawl through.</td>
<td>Moderate</td>
<td>8.1.a. Periodically repair fence for damage</td>
<td>UNT Dallas Facilities will ensure monthly checks of the UNT Dallas DART Walkway. UNT Dallas Facilities will manage repairs as needed.</td>
<td>Wayne McInnis, Director of Facilities</td>
<td>2/1/2019</td>
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<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>2019</td>
<td>18-416 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Financial Aid Processes Audit</td>
<td>UNT</td>
<td>1. Cost of Attendance Adjustments</td>
<td>Improper Cost of Attendance (COA) adjustments in excess of $180,000 were awarded, including COA adjustments applied to prior financial aid years.</td>
<td>High</td>
<td>1. Recommendations for Executive Director of Student Financial Aid and Scholarships: 1.1.a. Develop a process and procedure to conduct regularly a post-transaction review of Cost of Attendance adjustments. 1.2.a. Develop a process and procedure to conduct regularly a post-transaction review of Cost of Attendance adjustments.</td>
<td>Management agrees with this recommendation. Management developed a process and procedure to conduct regularly a post-transaction review of Cost of Attendance adjustments.</td>
<td>Financial Aid Compliance Officer of Student Financial Aid and Scholarships</td>
<td>11/16/2018</td>
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<td>18-416 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Financial Aid Processes Audit</td>
<td>UNT</td>
<td>Improper Cost of Attendance (COA) adjustments in excess of $180,000 were awarded, including COA adjustments applied to prior financial aid years.</td>
<td>High</td>
<td>1. Recommendations for Executive Director of Student Financial Aid and Scholarships: 1.1.b. Develop a process and procedure to address issues involving Cost of Attendance adjustments identified during post-transaction review.</td>
<td>Management agrees with this recommendation. Management developed a process and procedure to address issues involving Cost of Attendance adjustments identified during the post-transaction review.</td>
<td>11/16/2018</td>
<td>Closed</td>
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<tr>
<td>18-416 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Financial Aid Processes Audit</td>
<td>UNT</td>
<td>Improper Cost of Attendance (COA) adjustments in excess of $180,000 were awarded, including COA adjustments applied to prior financial aid years.</td>
<td>High</td>
<td>1. Recommendations for Executive Director of Student Financial Aid and Scholarships: 1.1.c. Develop a process and procedure to identify and address Cost of Attendance adjustments applied to prior financial aid years.</td>
<td>Management agrees with this recommendation. Management developed a process and procedure to identify and address Cost of Attendance adjustments applied to prior financial aid years.</td>
<td>9/7/2018</td>
<td>Closed</td>
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<td>18-416 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Financial Aid Processes - Audit</td>
<td>UNT</td>
<td>Inappropriate financial aid disbursements, consisting of institutional grants, in excess of $80,000 were awarded in prior years. Based on review of transaction data in PeopleSoft, internal audit observed inappropriate financial aid disbursements that fell outside the associated financial aid year. After SFAS has disbursed financial aid, Student Financial Services posts the aid to the student’s account and issues a refund, if applicable. SFAS stated that it is unusual to see financial aid disbursements dating back several years.</td>
<td>High</td>
<td>1. Recommendations for Executive Director of Student Financial Aid and Scholarships: 1.2. Develop a process and procedure to identify prior year financial aid items with a remaining balance.</td>
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<td>Financial Aid Processes Audit</td>
<td>UNT</td>
<td>Inappropriate financial aid disbursements, consisting of institutional grants, in excess of $80,000 were awarded in prior years. Based on review of transaction data in PeopleSoft, Internal Audit observed inappropriate financial aid disbursements that fell outside the associated financial aid year. These prior year disbursements involved inappropriate disbursement overrides. After SFAS has disbursed financial aid, Student Financial Services posts the aid to the student's account and issues a refund, if applicable. SFAS stated that it is unusual to see financial aid disbursements dating back several years.</td>
<td>High</td>
<td>1. Recommendations for Executive Director of Student Financial Aid and Scholarships: 2.1.b. Develop a process and procedure to close out balances for financial aid items in prior years.</td>
</tr>
<tr>
<td>Internal UNT System Internal Audit</td>
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<td>Fiscal Year 2019</td>
<td>18-416 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Financial Aid Processes Audit</td>
<td>UNT</td>
<td>Inappropriate financial aid disbursements, consisting of institutional grants, in excess of $80,000 were awarded in prior years. Based on review of transaction data in PeopleSoft, Internal Audit observed inappropriate financial aid disbursements that fell outside the associated financial aid year. These prior year disbursements involved inappropriate disbursement overrides. After SFAS has disbursed financial aid, Student Financial Services posts the aid to the student's account and issues a refund, if applicable. SFAS stated that it is unusual to see financial aid disbursements dating back several years.</td>
<td>High</td>
<td>1. Recommendations for Executive Director of Student Financial Aid and Scholarships: 2.1.c. Close out balances for financial aid items in prior years.</td>
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<td>Fiscal Year 2019</td>
<td>18-416 UNT</td>
<td>Governance and Regulatory Compliance Financial Aid Processes Audit</td>
<td>Inappropriate financial aid disbursements, consisting of institutional grants, in excess of $80,000 were awarded in prior years. Based on review of PeopleSoft, UNT observed inappropriate financial aid disbursements that fell outside the associated financial aid year. These prior year disbursements dated back several years and often involved the use of inappropriate disbursement overrides.</td>
<td>High</td>
<td>1. Recommendations for Executive Director of Student Financial Aid and Scholarships: 2.1.d. Develop a process and procedure to identify and review financial aid disbursements that fall outside the financial aid year.</td>
<td>Management agrees with the recommendation. Management developed a process and procedure to identify and review financial aid disbursements that fall outside the financial aid year.</td>
<td>Financial Aid Compliance Officer of Student Financial Aid and Scholarships</td>
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<td>Internal</td>
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<td>Fiscal Year 2019</td>
<td>18-416 UNT</td>
<td>Governance and Regulatory Compliance Financial Aid Processes Audit</td>
<td>Inappropriate financial aid disbursements, consisting of institutional grants, in excess of $80,000 were awarded in prior years. Based on review of PeopleSoft, UNT observed inappropriate financial aid disbursements that fell outside the associated financial aid year. These prior year disbursements dated back several years and often involved the use of inappropriate disbursement overrides. After SFAS has disbursed financial aid, Student Financial Services posts the aid to the student’s account and issues a refund, if applicable. SFAS stated that it is unusual to see financial aid disbursements dating back several years.</td>
<td>High</td>
<td>1. Recommendations for Executive Director of Student Financial Aid and Scholarships: 2.1.e. Develop a process and procedure to identify and review financial aid disbursement overrides.</td>
<td>Management agrees with the recommendation. Management will develop a process and procedure to identify and review financial aid disbursement overrides.</td>
<td>Director of Operations of Student Financial Aid and Scholarships</td>
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<td>UNT Systems Internal Audit</td>
<td>Fiscal Year 2019</td>
<td>18-416 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Financial Aid Processes Audit</td>
<td>As a result of inappropriately awarded financial aid, financial aid refunds in excess of $80,000 were processed for prior aid years. Additionally, there are no aggregate thresholds for review of financial aid refunds. Based on review of financial aid refund transactions in PeopleSoft, internal audit identified financial aid refunds that fell outside the associated financial aid year. These refunds resulted from inappropriately financial aid disbursements and dated back several years. Based on discussion with Student Financial Services (SFS) management, there is a $10,000 review threshold for individual financial aid refunds. However, there is no aggregate semester or annual dollar or transaction number threshold for review of financial aid refunds.</td>
<td>High</td>
<td>1. Recommendations for Associate Vice President for Student Financial Services: 3.1 a. Establish an aggregate dollar and/or transaction number threshold(s) for review of financial aid refunds. 3.1 b. Establish an aggregate dollar and/or transaction number threshold(s) for review of financial aid refunds.</td>
<td>1a. Management reviewed data on financial aid refunds and determined appropriate thresholds for financial aid refunds that require additional review and management oversight.</td>
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<tr>
<td>Internal/ External</td>
<td>Reporting Agency</td>
<td>Fiscal Year</td>
<td>Report Number</td>
<td>Report Name</td>
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<td>Governance and Regulatory Compliance</td>
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<td>As a result of inappropriately awarded financial aid, financial aid refunds in excess of $80,000 were processed for prior aid years. Additionally, there are no aggregate thresholds for review of financial aid refunds. Based on review of financial aid refund transactions in PeopleSoft, Internal Audit identified financial aid refunds that fell outside the associated financial aid year. These refunds resulted from inappropriate financial aid disbursements and dated back several years. Based on discussion with Student Financial Services (SFS) management, there is a $10,000 review threshold for individual financial aid refunds. However, there is no aggregate semester or annual dollar threshold or transaction number (i.e. the number of different refund transactions) threshold for review of financial aid refunds.</td>
<td>High</td>
<td>1. Recommendations for Assistant Vice President for Student Financial Services:</td>
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<td>3.1.b. Develop a process and procedure to address financial aid refunds that reach any predetermined thresholds.</td>
<td>Management will establish written procedures that address financial aid refunds reaching the thresholds established in (1a). Management will also communicate the procedures to staff in Student Financial Services.</td>
</tr>
</tbody>
</table>

Internal
UNT System Internal Audit
Fiscal Year 2019
18-416 UNT
Governance and Regulatory Compliance
Financial Aid Processes Audit
5. Financial Aid Refunds
As a result of inappropriately awarded financial aid, financial aid refunds in excess of $80,000 were processed for prior aid years. Additionally, there are no aggregate thresholds for review of financial aid refunds. Based on review of financial aid refund transactions in PeopleSoft, Internal Audit identified financial aid refunds that fell outside the associated financial aid year. These refunds resulted from inappropriate financial aid disbursements and dated back several years. Based on discussion with Student Financial Services (SFS) management, there is a $10,000 review threshold for individual financial aid refunds. However, there is no aggregate semester or annual dollar threshold or transaction number (i.e. the number of different refund transactions) threshold for review of financial aid refunds. | High | 3.1.c. Develop a process and procedure to identify and review financial aid refunds processed for prior financial aid years. | Management will establish an automated process to identify financial aid refunds processed for prior financial aid years. The process will allow for the necessary review by staff. | Associate Vice President for Student Financial Services | 2/28/2019 | Closed |
<table>
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<td>Financial Aid Processes</td>
<td>High</td>
<td>1. Recommendations for Associate Vice President for Student Financial Services:</td>
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<td>4.1.d.</td>
<td>Develop a process and procedure to address financial aid refunds processed for prior financial aid years.</td>
<td>1d. Management will establish written procedures that address the additional review and approval for financial aid refunds processed for prior financial aid years. Management will also communicate the procedures to staff in Student Financial Services.</td>
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<td></td>
<td>Associate Vice President for Student Financial Services</td>
<td>2/28/2019</td>
<td>Closed</td>
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</tbody>
</table>

<p>| Internal         | UNT System Internal Audit | Fiscal Year 2019 | 18-416 | UNT | Governance and Regulatory Compliance | Financial Aid Processes | High | 4. Recommendations for Executive Director of Student Financial Aid and Scholarships: | | | |
|                  |                  |              | 4.1.a. | Establish an internal aggregate and/or annual review threshold(s) for Graduate PLUS loans. | 1a. Management agrees with the best practice recommendation since the U.S. Department of Education does not regulate annual or aggregate limits on Graduate PLUS loans. Management established a best practice internal annual review threshold for Graduate PLUS Loans. | | |
|                  |                  |              |       |          |          |                 |            |          | Executive Director of Student Financial Aid and Scholarships | 11/15/2018 | Closed |</p>
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<td>Governance and Regulat</td>
<td>Financial Aid Processes Audit</td>
<td>UNT</td>
<td>There is no aggregate or annual threshold for review of Graduate PLUS loans. According to the Student Financial Aid and Scholarships (SFAS) website: The Federal Direct Graduate PLUS Loan is a credit-based loan available to graduate students and is not based on established financial need. Based on discussion with SFAS management, there is no internal threshold for review of aggregate or annual Graduate PLUS loan amounts. In contrast to Direct Subsidized/Unsubsidized loans, Graduate PLUS loans do not have an aggregate loan limit. Graduate PLUS loan amounts are limited by a student’s Cost of Attendance less other financial aid received.</td>
<td>High</td>
<td>1. Recommendations for Executive Director of Student Financial Aid and Scholarships: 4.1.b. Develop a process and procedure to review and address Graduate PLUS loans that reach the internal aggregate and/or annual threshold(s) established in recommendation (a).</td>
<td>1b. Management agrees with the best practice recommendation. Management developed a process and procedure to review and address Graduate PLUS loans that reach the best practice internal aggregate and annual threshold(s) established in recommendation (a).</td>
<td>Director of Operations of Student Financial Aid and Scholarships</td>
<td>11/15/2018</td>
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| Internal |

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<td>2019</td>
<td>18-416</td>
<td>Governance and Regulat</td>
<td>Financial Aid Processes Audit</td>
<td>UNT</td>
<td>There were multiple conflicts of interest in Student Financial Aid and Scholarships (SFAS). Based on review of financial aid transaction data in PeopleSoft, Internal Audit observed conflicts of interest involving the following situations: 1. An employee in SFAS processed financial aid for a family member; 2. An employee in SFAS processed their own financial aid; and 3. Coworkers within the same team in SFAS processed each other’s financial aid. Specific financial aid processes included Cost of Attendance adjustments, Satisfactory Academic Progress appeals, and the awarding and disbursement of financial aid. SFAS employees must sign a Code of Conduct for Financial Aid Professionals. The purpose of the Code of Conduct is to “prevent any conflicts of interest in the administration of programs for Federal Student Assistance.” However, the SFAS Code of Conduct did not directly state that employees should not award aid to themselves or their family members. Rather, the Code of Conduct referenced the Statement of Ethical Principles and Code of Conduct for Financial Aid Professionals from the National Association of Student Financial Aid Administrators.</td>
<td>High</td>
<td>1. Recommendations for Executive Director of Student Financial Aid and Scholarships: 5.1.a. Require SFAS employees to list annually any family members who are enrolled at UNT.</td>
<td>1a. Management agrees with the recommendation. Management now requires SFAS employees to list annually any family members who are enrolled at UNT.</td>
<td>Executive Director of Student Financial Aid and Scholarships</td>
<td>10/1/2018</td>
<td>Closed</td>
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| Page 398 of 559 |
There were multiple conflicts of interest in Student Financial Aid and Scholarships (SFAS). Based on review of financial aid transaction data in PeopleSoft, internal audit observed conflicts of interest involving the following situations:

- An employee in SFAS processed financial aid for a family member.
- An employee in SFAS processed their own financial aid.
- Coworkers within the same team in SFAS processed each other's financial aid.

Specific financial aid processes included Cost of Attendance adjustments, Satisfactory Academic Progress appeals, and the awarding and disbursement of financial aid.

SFAS employees must sign a Code of Conduct for Financial Aid Professionals. The purpose of the Code of Conduct is to "prevent any conflicts of interest in the administration of programs for Federal Student Assistance."

However, the SFAS Code of Conduct did not directly state that employees should not award aid to themselves or their family members. Rather, the Code of Conduct referenced the Statement of Ethical Principles and Code of Conduct for Financial Aid Professionals from the National Association of Student Financial Aid Administrators (NASFAA).

5.1.b. Develop a process and procedure to identify whether SFAS employees have processed their own financial aid. Management agrees with the recommendation. Management developed a process and procedure to identify whether SFAS employees have processed their own financial aid.

5.1.c. Develop a process and procedure to ensure that SFAS employees within the same team do not process each other’s financial aid. Executive Director of Student Financial Aid and Scholarships developed a process and procedure to ensure that SFAS employees within the same team do not process each other’s financial aid.

Recommendation Status: Closed
<table>
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<th>Audit Number</th>
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<th>Key Observations</th>
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<tr>
<td>18-416 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Financial Aid Processes Audit</td>
<td>UNT</td>
<td>There were multiple conflicts of interest in Student Financial Aid and Scholarships (SFAS).</td>
<td>High</td>
<td>Development of Executive Director of Student Financial Aid and Scholarships: 5.1.d. Update the Code of Conduct for Financial Aid Professionals to expressly prohibit SFAS employees from awarding financial aid to themselves or their family members.</td>
<td>Management agrees with the recommendation. Management updated the Code of Conduct for Financial Aid Professionals to expressly prohibit SFAS employees from awarding financial aid to themselves or their family members.</td>
<td>Executive Director of Student Financial Aid and Scholarships</td>
<td>9/16/2019</td>
<td>Closed</td>
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<td>Based on review of financial aid transaction data in PeopleSoft, internal audit observed conflicts of interest involving the following situations: 1. An employee in SFAS processed financial aid for a family member; 2. An employee in SFAS processed their own financial aid; and 3. Colleagues within the same tier in SFAS processed each other's financial aid. Specific financial aid processes included Cost of Attendance adjustments, Satisfactory Academic Progress appeals, and the awarding and disbursement of financial aid. SFAS employees must sign a Code of Conduct for Financial Aid Professionals. The purpose of the Code of Conduct is to &quot;prevent any conflicts of interest in the administration of programs for Federal Student Aid.&quot; However, the SFAS Code of Conduct did not directly state that employees should not award aid to themselves or their family members. Rather, the Code of Conduct referenced the Statement of Ethical Principles and Code of Conduct for Financial Aid Professionals from the National Association of Student Financial Aid Administrators. In this role, the internal audit determined that the SFAS Code of Conduct and the SFAS Code of Conduct for Financial Aid Professionals did not address conflicts of interest as defined by the Code of Conduct for Financial Aid Professionals.</td>
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<td>The purpose of the Code of Conduct is to &quot;prevent any conflicts of interest in the administration of programs for Federal Student Aid.&quot;</td>
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<td>Fiscal Year 2019</td>
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<td>Financial Aid Processes Audit</td>
<td>Satisfactory Academic Program Appeals. Satisfactory Academic Program (SAP) appeal requests were approved without proper supporting documentation. Additionally, there was an inadequate segregation of duties for the review of SAP appeal requests.</td>
<td>High</td>
<td>5. Recommendations for Executive Director of Student Financial Aid and Scholarships: 6.1.b. Update the Satisfactory Academic Progress appeal request forms to correspond to UNT Policy 07.004 – Satisfactory Academic Progress Requirements for Financial Assistance.</td>
<td>Management agrees with the recommendation. Management updated the Satisfactory Academic Progress appeal request forms to correspond to UNT Policy 07.004 – Satisfactory Academic Progress Requirements for Financial Assistance.</td>
<td>Director of Operations of Student Financial Aid and Scholarships</td>
</tr>
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<td>Financial Aid Processes Audit</td>
<td>Fraud Awareness Training Employees in Student Financial Aid and Scholarships (SFAS) do not complete fraud awareness training. Based on a discussion with SFAS management and review of training outlines, there is no dedicated fraud awareness training for employees in SFAS. Employees are instructed to notify their supervisor of unusual financial aid activity.</td>
<td>Moderate</td>
<td>7.1.a. Develop fraud awareness training for employees in SFAS.</td>
<td>Management agrees with the recommendation. Management will work with UNT Executive Director, Asset Protection, to develop fraud awareness training for employees in SFAS.</td>
<td>Executive Director of Student Financial Aid and Scholarships</td>
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<td>Employees in Student Financial Aid and Scholarships (SFAS) do not complete fraud awareness training. Based on discussion with SFAS management and review of training outlines, there is no dedicated fraud awareness training for employees in SFAS. Employees are instructed to notify their supervisor of unusual financial aid activity.</td>
<td>Moderate</td>
<td>1. Recommendations for Executive Director of Student Financial Aid and Scholarships: 7.1.b. Integrate fraud awareness training into the annual training schedule for employees in SFAS.</td>
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<td>Financial Aid Processes Audit</td>
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<td>Two Student Financial Services (SFS) policies have not been reviewed within the last six years as required by UNT Policy 02.001. UNT Policy 10.029 – Refunds was last reviewed in 2011. UNT Policy 10.034 – Emergency Student Loan Program was last revised in 2010.</td>
<td>Moderate</td>
<td>1. Recommendations for Associate Vice President for Student Financial Services: 8.1.a. Develop a process and procedure to review policies and update at a minimum of once every six years unless otherwise required by state or federal law and note in the policy the date last reviewed and/or updated.</td>
</tr>
</tbody>
</table>

**Management Response**

1b. Management agrees with the best practice recommendation. Management integrated Federal Student Aid fraud awareness training into the annual training schedule for employees in SFAS. 2a. All policies assigned to Student Financial Services will be reviewed and updated as appropriate. The department will request assistance from the UNT Policy Office to provide future notifications of review requirements for policies reviewed.

**Individual Responsible for Implementation**

Financial Aid Compliance Officer of Student Financial Aid and Scholarships

**Expected Implementation Date**

2/17/2018

**Recommendation Status**

Closed

**Internal/External** | Reporting Agency | Fiscal Year | Audit Number | Audit Category | Report Name | Component Institution | Key Observations | Risk Level | Recommendation Details |
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<td>Employees in Student Financial Aid and Scholarships (SFAS) do not complete fraud awareness training. Based on discussion with SFAS management and review of training outlines, there is no dedicated fraud awareness training for employees in SFAS. Employees are instructed to notify their supervisor of unusual financial aid activity.</td>
<td>Moderate</td>
<td>1. Recommendations for Executive Director of Student Financial Aid and Scholarships: 7.1.b. Integrate fraud awareness training into the annual training schedule for employees in SFAS.</td>
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<td>Two Student Financial Services (SFS) policies have not been reviewed within the last six years as required by UNT Policy 02.001. UNT Policy 10.029 – Refunds was last reviewed in 2011. UNT Policy 10.034 – Emergency Student Loan Program was last revised in 2010.</td>
<td>Moderate</td>
<td>1. Recommendations for Associate Vice President for Student Financial Services: 8.1.a. Develop a process and procedure to review policies and update at a minimum of once every six years unless otherwise required by state or federal law and note in the policy the date last reviewed and/or updated.</td>
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**Management Response**

1b. Management agrees with the best practice recommendation. Management integrated Federal Student Aid fraud awareness training into the annual training schedule for employees in SFAS. 2a. All policies assigned to Student Financial Services will be reviewed and updated as appropriate. The department will request assistance from the UNT Policy Office to provide future notifications of review requirements for policies reviewed.

**Individual Responsible for Implementation**

Financial Aid Compliance Officer of Student Financial Aid and Scholarships

**Expected Implementation Date**

2/17/2018

**Recommendation Status**

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<td>Two Student Financial Services’ (SFS) policies have not been reviewed within the last six years as required by UNT Policy 02.001. UNT Policy 10.029 – Refunds was last revised in 2011. UNT Policy 10.034 – Emergency Student Loan Program was last revised in 2010.</td>
<td>Moderate</td>
<td>Recommendation for Associate Vice President for Student Financial Services: 8.1.b. Review and update, if necessary, UNT Policy 10.029 – Refunds.</td>
<td>1b. The review and update of UNT Policy 10.029 – Refunds has been initiated. The policy draft was submitted to the UNT Policy Office on December 14, 2018. Once approved by the Policy Advisory Group and the Office of General Counsel, the updated policy will be submitted for final approval.</td>
<td>Associate Vice President for Student Financial Services</td>
<td>8/31/2019</td>
<td>Closed</td>
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<td>Two Student Financial Services’ (SFS) policies have not been reviewed within the last six years as required by UNT Policy 02.001. UNT Policy 10.029 – Refunds was last revised in 2011. UNT Policy 10.034 – Emergency Student Loan Program was last revised in 2010.</td>
<td>Moderate</td>
<td>Recommendation for Associate Vice President for Student Financial Services: 8.1.c. Review and update, if necessary, UNT Policy 10.034 – Emergency Student Loan Program.</td>
<td>1c. The review and update of UNT Policy 10.034 – Emergency Student Loan Program has been initiated. The policy draft was submitted to the UNT Policy Office on December 14, 2018. Once approved by the Policy Advisory Group and the Office of General Counsel, the updated policy will be submitted for final approval.</td>
<td>Associate Vice President for Student Financial Services</td>
<td>8/31/2019</td>
<td>Closed</td>
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<td>Moderate</td>
<td>Recommendation: UNTHSC JAMP Director and/or Coordinator should review the detail of the JAMP expenditures recorded to the JAMP grant at least on a quarterly basis to ensure that expenditures are accurate, payroll costs are correctly allocated, and expenditures are correctly classified. This would provide the JAMP Director and Coordinator with timely, accurate, and timely information about available JAMP funds.</td>
<td>Management Response: We plan to implement new procedures to address this risk: 1) A workgroup with Admissions Director (TCOM), Assistant Director of Admissions/JAMP Coordinator, and members of the Office of Sponsored Projects (OSP) Accounting staff will be established to develop a comprehensive chart to develop a systematic approach to coding future expenditures. We will use FY 2018 coding as a roadmap to expenditures and identify potential discrepancies in expenditures. Both projects will be done under the guidance and oversight from the Sr. Director of Academic and Business Affairs for TCOM and will be implemented by March 29, 2019.</td>
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<td>Fiscal Year 2019</td>
<td>19-107 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Family Medicine Residency Program/ NMM Grant Compliance</td>
<td>Professional Services Revenue Determination: The balance reported for Total Net Dollars Available on the Annual Financial Report (AFR) was reported incorrectly. The Instructions for Completing the Annual Financial Report, as set forth by the THECB, define the Total Net Dollars Available to FPRP as: B.3 – Amount of Net Collections for Residency Program: Include only collections available for residency program activities during the given fiscal year. Based on this definition, this line item is not appropriately reported on the AFR. The amount of $175,190.58 reported on this line item represents the unpaid balance of services rendered as of the end of the fiscal year, instead of “collections available for residency program activities during the given fiscal year.”</td>
<td>Moderate</td>
<td>Management should ensure that the balance reported for line item B.3 under Professional Services Revenue on the AFR meets the criteria of “collections available for residency program activities during the given fiscal year.” The reported balance for this line item should be collected revenue designated for use on Family Medicine Residency Program activities. Additionally, management should establish and document an appropriate definition to determine how they designate the funding that will be made available for use in FMRP activities.</td>
<td>VP of Finance and Administration</td>
<td>4/30/2019</td>
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<td>Weaver and Tidwell, LLP</td>
<td>Fiscal Year 2019</td>
<td>19-108 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Faculty Development Center Grant Compliance</td>
<td>No observations were noted.</td>
<td>N/A</td>
<td>N/A</td>
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**Key Observations:**
- Professional Services Revenue Determination: The balance reported for Total Net Dollars Available on the Annual Financial Report (AFR) was reported incorrectly. The Instructions for Completing the Annual Financial Report, as set forth by the THECB, define the Total Net Dollars Available to FPRP as:
  - B.3 – Amount of Net Collections for Residency Program: Include only collections available for residency program activities during the given fiscal year. Based on this definition, this line item is not appropriately reported on the AFR. The amount of $175,190.58 reported on this line item represents the unpaid balance of services rendered as of the end of the fiscal year, instead of “collections available for residency program activities during the given fiscal year.”
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<td>19-106 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Family Medicine Residency Program Grant Compliance</td>
<td>UNTHSC</td>
<td>Finding 1 – Professional Services Revenue Determination: The balance reported for Total Net Dollars Available to FPRP on the Annual Financial Report (AFR) was reported incorrectly. The Instructions For Completing the Annual Financial Report, as set forth by the THECB, define the Total Net Dollars Available to FPRP as: B.3 – Amount of Net Collections for Residency Program activities during the given fiscal year. Based on this definition, this line item is not appropriately reported on the AFR. The amount of $100,854.19 reported on this line item represents the unpaid balance of services rendered as of the end of the fiscal year, instead of “collections available for residency program activities during the given fiscal year.”</td>
<td>Moderate</td>
<td>Management should ensure that the balance reported for line item B.3 under Professional Services Revenue on the AFR meets the criteria of “collections available for residency program activities during the given fiscal year.” The reported balance for this line item should be collected revenue designated for use on Family Medicine Residency Program activities. Additionally, management should establish and document the method used to calculate and/or designate the funding that will be made available for use in FMRP activities.</td>
<td>The custom NextGen report designed to report Professional Services Revenue for Family Practice Residency Program will be re-written to reflect a percentage of total collections related to resident education rather than using open balances as of August 31 of the reporting year. The percentage (25%) of Net Collections (Net Clinical Revenue) will be allocated to the residency program and designated as “Net Dollars Available to FPRP” on the Annual Financial Report.</td>
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<td>Internal (Out-</td>
<td>Weaver and Tidwell, LLP</td>
<td>Fiscal Year 2019</td>
<td>19-106 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Family Medicine Residency Program Grant Compliance</td>
<td>UNTHSC</td>
<td>Finding 2 – Third-Party Financial Data Accuracy: The salary allocation provided by Medical City of Fort Worth for their residents and reported by UNTHSC as Affiliated Hospital Support on the AFR is not calculated accurately. The salary and benefit data provided by Medical City Fort Worth allocates the same monthly salary rate for all residents, regardless of which program year the resident is in the process of completing, in the calculation provided to UNTHSC. A scaled rate, based on the number of years completed by the resident, is intended to be used in the calculation of salaries and benefits.</td>
<td>Moderate</td>
<td>UNTHSC management should request the following information from Medical City of Fort Worth at each fiscal year-end: a) Salary information for each resident who works in the Family Medicine program b) Monthly allocation rates for each Program Year c) Monthly salary, fringe benefits, and malpractice expense provided by Medical City of Fort Worth. Management should appoint UNTHSC personnel to complete the calculation for Affiliated Hospital Support. Finally, management should ensure that a formal and detailed review process is in place to validate this calculation. This review should include, at a minimum, the following: i) Validation that the salaries and monthly allocation rates used in the calculation are in agreement with the salaries and monthly allocation rates provided by Medical City of Fort Worth. ii) Validation that the calculation is correctly executed.</td>
<td>A template including the list of Family Medicine residents for the reporting period will be provided to MCFW on September 1 of each year. The template will include separate lines to report each resident’s monthly salary, monthly fringe totals, and monthly malpractice expense.</td>
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<td>Fiscal Year 2019</td>
<td>19-011 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Internal</td>
<td>1. FISAP Inaccurate Balances</td>
<td>FISAP – Fiscal Operations Reports for Federal Perkins Loan Program activity for Award Years 2016 and 2017 contained inaccurate balances, resulting in miscalculations of the excess funds which had to be repaid to the Department of Education and the Institution. The accelerated repayments totaling $2.4M have created an overdraft position in the loan fund. UNTHSC must reimburse the deficit with institutional resources. If not corrected, errors in the initial filing of the 2018 FISAP report will result again in unnecessary repayments.</td>
<td>High</td>
<td>1. Recommendations for Chief Financial Officer and Provost: 1.1a. Confirm an amended 2018 FISAP for the Federal Perkins Loan Program was submitted by the December 14 deadline. 1.1b. Confirm institutional funds needed to correct the overdraft position was calculated and deposited, in accordance with Federal guidelines.</td>
<td>Gregory Anderson, Executive Vice President, Chief Financial Officer and Dr. Charles Taylor, Provost</td>
<td>12/8/2018</td>
<td>Closed</td>
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<p>| Internal        | UNT System Internal Audit | Fiscal Year 2020 | 19-011 HSC | Governance and Regulatory Compliance | Internal | 1. FISAP Inaccurate Balances | FISAP – Fiscal Operations Reports for Federal Perkins Loan Program activity for Award Years 2016 and 2017 contained inaccurate balances, resulting in miscalculations of the excess funds which had to be repaid to the Department of Education and the Institution. The accelerated repayments totaling $2.4M have created an overdraft position in the loan fund. UNTHSC must reimburse the deficit with institutional resources. If not corrected, errors in the initial filing of the 2018 FISAP report will result again in unnecessary repayments. | High | 1. Recommendations for Chief Financial Officer and Provost: 1.1a. Confirm an amended 2018 FISAP for the Federal Perkins Loan Program was submitted by the December 14 deadline. 1.1b. Confirm institutional funds needed to correct the overdraft position was calculated and deposited, in accordance with Federal guidelines. | Gregory Anderson, Executive Vice President, Chief Financial Officer and Dr. Charles Taylor, Provost | 8/31/2019 | Closed |</p>
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<td>Federal Reporting</td>
<td>UNTHSC</td>
<td>FISAP Inaccurate Balances</td>
<td>High</td>
<td>1. Recommendations for Chief Financial Officer and Provost: 1.1c. Require a reconciliation be conducted of the third party servicer, ECSI, and the UNTHSC General Ledger Fund balances. 1d. We will confirm Student Finance identified and provided missing transaction data to ECSI. Student Finance recognizes this recommendation will be an on-going process by end of month August 2019.</td>
<td>Gregory Anderson, Executive Vice President, Chief Financial Officer and Dr. Charles Taylor, Provost</td>
<td>8/31/2019</td>
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<td>1. Recommendations for Chief Financial Officer and Provost: 1.1c. Require a reconciliation be conducted of the third party servicer, ECSI, and the UNTHSC General Ledger Fund balances. 1d. We will confirm Student Finance identified and provided missing transaction data to ECSI. Student Finance recognizes this recommendation will be an on-going process by end of month August 2019.</td>
<td>Gregory Anderson, Executive Vice President, Chief Financial Officer and Dr. Charles Taylor, Provost</td>
<td>8/31/2019</td>
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<td>High</td>
<td>Refer to recommendations for 'observation 1.1: FISAP-OAR Written Procedures' for process development.</td>
<td>Gregory Anderson, Executive Vice President, Chief Financial Officer and Dr. Charles Taylor, Provost</td>
<td>8/31/2019</td>
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<td>AOR-Inaccurate Balances</td>
<td>High</td>
<td>Refer to recommendations for 'observation 2.1: AOR-OAR Written Procedures' for process development.</td>
<td>Student Finance, in coordination with the UNT System Controller Office at HSC, will perform monthly reconciliations of the third-party servicer, ECSI, and the UNTCHS General Ledger Fund balances.</td>
<td>8/15/2019</td>
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<td>Inaccurately prepared AOR PCL and AOR LDS Reports (Reports) for the Award Years 2016, 2017, and 2018 resulted in miscalculations of excess funds required to be repaid to HRSA. These miscalculations resulted in unnecessary repayments totaling $244,645.</td>
<td>High</td>
<td>1. Recommendations for Chief Financial Officer and Provost: 2.1b. Confirm missing transaction data are identified and provided to ECSI to ensure reports are complete and accurate, and can be utilized for the preparation of AOR reports. 1b. We will confirm Student Finance identifies and provides missing transaction data to ECSI by August 15, 2019.</td>
<td>Gregory Anderson, Executive Vice President, Chief Financial Officer and Dr. Charles Taylor, Provost</td>
<td>8/15/2019</td>
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<td>Inaccurately prepared AOR PCL and AOR LDS Reports (Reports) for the Award Years 2016, 2017, and 2018 resulted in miscalculations of excess funds required to be repaid to HRSA. These miscalculations resulted in unnecessary repayments totaling $244,645.</td>
<td>High</td>
<td>1. Recommendations for Chief Financial Officer and Provost: 2.1c. Confirm the 2019 AOR PCL and AOR LDS reports are completed in accordance with federal guidelines by August 15 deadline. 1c. We will confirm the 2019 AOR PCL and AOR LDS reports were completed in accordance with federal guidelines by August 15, 2019.</td>
<td>Gregory Anderson, Executive Vice President, Chief Financial Officer and Dr. Charles Taylor, Provost</td>
<td>8/15/2019</td>
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<td>19-011 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Federal Reporting</td>
<td>High</td>
<td>1. Recommendations for the UNT System Controller and UNTHSC Chief Financial Officer: 3.1a. Require all personnel involved in the process to be retrained on GASB accounting standards for each loan program’s fund accounting and general ledger entries.</td>
<td>1a. Management agrees with this recommendation. The UNT System Controller Office at HSC will coordinate with HSC Finance, to ensure retraining on GAAP accounting standards for each loan program’s fund accounting and general ledger entries. Aaron LeMay, Associate Chancellor &amp; System Controller and Gregory Anderson, Executive Vice President, Chief Financial Officer</td>
<td>12/31/2019</td>
<td>Closed</td>
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**Key Observations:**
- Inaccurate Balances
- Incorrect Classification
- Certain journal entry transactions for Perkins, PCL, and LDS loan program activity are not recorded in compliance with Governmental Accounting Standards Board (GASB) guidance.
- UNTHSC did not clear suspense accounts in a timely manner.

**Recommendation Details:**
- 1. Recommendations for Chief Financial Officer and Provost:
  - 2.1d. Refer to recommendations for ‘observation #4 FISAP-AOR Written Procedures’ for process development.
- 1d. See #4 FISAP-OAR response.
- 1. Recommendations for the UNT System Controller and UNTHSC Chief Financial Officer:
  - 3.1a. Require all personnel involved in the process to be retrained on GASB accounting standards for each loan program’s fund accounting and general ledger entries.
- 1a. Management agrees with this recommendation. The UNT System Controller Office at HSC will coordinate with HSC Finance, to ensure retraining on GAAP accounting standards for each loan program’s fund accounting and general ledger entries for all personnel involved in the loan operations.

**Management Response:**
- Gregory Anderson, Executive Vice President, Chief Financial Officer and Dr. Charles Taylor, Provost
- Aaron LeMay, Associate Chancellor & System Controller and Gregory Anderson, Executive Vice President, Chief Financial Officer
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<td>Incorrect Classification</td>
<td>High</td>
<td>3. Recommend for the UNT System Controller and UNTHSC Chief Financial Officer: 3.1b. Confirm journal entry transactions are reclassified in accordance with the GASB standards and NACUBO guidance.</td>
<td>Management agrees with this recommendation. The UNT System Controller Office at HSC will confirm journal entry transactions are reclassified in accordance with the GASB standards and NACUBO guidance. NACUBO released new guidance related to Perkins Loans in November 2018. The UNT System Controller Office is working with other state universities to determine proper accounting processes with the State of Texas requirements.</td>
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<td>12/31/2019</td>
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<td>UNT System</td>
<td>Incorrect Classification</td>
<td>High</td>
<td>3. Recommend for the UNT System Controller and UNTHSC Chief Financial Officer: 3.1c. Define the process and timing for periodically reviewing clearing accounts.</td>
<td>Management agrees and fully implemented as of this response. The UNT System Controller Office at HSC will monthly reconcile the clearing accounts as a part of the routine account reconciliation process starting with February 1, 2019.</td>
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<td>12/31/2019</td>
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<td>Federal Reporting</td>
<td>UNTHSC</td>
<td>Written Procedures were either not sufficient and/or not in place for the FISAP, AOR PCL, and AOR LDS Reports (Federal Reports).</td>
<td>High</td>
<td>4.1b. Confirm procedures delineating lines of responsibilities were documented.</td>
<td>1b. We will confirm procedures are documented, by August 31, 2019.</td>
<td>Gregory Anderson, Executive Vice President, Chief Financial Officer and Dr. Charles Taylor Provost</td>
<td>8/31/2019</td>
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<td>19-011 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Federal Reporting</td>
<td>Written Procedures</td>
<td>Written procedures were either not sufficient and/or not in place for the FISAP, AOR PCL, and AOR LDS Reports (Federal Reports).</td>
<td>High</td>
<td>1. Recommendations for the Chief Financial Officer and Provost: 4.1c. Require the preparer to retain support documentation in accordance with federal retention requirements.</td>
<td>Gregory Anderson, Executive Vice President, Chief Financial Officer and Dr. Charles Taylor Provost</td>
<td>8/31/2019</td>
<td>Closed</td>
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<tr>
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<td>Fiscal Year 2019</td>
<td>19-011 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Federal Reporting</td>
<td>Written Procedures</td>
<td>Written procedures were either not sufficient and/or not in place for the FISAP, AOR PCL, and AOR LDS Reports (Federal Reports).</td>
<td>High</td>
<td>1d. Communicate updated procedures to the departments involved.</td>
<td>Gregory Anderson, Executive Vice President, Chief Financial Officer and Dr. Charles Taylor Provost</td>
<td>2/1/2020</td>
<td>Closed</td>
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<td>19-011 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Federal Reporting</td>
<td>UNTHSC</td>
<td>Support documentation was not maintained for the financial activity and financial projections reported in the 2016 – 2018 AOR reports, or the Perkins financial activity in the 2017 FISAP Report.</td>
<td>Moderate</td>
<td>6. Recommendations for the Chief Financial Officer and Provost: 6.1a. Identify the appropriate department with knowledge of gifts and contracts from foreign sources to accept responsibility for evaluating gifts/contracts that meet federal criteria.</td>
<td>Gregory Anderson, Executive Vice President, Chief Financial Officer and Dr. Charles Taylor Provost</td>
<td>8/31/2019</td>
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<td>Fiscal Year 2019</td>
<td>19-011 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Federal Reporting</td>
<td>UNTHSC</td>
<td>UNTHSC has not established appropriate governance over the federally required disclosure of foreign gifts and contracts. The current processes to evaluate foreign gifts and contracts, reviewed and/or executed in source offices throughout the institution, does not centrally aggregate the full list to properly determine if disclosure thresholds have been exceeded. In addition, the current process does not evaluate the list for restrictions or conditions that would also require disclosure.</td>
<td>Moderate</td>
<td>6. Recommendations for the Chief Financial Officer and Provost: 6.1a. Identify the appropriate department with knowledge of gifts and contracts from foreign sources to accept responsibility for evaluating gifts/contracts that meet federal criteria.</td>
<td>Gregory Anderson, Executive Vice President, Chief Financial Officer and Dr. Charles Taylor Provost</td>
<td>8/31/2019</td>
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<td>6.1b</td>
<td>Federal Reporting</td>
<td>2019</td>
<td>Governance</td>
<td>UNTHSC</td>
<td>UNTHSC has not established appropriate governance over the federally required disclosure of foreign gifts and contracts. The current process for evaluating foreign gifts and contracts, received and/or executed in various offices throughout the Institution, does not centrally aggregate the full list in a manner to determine if disclosure thresholds have been exceeded. The current process does not evaluate the list for restrictions or conditions that would also require disclosure.</td>
<td>Moderate</td>
<td>1. Recommendations for the Chief Financial Officer and Provost: 6.1b. Confirm the assigned department develops procedures with all departments involved (Institutional Advancement, Sponsored Programs, Contract Administration) to annually review gifts received or contracts executed with foreign sources, which exceed the following: i. Each department produces a report of all gifts or contracts from foreign sources (e.g., gifts and endowments, contracts, restricted or conditional gift or contract) and provides the listing to the assigned department. Internal timetable with deadlines for submission by each department should be established. ii. All listings are combined by the assigned department to determine if the total of all gifts and contracts with a specific foreign source exceeds $250,000 for that year, and thus requires disclosure. Identify and disclose any restricted/conditional gift(s) or contract(s). iv. The assigned department provides Office of Financial Aid with the amounts to be disclosed to DOE.</td>
<td>Gregory Anderson, Executive Vice President, Chief Financial Officer and Dr. Charles Taylor Provost</td>
<td>8/31/2019</td>
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<td>6.1c</td>
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<td>UNTHSC</td>
<td>UNTHSC has not established appropriate governance over the federally required disclosure of foreign gifts and contracts. The current process for evaluating foreign gifts and contracts, received and/or executed in various offices throughout the Institution, does not centrally aggregate the full list in a manner to determine if disclosure thresholds have been exceeded. The current process does not evaluate the list for restrictions or conditions that would also require disclosure.</td>
<td>Moderate</td>
<td>1. Recommendations for the Chief Financial Officer and Provost: 6.1c. Confirm the assigned department performed the updated procedures for Calendar Year 2018 to identify if required disclosures were adequate.</td>
<td>Gregory Anderson, Executive Vice President, Chief Financial Officer and Dr. Charles Taylor Provost</td>
<td>8/31/2019</td>
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<td>19-011 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>UNTHSC</td>
<td>Foreign Gifts - Governance</td>
<td>Moderate</td>
<td>1. Recommendations for the Chief Financial Officer and Provost: 6.1d. Validate the existing HSC Policy 9.101 Disclosure of Gifts from Foreign Sources, Foreign Governments or Foreign Persons, is updated based on the revised procedures above, to be in compliance with the federal law and the revised Regents Rule 09.400. 1d. We will validate that HSC Policy 9.101 Disclosure of Gifts from Foreign Sources, Foreign Governments or Foreign Persons is submitted for change to OGC by August 31, 2019. Gregory Anderson, Executive Vice President, Chief Financial Officer and Dr. Charles Taylor Provost</td>
<td>Gregory Anderson, Executive Vice President, Chief Financial Officer and Dr. Charles Taylor Provost</td>
<td>8/31/2019</td>
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<td>19-015 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT</td>
<td>Travel Expenditures</td>
<td>Moderate</td>
<td>1. Recommendations for the Dean of the College of Merchandising, Hospitality &amp; Tourism: 1.1a. Communicate requirements related to international travel registration. 1a. We agree to the findings. Wendy Rounsley will be responsible for the development of procedures for CMHT travel. The department procedure will follow UNT System Travel Guidelines per Policy Number 10.049.</td>
<td>Wendy Rounsley, Senior Academic Coordinator</td>
<td>9/30/2019</td>
<td>Closed</td>
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**UNTHSC has not established appropriate governance over the University’s required disclosure of foreign gifts and contracts. The current process to evaluate foreign gifts and contracts, received or executed by various offices throughout the University, does not centrally aggregate the data to permit a comprehensive disclosure. As a result, the list of foreign gifts does not consider the list for restrictions or conditions that would also require disclosure.**

**Recommendation for implementation:**

6.1d. Validate the existing HSC Policy 9.101 Disclosure of Gifts from Foreign Sources, Foreign Governments or Foreign Persons, is updated based on the revised procedures above, to be in compliance with the federal law and the revised Regents Rule 09.400.

1d. We will validate that HSC Policy 9.101 Disclosure of Gifts from Foreign Sources, Foreign Governments or Foreign Persons is submitted for change to OGC by August 31, 2019.

**Management Response:**

Gregory Anderson, Executive Vice President, Chief Financial Officer and Dr. Charles Taylor Provost

**Expected Implementation Date:**

8/31/2019

**Recommendation Status:**

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<td>2019</td>
<td>19-015 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>College of Merchandising, Hospitality &amp; Tourism Dean Transition Audit</td>
<td>Travel Budget Authorization forms were not prepared in accordance with UNT System Travel Guidelines, and international travel was not registered prior to departure.</td>
<td>Moderate</td>
<td>1. Develop a process and procedure to ensure that all University-related international travel in CMHT is registered prior to departure.</td>
<td>We agree to the findings. Wendy Rounsley will be responsible for the development of procedures for CMHT travel. The department procedure will follow UNT System Travel Guidelines per Policy Number 10.049.</td>
<td>Wendy Rounsley, Senior Academic Coordinator</td>
<td>9/30/2019</td>
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<td>19-015 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>College of Merchandising, Hospitality &amp; Tourism Dean Transition Audit</td>
<td>Travel Budget Authorization forms were not prepared in accordance with UNT System Travel Guidelines, and international travel was not registered prior to departure.</td>
<td>Moderate</td>
<td>1. Develop a process and procedure to ensure that the Travel Budget Authorization Form is completed and approved prior to travel.</td>
<td>We agree to the findings. Wendy Rounsley will be responsible for the development of procedures for CMHT travel. The department procedure will follow UNT System Travel Guidelines per Policy Number 10.049.</td>
<td>Wendy Rounsley, Senior Academic Coordinator</td>
<td>9/30/2019</td>
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<td>19-015 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>College of Merchandising, Hospitality &amp; Tourism Transition Audit</td>
<td>1. Travel Expenditures: Travel Budget Authorization forms were not prepared in accordance with UNT System Travel Guidelines, and international travel was not registered prior to departure.</td>
<td>Moderate</td>
<td>1. Recommendations for the Dean of the College of Merchandising, Hospitality &amp; Tourism: 1.1d. Develop a process and procedure to ensure that all Travel Voucher Forms are completed and approved after travel.</td>
<td>We agree to the findings. Wendy Rounsley will be responsible for the development of procedures for CMHT travel. The department procedure will follow UNT System Travel Guidelines per Policy Number 10.049.</td>
<td>Wendy Rounsley, Senior Academic Coordinator</td>
<td>9/30/2019</td>
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<td>19-015 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>College of Merchandising, Hospitality &amp; Tourism Transition Audit</td>
<td>2. Purchasing Card Expenditures: Purchasing Card Signature Authorization and documentation were missing.</td>
<td>Moderate</td>
<td>1. Recommendations for the Dean of the College of Merchandising, Hospitality &amp; Tourism: 2.1a. Develop a process and procedure to ensure all Pcard statements are reviewed and signature approved by the cardholder, reconciler, and approver in accordance with UNT System Purchasing Card Guide 2.1.8 Reporting.</td>
<td>We agree to the findings. Tina Garza will be responsible for development of a process and procedure to ensure Purchasing Card statements are reviewed and signature approved. Tina Garza will follow UNT System Purchasing Card Guide 2.1.8 Reporting.</td>
<td>Tina Garza, CMHT Academic Finance Officer</td>
<td>9/30/2019</td>
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<td>19-015 UNT Governance and Regulatory Compliance</td>
<td>College of Merchandising, Hospitality &amp; Tourism Dean Transition Audit</td>
<td>1. Purchasing Card Expenditures Purchasing Card Signature Authorization and documentation were missing.</td>
<td>Moderate</td>
<td>1. Remediations for the Dean of the College of Merchandising, Hospitality &amp; Tourism 2. Develop a process and procedure to ensure PCard holders and reconcilers attend PCard training annually.</td>
<td>We agree to the findings. Tina Garza will be responsible for development of a process to ensure PCard training is conducted annually.</td>
<td>Tina Garza, CMHT Academic Finance Officer</td>
<td>9/30/2019</td>
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<td>Internal</td>
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<td>19-015 UNT Governance and Regulatory Compliance</td>
<td>College of Merchandising, Hospitality &amp; Tourism Dean Transition Audit</td>
<td>1. Scholarship Award Process College of Merchandising, Hospitality &amp; Tourism scholarship award process is not documented and finalized in accordance with UNT Policy 07.005 Coordination of University Scholarship Administration.</td>
<td>Moderate</td>
<td>1. Document the process and procedure for awarding scholarships in CMHT in accordance with UNT Policy 07.005 Coordination of University Scholarship Administration. 2. Develop a process and procedure for coordinating with faculty. 3. Develop a process and procedure for coordinating with academic affairs.</td>
<td>We agree to the findings. Tina and Dr. Kinley will be responsible for the development of the CMHT Scholarship Award process. During the Spring 2019 scholarship process we developed a spread sheet that collects criteria for scholarship distribution to ensure it aligns with the donor intentions, with a committee of at least 4 people we vet each award to the MOU.</td>
<td>Dr. Tammy Kinley, Associate Dean of CMHT and Tina Garza, Academic Finance Officer</td>
<td>9/30/2019</td>
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<td>Governance and Regulatory Compliance</td>
<td>College of Merchandising, Hospitality &amp; Tourism</td>
<td>Cash Handling Controls</td>
<td>Click all Gateway deposits are not made within three business days in accordance with UNT Policy 10.006 Cash Handling Controls.</td>
<td>Moderate</td>
<td>1. Recommendation for the Dean of the College of Merchandising, Hospitality &amp; Tourism: 4.1a. Develop a process and procedure to deposit all Gateway currency and checks within the 3 business days of receipt as required by UNT Policy 10.006 Cash Handling Controls.</td>
<td>Wendy Rounsley will be responsible for developing procedures for cash handling and to educate the Department of College Merchandising, Hospitality and Tourism. She will ensure all cash handlers have the proper training as set per UNT Cash Handling Controls.</td>
<td>Wendy Rounsley, Senior Academic Coordinator</td>
<td>9/30/2019</td>
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<td>Fiscal Year 2019</td>
<td>19-016 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>College of Health and Public Service</td>
<td>Programs Involving Minors</td>
<td>College of Health and Public Service (HPS) has inconsistent practices related to criminal history background checks, sexual abuse and child molestation awareness training, and other requirements of UNT Policy 15.003 Programs for Minors. Additionally, HPS does not maintain a central inventory of all programs involving minors or documented procedures. Therefore, Internal Audit was unable to verify compliance with UNT Policy 15.003 Programs for Minors.</td>
<td>High</td>
<td>1. Recommendations for Dr. Neale Chumbler, Dean of HPS: 1.1a. Obtain training from Risk Management Services (RMS) to understand and identify the requirements and criteria of UNT Policy 15.003 Programs for Minors and Standard Operating Procedures for Programs for Minors.</td>
<td>We will meet with RMS on May 1, 2019 to understand requirements of UNT Policy 15.003</td>
<td>Zach Beaver, HPS Program Assistant Director</td>
<td>9/30/2019</td>
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<td>Fiscal Year</td>
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<td>College of Health and Public Service Dean</td>
<td>Transition Audit</td>
<td>UNT</td>
<td>College of Health and Public Service (HPS) has inconsistent practices related to criminal history background checks, sexual abuse and child molestation awareness training, and other requirements of UNT Policy 15.003 Programs for Minors. Additionally, HPS does not maintain a central inventory of all programs involving minors or documented procedures. Therefore, Internal Audit was unable to verify compliance with UNT Policy 15.003 Programs for Minors.</td>
<td>High</td>
<td>1. Recommendations for Dr. Neale Chumbler, Dean of HPS: 1.1b. Compile and maintain a central inventory of all programs involving minors in HPS and their attributes. Following that meeting, we will develop a comprehensive list of all programs and faculty that work with minors. Preliminary request for information from departments and units underway.</td>
<td>Zach Beaver, HPS Program Assistant Director</td>
<td>9/30/2019</td>
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<p>| Internal         | UNT System Internal Audit | Fiscal Year 2019 | 19-016 UNT | Governance and Regulatory Compliance | College of Health and Public Service Dean | Transition Audit | UNT | College of Health and Public Service (HPS) has inconsistent practices related to criminal history background checks, sexual abuse and child molestation awareness training, and other requirements of UNT Policy 15.003 Programs for Minors. Additionally, HPS does not maintain a central inventory of all programs involving minors or documented procedures. Therefore, Internal Audit was unable to verify compliance with UNT Policy 15.003 Programs for Minors. | High | 1. Recommendations for Dr. Neale Chumbler, Dean of HPS: 1.1c. Coordinate with RMS to identify whether any HPS programs trigger UNT Policy 15.003 Programs for Minors. Review list of programs involving minors with RMS to determine which current programs trigger UNT Policy 15.003 Programs for Minors. | Zach Beaver, HPS Program Assistant Director | 9/30/2019 | Closed |</p>
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<th>Audit Number</th>
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<td>19-016 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>College of Health and Public Service Dean</td>
<td>College of Health and Public Service Dean has inconsistent practices related to criminal history background checks, sexual abuse and child molestation awareness training, and other requirements of UNT Policy 15.003 Programs for Minors. In addition, UNT policy 15.003 mandates HPS maintain a central inventory of all programs involving minors or documented procedures. Therefore, Internal Audit was unable to verify compliance with UNT Policy 15.003 Programs for Minors.</td>
<td>High</td>
<td>1. Recommend to Dr. Neale Chumbler, Dean of HPS: 1.1d. Coordinate with RMS to develop written procedures for programs involving minors.</td>
<td>Zach Beaver, HPS Program Assistant Director</td>
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<td>High</td>
<td>1. Recommend to Dr. Neale Chumbler, Dean of HPS: 1.1e. Establish an annual review period to reevaluate all programs involving minors within HPS and update HPS' central inventory as necessary.</td>
<td>Zach Beaver, HPS Program Assistant Director</td>
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<td>Cash Handling Controls</td>
<td>High</td>
<td>1. Recommendations for Dr. Neale Chumbler, Dean of HPS: 2.1d. Develop written cash handling procedures as required by UNT Policy 10.006 Cash Handling Controls.</td>
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<td>Cash Handling Controls</td>
<td>High</td>
<td>1. Recommendations for Dr. Neale Chumbler, Dean of HPS: 2.1e. Ensure all cash handling activities and deposits are made in accordance with UNT Policy 10.006 Cash Handling Controls.</td>
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<p>| Internal          | UNT System Internal Audit | Fiscal Year 2019 | 19-016 UNT | Governance and Regulatory Compliance | College of Health and Public Service Dean Transition Audit | UNI | Purchasing card expenditures were not prepared in accordance with UNT System Purchasing Card Program guidelines. | High | 1. Recommendations for Dr. Neale Chumbler, Dean of HPS: 3.1d. Ensure that PCard holders identify a clear business purpose for all PCard transactions. 1d. Additional and regular training for PCard holders should help mitigate any potential issues. Training for approvers and reconciliation individuals should highlight where issues may be, and mitigation plans will be developed with cardholder and supervisor. | Nicole Dash, HPS Associate Dean | 9/1/2019 | Closed |</p>
<table>
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<tr>
<th>Audit Area</th>
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<th>Expected Implementation Date</th>
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<td>College of Health and Public Service Dean</td>
<td>Purchasing card expenditures were not prepared in accordance with UN System Purchasing Card Program guidelines.</td>
<td>High</td>
<td>1. Recommendations for Dr. Neale Chumbler, Dean of HPS: 3.1e. Develop a process and procedure to perform quarterly reviews to ensure that PCard holders maintain transaction documentation in compliance with the UN System Purchasing Card Program guidelines.</td>
<td>1e. HPS will develop a process to implement quarterly review of PCard transactions to ensure compliance with UN System Purchasing Card Program guidelines. Additionally, this process will include college imposed sanctions for non-compliance. Some of the issues specifically checked will be: approval by cardholder, reconciler, and approver; vendor data documentation, shipping information, and indication of clear business purpose. Periodic reminders of PCard policies will be sent to PCard holders, reconcilers, and approvers.</td>
<td>Nicole Dash, HPS Associate Dean</td>
<td>9/1/2019</td>
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<td>Purchasing card expenditures were not prepared in accordance with UN System Purchasing Card Program guidelines.</td>
<td>High</td>
<td>1. Recommendations for Dr. Neale Chumbler, Dean of HPS: 3.1f. Develop a process and procedure to ensure PCard holders and reconcilers attend PCard training annually.</td>
<td>1f. We will develop a training database in HPS to track training dates annually. As we are already doing, HPS will coordinate annual training for card holders and reconcilers. Process for tracking compliance and sanctions for non-compliance will be developed.</td>
<td>Nicole Dash, HPS Associate Dean</td>
<td>9/1/2019</td>
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<td>3. Travel Reimbursements</td>
<td>Travel Budget Authorization forms were not prepared in accordance with UNT System Travel Guidelines, and international travel was not registered prior to departure.</td>
<td>Moderate</td>
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<td>Travel Expenditures</td>
<td>Travel Budget Authorization forms were not prepared in accordance with UNT System Travel Guidelines, and international travel was not registered prior to departure.</td>
<td>Moderate</td>
<td>1. Recommendations for Dr. Neale Chumbler, Dean of HPS: 4.1c. Develop a process and procedure to ensure travel training is obtained annually.</td>
<td>Nicole Dash, HPS Associate Dean</td>
<td>10/1/2019</td>
<td>Closed</td>
<td></td>
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</tbody>
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<p>| Internal         | UNT System Internal Audit | Fiscal Year 2019 | 19-016 UNT | Governance and Regulatory Compliance | College of Health and Public Service Dean | Travel Expenditures | Travel Budget Authorization forms were not prepared in accordance with UNT System Travel Guidelines, and international travel was not registered prior to departure. | Moderate | 4.1d. Develop a process and procedure to ensure that all University-related international travel in HPS is registered with Risk Management Services prior to departure. | Nicole Dash, HPS Associate Dean | 10/1/2019 | Closed |</p>
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<td>HPS</td>
<td>Travel Expenditures</td>
<td>Moderate</td>
<td>1. Recommendations for Dr. Neale Chumbler, Dean of HPS: 4.1e. Develop a process and procedure to ensure that the Travel Budget Authorization Form is completed and approved prior to travel.</td>
<td>On March 25, the faculty and staff in the college were reminded that all travel as of April 15th would require a signed TBA to be filed three weeks before departure. UNT’s Office of Support Mission and Procurement would work with local campuses to mitigate the risk of non-compliance. Nicole Dash, HPS Associate Dean</td>
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<td>Governance and Regulatory Compliance</td>
<td>College of Health and Public Service Dean</td>
<td>HPS</td>
<td>Strip-Cut Paper Shredder</td>
<td>Moderate</td>
<td>1. Recommendation for Dr. Kamakshi Gopal, Department Chair of Audiology and Speech-Language Pathology: 5.1a. Discard the strip-cut shredder and ensure cross-cut paper shredders are used to destroy documents containing sensitive information to render the information unreadable.</td>
<td>On Monday February 18th, after meeting with the Internal Audit staff about the SAS 99 and IT Questionnaires, the shredder in our graduate student resource library (room 201) was identified by the Internal Audit staff as a non-compliant strip shredder. The shredder was immediately removed from that location (that same afternoon) and replaced with an extra cross-cut shredder that was available from another office (260A). The strip-cut shredder was kept in the department office (plugged in but not in use) until the end of fiscal year 2018.</td>
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<td>1. Purchasing card expense description fields: 1,188 of 3,077 (38.6%) purchasing card (PCard) transactions for fiscal year 2018-08 did not contain expense descriptions.</td>
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<td>A strip-cut paper shredder used by UNT Libraries is not sufficient to protect sensitive information.</td>
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<td>UNTHSC</td>
<td>Fitness Center - Inconsistent and Inaccurate Allocations of Expenditures</td>
<td>Fitness Center financial activities are not accurately recorded within the PeopleSoft Financial module.</td>
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<td>Self-Funded Enterprise Departments Audit</td>
<td>Fitness Center - Inconsistent and Inaccurate Allocations of Expenditures</td>
<td>High</td>
<td>Recommendations for the Vice President of Finance &amp; Planning: 1.1c. Ensure all direct costs (i.e. salaries and payroll costs) and indirect costs (i.e. utilities, custodial, maintenance, etc.) are budgeted and attributed to each auxiliary enterprise in accordance with UNTHSC Budget Development Guidelines, NACUBO, and GASB.</td>
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<td>Self-Funded Enterprise Departments Audit</td>
<td>Fitness Center financial activities are not accurately recorded within the PeopleSoft Financial module.</td>
<td>High</td>
<td>Recommendations for the Vice President of Finance &amp; Planning: 1.1d. Work with HSC Controller to establish a methodology for allocating indirect costs (i.e. utilities and custodial services) to auxiliary enterprises, and re-allocate the funds accordingly.</td>
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<td>1. Fitness Center - Inconsistent and Inaccurate Allocations of Expenditures</td>
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<td>Fitness Center - Inconsistent and Inaccurate Allocations of Expenditures</td>
<td>High</td>
<td>Recommendations for the Vice President of Student Affairs in coordination with the Vice President of Finance &amp; Planning:</td>
<td>Trisha VanDusen, Vice Provost of Student Affairs in coordination with Jeff Scarpelli, Vice President of Finance &amp; Planning</td>
<td>12/20/2019</td>
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<td>12/20/2019</td>
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</tbody>
</table>

- The Parking Office financial activities are not accurately recorded within the PeopleSoft Financial module.
- High

2. Recommendations for the Interim Chief of Police in coordination with the Vice President of Finance:

2.2c. Work with the HSC Controller to assess the impact for previous years’ salary and payroll costs of the Parking Manager and three Administrative personnel. Then, confer with the Appropriation Comptroller’s Office on how to address any potential prior year charges classified as state unappropriated fund expenses.

- Jeff Arrington, Interim Chief of Police in coordination with Jeff Scarpelli, VP of Finance.
- 12/20/2019
- Closed

3. Fitness Center – Cash Handling

- Cash handling procedures in the Fitness Center are not adequate during the transaction processing, receipting, safeguarding, depositing, and reconciliation of membership fees.
- Moderate

1. Recommendation for the Director of Student Services:

1.1a. Work with the UNTHSC Vice President for Finance & Planning to assist you in establishing departmental cash control policies and procedures that include but are not limited to:

- Establish a unique Active Net system user login ID for all employees.
- Ensure that employees handling cash receive required annual cash handling training.
- Establish a prohibition of cash handling team changes.
- Ensure that cash is deposited on a timely basis.
- Maintain adequate and proper storage of all funds until they are deposited, including access to combinations or keys, in accordance with cash handling guidelines.
- Establish management oversight monitoring controls (i.e., reconciled transactions, reconciled changes, where separation of cash handling responsibilities are not possible).

- Emily Mire, Director of Student Services.
- 11/1/2019
- Closed

4. Recommendations for the Director of Student Services:

4.1a. Work with the UNTHSC Vice President for Finance & Planning to assist you in establishing departmental cash control policies and procedures that include but are not limited to:

- Establish a unique Active Net system user login ID for all employees.
- Ensure that employees handling cash receive required annual cash handling training.
- Establish a prohibition of cash handling team changes.
- Ensure that cash is deposited on a timely basis.
- Maintain adequate and proper storage of all funds until they are deposited, including access to combinations or keys, in accordance with cash handling guidelines.
- Establish management oversight monitoring controls (i.e., reconciled transactions, reconciled changes, where separation of cash handling responsibilities are not possible).

- Emily Mire, Director of Student Services.
- 11/1/2019
- Closed
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<td>4. Parking – Cash Handling</td>
<td>Cash handling procedures in the Police Department are not adequate during the safeguarding of cash and reconciliation of deposits to system transactions.</td>
<td>Moderate</td>
<td>1. Recommendations for the UNTHSC Interim Chief of Police and Parking Manager: 1a. Work with the UNTHSC Vice President for Finance &amp; Planning to assist you in establishing departmental cash controls procedures that include but are not limited to: • Establish a separate cash receipt log for check payments received by mail. • Maintain adequate and proper storage of all funds until they are deposited, including access to combinations or keys, in accordance with Cash Handling guidelines. • Establish a method to independently reconcile all payments recorded to the T2 system to actual deposits. Any discrepancies identified should be investigated. • Require timely deposit of funds on hand in accordance with Cash Handling guidelines.</td>
<td>Jeff Arrington, Interim Chief of Police and Shanika Covington, Parking Manager</td>
<td>11/1/2019</td>
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<td>4. Parking – Cash Handling</td>
<td>Cash handling procedures in the Police Department are not adequate during the safeguarding of cash and reconciliation of deposits to system transactions.</td>
<td>Moderate</td>
<td>1b. The Police Department will work with the Office of Finance to evaluate the necessity of maintain a change fund and, at a minimum, ensure the change fund is validated and authorized.</td>
<td>Jeff Arrington, Interim Chief of Police and Shanika Covington, Parking Manager</td>
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<td>UNT Dallas</td>
<td>UNT Dallas does not have a cash handling training program in place. Additionally, UNT Dallas has not developed its own cash handling policy.</td>
<td>High</td>
<td>1. Recommendations for Jim Main, Executive Vice President for Administration and Chief Financial Officer: 1.1a. Develop and implement a cash handling training program at UNT Dallas. 1a. UNT Dallas will have a one-time in-person training session for all current cash handlers provided by the Executive Director – Asset Protection in the division of Finance &amp; Administration at UNT. We have an open position, Financial Services Manager, who will be responsible for training and verifying approval for new cash handlers going forward.</td>
<td>Jackie Elder, Associate Vice President for Finance &amp; Administration</td>
<td>6/28/2019</td>
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<td>UNT Dallas does not have a cash handling training program in place. Additionally, UNT Dallas has not developed its own cash handling policy.</td>
<td>High</td>
<td>1. Recommendations for Jim Main, Executive Vice President for Administration and Chief Financial Officer: 1.1b. Strengthen the existing cash handling policy at UNT Dallas by evaluating whether UNT Policy 10.006 – Cash Handling Controls is suitable for the University. If necessary, develop a new policy for UNT Dallas. 1b. UNT Policy 10.006 – Cash Handling Controls will be reviewed and revised for implementation for UNT Dallas or a new policy will be developed and implemented for cash handling.</td>
<td>Jackie Elder, Associate Vice President for Finance &amp; Administration</td>
<td>6/28/2019</td>
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<td>UNT Dallas</td>
<td>2. Conflict of Interest Disclosure Employees in Student Financial Aid and Scholarships (SFAS) are not required to declare conflicts of interest.</td>
<td>High</td>
<td>Management agrees with this recommendation and will require that conflict of interest disclosures submitted by all staff on or before May 1, going forward will be incorporated into the annual performance evaluation process. For any new hires, disclosures and conflict of interest statements are collected on the first day of employment.</td>
<td>Management agrees with this recommendation and will require that conflict of interest disclosures submitted by all staff on or before May 1, going forward will be incorporated into the annual performance evaluation process. For any new hires, disclosures and conflict of interest statements are collected on the first day of employment.</td>
<td>Stephanie Holley, Vice President of Student Access and Success</td>
<td>6/1/2019</td>
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<td>2. Conflict of Interest Disclosure Employees in Student Financial Aid and Scholarships (SFAS) are not required to declare conflicts of interest.</td>
<td>High</td>
<td>Management agrees with this recommendation and will develop a process and procedure to identify whether SFAS employees have processed their own financial aid or the financial aid of family members.</td>
<td>Management agrees with this recommendation and will develop a process and procedure to identify whether SFAS employees have processed their own financial aid or the financial aid of family members.</td>
<td>Stephanie Holley, Vice President of Student Access and Success</td>
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<td>1. Conflict of Interest Disclosure: Employees in Student Financial Aid and Scholarships (SFAS) are not required to disclose conflicts of interest.</td>
<td>High</td>
<td>1. Recommendations for Stephanie Holley, Vice President of Student Access and Success: 2.1c. Update the Code of Conduct for Financial Aid Professionals to expressly prohibit SFAS employees from awarding financial aid to themselves or their family members.</td>
<td>Management agrees with this recommendation and will update the Code of Conduct to incorporate disclosure of conflict of interest statement.</td>
<td>Stephanie Holley, Vice President of Student Access and Success</td>
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<td>UNT Dallas</td>
<td>3. Prior Year Financial Aid Balances: Remaining funds in prior year financial aid items are not closed out at the end of the year.</td>
<td>High</td>
<td>1. Recommendations for Garrick Hildebrand, Director of Financial Aid: 3.1a. Develop a process and procedure to identify prior year financial aid items with a remaining balance.</td>
<td>Management agrees with this recommendation and as part of reconciliation and annual close out process, SFAS and FA Accountant will identify and close out all financial item types.</td>
<td>Garrick Hildebrand, Director of Financial Aid</td>
<td>8/30/2019</td>
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<td>UNT Dallas</td>
<td>Remaining funds in prior year financial aid items are not closed out at the end of the year.</td>
<td>High</td>
<td>1. Recommendations for Garrick Hildebrand, Director of Financial Aid: 3.1b. Develop a process and procedure to close out balances for financial aid items in prior years. 1b. Management agrees with this recommendation. Student Financial Aid &amp; Scholarships will work with Financial Aid Accountant to develop written policies and procedures regarding reconciliations, close outs, and prior year fiscal balances.</td>
<td>Garrick Hildebrand, Director of Financial Aid</td>
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<td>Remaining funds in prior year financial aid items are not closed out at the end of the year.</td>
<td>High</td>
<td>1. Recommendations for Garrick Hildebrand, Director of Financial Aid: 3.1c. Close out balances for financial aid items in prior years. 1c. Management agrees with this recommendation and all prior year balances will be closed out.</td>
<td>Garrick Hildebrand, Director of Financial Aid</td>
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<td>19-058 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT Dallas Financial Aid Processes Audit</td>
<td>UNT Dallas</td>
<td>Security roles in PeopleSoft do not correspond to job responsibilities for Satisfactory Academic Progress (SAP) status overrides.</td>
<td>High</td>
<td>4. Recommendation for Garrick Hildebrand, Director of Financial Aid: 4.1a. Update security roles in PeopleSoft to restrict the ability to override Satisfactory Academic Progress (SAP) status to appropriate personnel.</td>
<td>Management agrees with this recommendation. Management will work with the EIS-Security team to update SAP security roles in PeopleSoft to be in line with current business processes.</td>
<td>Garrick Hildebrand, Director of Financial Aid</td>
<td>6/1/2019</td>
<td>Closed</td>
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<tr>
<td>19-058 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT Dallas Financial Aid Processes Audit</td>
<td>UNT Dallas</td>
<td>Employees at the same organizational level in Student Financial Aid &amp; Scholarships (SFAS) awarded each other financial aid.</td>
<td>High</td>
<td>5. Recommendation for Garrick Hildebrand, Director of Financial Aid: 5.1a. Develop a process and procedure to ensure that employees in Student Financial Aid &amp; Scholarships at the same organizational level do not process each other’s financial aid.</td>
<td>Management agrees with this recommendation. Management will develop a report and review process to ensure transactions.</td>
<td>Garrick Hildebrand, Director of Financial Aid</td>
<td>7/1/2019</td>
<td>Closed</td>
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<td>Report Name</td>
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<td>Fiscal Year 2019</td>
<td>19-058 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT Dallas Financial Aid Processes Audit</td>
<td>UNT Dallas</td>
<td>UNT Dallas did not comply with Federal Work-Study (FWS) community service requirements. Additionally, there are no documented procedures for completion and submission of the Fiscal Operations Report and Application for Participation (FISAP).</td>
<td>High</td>
<td>1. Recommendations for Garrick Hildebrand, Director of Financial Aid: 6.1a. Train employees so that they are knowledgeable enough to administer the Federal Work-Study program to comply with federal community service requirements.</td>
<td>Management agrees with this recommendation and will retrain staff regarding community service requirements.</td>
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<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2019</td>
<td>19-058 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT Dallas Financial Aid Processes Audit</td>
<td>UNT Dallas</td>
<td>UNT Dallas did not comply with Federal Work-Study (FWS) community service requirements. Additionally, there are no documented procedures for completion and submission of the Fiscal Operations Report and Application for Participation (FISAP).</td>
<td>High</td>
<td>1. Recommendations for Garrick Hildebrand, Director of Financial Aid: 6.1b. Develop a process and procedure to comply with community service requirements for the Federal Work-Study program.</td>
<td>Management agrees with this recommendation and will develop processes and procedures regarding community service requirements.</td>
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<td>Audit Number</td>
<td>Audit Category</td>
<td>Report Name</td>
<td>Component Institution</td>
<td>Key Observations</td>
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<td>Management Response</td>
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<td>19-058 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT Dallas Financial Aid Processes Audit</td>
<td>UNT Dallas</td>
<td>UNT Dallas did not comply with Federal Work-Study (FWS) community service requirements. Additionally, there are no documented procedures for completion and submission of the Fiscal Operations Report and Application to Participate (FISAP).</td>
<td>High</td>
<td>Recommend that Garrick Hildebrand, Director of Financial Aid: 6.1c. Develop documented procedures for annual completion and submission of the Fiscal Operations Report and Application to Participate (FISAP).</td>
<td>Management agrees with the recommendation and will develop procedures for the annual FISAP submission.</td>
<td>Garrick Hildebrand, Director of Financial Aid</td>
<td>1/1/2020</td>
<td>Closed</td>
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<td>19-058 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT Dallas Financial Aid Processes Audit</td>
<td>UNT Dallas</td>
<td>SFAS does not have a written Business Continuity Plan (BCP) for mission critical information resources.</td>
<td>High</td>
<td>Recommend that Garrick Hildebrand, Director of Financial Aid: 7.1a. Develop a written Business Continuity Plan (BCP) for mission critical information resources.</td>
<td>Management agrees with the recommendation and will work with UNTD Risk Management Officer to develop a Business Continuity Plan.</td>
<td>Garrick Hildebrand, Director of Financial Aid</td>
<td>Est. Imp. Date: 12/1/2019, Rev. Imp. Date: 05/31/2020</td>
<td>Open</td>
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<td>Audit Number</td>
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<td>19-058 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT Dallas Financial Aid Processes Audit</td>
<td>UNT Dallas</td>
<td>Student Financial Aid and Scholarships (SFAS) does not have a written Business Continuity Plan (BCP) for mission critical information systems.</td>
<td>High</td>
<td>1. Recommendations for Garrick Hildebrand, Director of Financial Aid:  7.1b. Develop a process and procedure to test annually the BCP.</td>
<td>Management agrees with this recommendation and will work with UNTD Risk Management Office to meet this recommendation.</td>
<td>Garrick Hildebrand, Director of Financial Aid</td>
<td>5/31/2020</td>
<td>Open</td>
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<tr>
<td>19-058 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT Dallas Financial Aid Processes Audit</td>
<td>UNT Dallas</td>
<td>Student Financial Aid and Scholarships (SFAS) does not have a written Business Continuity Plan (BCP) for mission critical information systems.</td>
<td>High</td>
<td>1. Recommendations for Garrick Hildebrand, Director of Financial Aid:  7.1c. Test annually the BCP.</td>
<td>Management agrees with this recommendation and will work with UNTD Risk Management Office to meet this recommendation.</td>
<td>Garrick Hildebrand, Director of Financial Aid</td>
<td>5/31/2020</td>
<td>Open</td>
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<td>19-058 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT Dallas Financial Aid Process Audit</td>
<td>UNT Dallas</td>
<td>8. Disclosure of Foreign Gifts and Contracts: There is no process in place for disclosure of foreign gifts and contracts.</td>
<td>Moderate</td>
<td>8. Recommendation for Garrick Hildebrand, Director of Financial Aid: 8.1a. Develop a process and procedure to identify and report gifts and contracts from foreign sources that meet federal criteria.</td>
<td>Management agrees with this recommendation and will develop appropriate policies and procedures to meet this disclosure and reporting requirement.</td>
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<td>Governance and Regulatory Compliance</td>
<td>UNT Dallas Financial Aid Process Audit</td>
<td>UNT Dallas</td>
<td>11. Fraud Awareness Training</td>
<td>Employees in Student Financial Aid and Scholarships (SFAS) do not complete fraud awareness training.</td>
<td>Moderate</td>
<td>11.1b Integrate financial aid fraud awareness training into the annual training schedule for employees in SFAS.</td>
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<td>19-058 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT Dallas Financial Aid Processes Audit</td>
<td>UNT Dallas</td>
<td>Documented processes and procedures may not reflect current practices. Additionally, documented processes and procedures need to be created for some functions.</td>
<td>Moderate</td>
<td>1. Recommendations for Garrick Hildebrand, Director of Financial Aid: 12.1a. Review current processes and procedures to identify those that need to be documented.</td>
<td>Management agrees with this recommendation as it is a current and ongoing project of Student Financial Aid &amp; Scholarships.</td>
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<td>Fiscal Year 2019</td>
<td>19-058 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT Dallas Financial Aid Processes Audit</td>
<td>UNT Dallas</td>
<td>Documented processes and procedures may not reflect current practices. Additionally, documented processes and procedures need to be created for some functions.</td>
<td>Moderate</td>
<td>1. Recommendations for Garrick Hildebrand, Director of Financial Aid: 12.1b. Review current documented processes and procedures to identify those that need to be updated.</td>
<td>Management agrees with this recommendation as it is a current and ongoing project of Student Financial Aid &amp; Scholarships.</td>
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<td>Governance and Regulatory Compliance</td>
<td>UNT Dallas Financial Aid Processes Audit</td>
<td>UNT Dallas</td>
<td>12. Documented Processes and Procedures</td>
<td>Documented processes and procedures may not reflect current practices. Additionally, documented processes and procedures need to be created for some functions.</td>
<td>Moderate</td>
<td>1. Recommendations for Garrick Hildebrand, Director of Financial Aid: 12.1c. Create documented processes and procedures, where applicable.</td>
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<td>19-058 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT Dallas Financial Aid Processes Audit</td>
<td>UNT Dallas</td>
<td>12. Documented Processes and Procedures</td>
<td>Documented processes and procedures may not reflect current practices. Additionally, documented processes and procedures need to be created for some functions.</td>
<td>Moderate</td>
<td>1. Recommendations for Garrick Hildebrand, Director of Financial Aid: 12.1d. Update documented processes and procedures, where applicable.</td>
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<td>Governance and Regulatory Compliance</td>
<td>UNT Dallas Financial Aid Processes Audit</td>
<td>UNT Dallas</td>
<td>13. Cost of Attendance Adjustments</td>
<td>Cost of Attendance (COA) adjustment categories may not correspond to the student population at UNT Dallas. In addition, there is no limit for COA adjustments related to dependent care expenses.</td>
<td>Moderate</td>
<td>1. Recommendations for Garrick Hildebrand, Director of Financial Aid: 13.1a. Perform a needs assessment of Cost of Attendance (COA) adjustment categories. If necessary, update the COA adjustment categories.</td>
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<td>Internal</td>
<td>UNT System Internal Audit</td>
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<td>Governance and Regulatory Compliance</td>
<td>UNT Dallas Financial Aid Processes Audit</td>
<td>UNT Dallas</td>
<td>13. Cost of Attendance Adjustments</td>
<td>Cost of Attendance (COA) adjustment categories may not correspond to the student population at UNT Dallas. In addition, there is no limit for COA adjustments related to dependent care expenses.</td>
<td>Moderate</td>
<td>13.1b. Conduct a review to determine whether a limit for COA adjustments related to dependent care expenses should be established.</td>
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<td>19-058 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>UNT Dallas Financial Aid Programs Audit</td>
<td>UNT Dallas</td>
<td>The Satisfactory Academic Progress Appeal Form does not correspond to UNT Dallas policy.</td>
<td>Moderate</td>
<td>1. Recommendation for Garrick Hildebrand, Director of Financial Aid: 14.1a. In coordination with the UNT Dallas Director of Accreditation &amp; Policy, evaluate whether Satisfactory Academic Progress is a University-level policy. If necessary, update the Satisfactory Academic Progress appeal form to correspond to UNT Dallas Policy 7.025 – Satisfactory Academic Progress (SAP).</td>
<td>1a. Management agrees with recommendation and will update SAP appeal documentation to be in line with the current Financial Aid Office policy regarding SAP. Management will ensure that current SAP policy is published in both University Academic Catalogs and on SFAS website. Management will also work with the Director of University Accreditation and Policy to review the ongoing status of University Policy 7.025.</td>
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<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2019</td>
<td>19-007 SYS</td>
<td>Governance and Regulatory Compliance</td>
<td>Senate Bill 20 Compliance Review</td>
<td>UNT System</td>
<td>UNT System Procurement Services has not implemented procedures to post competitive bidding documentation on its website until the related posted contract expires or is completed.</td>
<td>Moderate</td>
<td>1. Recommendation for the Senior Director of Procurement Services: 1.1a. Establish procedures to ensure for each contract posted online to the Procurement Services website, the related competitive bidding documentation is posted until the contract posting expires.</td>
<td>1a. The Senior Director for Procurement and Payment Services shall develop procedures outlining steps to ensure proper posting of bidding documents or the authority for the contract to be exempt from the competitive bidding process for each contract posted on the Procurement Services Website until the contract posting expires.</td>
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<td>19-007 SYS</td>
<td>Governance and Regulatory Compliance</td>
<td>Senate Bill 20 Compliance Review</td>
<td>UNT System</td>
<td>1. Required Certification Documents not Prepared and Signed</td>
<td>UNT System Procurement Services did not prepare and sign required certification documents for contracts exceeding $5 million.</td>
<td>Moderate</td>
<td>For the Senior Director of Procurement Services:</td>
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<td>1a. Establish procedures to ensure required certifications are prepared and signed timely when contracts are executed.</td>
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| Internal          | UNT System Internal Audit | Fiscal Year 2019 | 19-007 SYS | Governance and Regulatory Compliance | Senate Bill 20 Compliance Review | UNT System | 2. Required Certification Documents not Prepared and Signed | UNT System Procurement Services did not prepare and sign required certification documents for contracts exceeding $5 million. | Moderate | For the Senior Director of Procurement Services: | Michael Abernethy, Senior Director of Procurement Services | 12/15/2019 | Closed |
|                   |                  |             |              |                |             |                     |                 |           | 2a. Establish procedures to ensure required certifications are prepared and signed timely when contracts are executed. |                        |                              | 12/15/2019 | Closed |

<p>|                   |                  |             |              |                |             |                     |                 |           | 2b. Perform a review to determine that the required certification form is completed and on file for all contracts exceeding $5 million since the effective date of this policy. |                        |                              | 12/15/2019 | Closed |</p>
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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2019</td>
<td>19-008 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Student Managed Investment Fund Audit</td>
<td>1. Unapproved Executed Trades</td>
<td>High</td>
<td>Recommendations for Dr. Marcia Staff, Department Chair, FIREL in coordination with the SIG: 1.1a. Develop a process to ensure the SIG has a documented approval process for the execution of trades (e.g. completed buy/sell orders signed by faculty advisor). 1a,b,c. The Chair of FIREL has developed an action plan to address the current deficiencies in the operation of the SIG and has shared it with Dean Wiley. These include: 1. Appointing two (2) co-faculty advisors for terms of two years who will agree to meet with the SIG on a regular basis and to monitor on going activities. 2. Drafting a charge for the SIG Advisory Council and charge for the “ex officio members.” Advisory Council members will be appointed for a term of two years, will include active portfolio managers as “ex officio” members.</td>
<td>Dr. Marcia Staff, Department Chair, FIREL in coordination with the SIG:</td>
<td>9/15/2019</td>
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<td>Fiscal Year 2019</td>
<td>19-008 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Student Managed Investment Fund Audit</td>
<td>1. Unapproved Executed Trades</td>
<td>High</td>
<td>Recommendations for Dr. Marcia Staff, Department Chair, FIREL in coordination with the SIG: 1.1b. Develop a process to ensure trades are approved by the faculty advisor prior to trades being executed.</td>
<td>Dr. Marcia Staff, Department Chair, FIREL in coordination with the SIG:</td>
<td>9/15/2019</td>
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<td>19-008 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Student Managed Investment Fund Audit</td>
<td>UNT</td>
<td>1. Unapproved Executed Trades The purchase and sale of stocks, as requested by the Student Investment Group, was executed without the required final approval of the faculty advisor.</td>
<td>High</td>
<td>1. Recommendations for Dr. Marcia Staff, Department Chair, FIREL in coordination with the SIG: 1.1c. Evaluate the structure of the SMIF Advisory Council to determine whether there is a need for multiple faculty advisors/approvers to assist with the trade activity process. 1.1a,b,c. The Chair of FIREL has developed an action plan to address the current deficiencies in the operation of the SIG and has shared it with Dean Wiley. These include: 1. Appointing two (2) co-faculty advisors for terms of two years who will agree to meet with the SIG on a regular basis and to monitor ongoing activities. 2. Drafting a charge for the SIG Advisory Council and a charge for the “ex officio” members. Advisory Council members will be appointed for a term of two years, will include the ex-officio faculty advisor and will include active portfolio managers as “ex officio” members.</td>
<td>Dr. Marcia Staff, Department Chair, FIREL in coordination with the SIG</td>
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<td>3. Trade Documentation</td>
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<td>The Student Investment Group is not maintaining trade activity documentation, including signed buy/sell orders and voting records.</td>
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<td><strong>Moderate</strong></td>
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<td><strong>Recommendation for Dr. Marcia Staff, Department Chair, FIREL in coordination with the SIG:</strong></td>
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<td>2.1a. Develop a process to ensure Student Investment Group documentation related to trade activity is retained and documented, including:</td>
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<td>i. Completed buy/sell orders signed by SIG officers and faculty advisor; and</td>
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<td>ii. Voting records.</td>
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<td>The Finance Department maintains all documents related to SIG in a central shared drive (the “O&quot; drive). The assistant to the Finance chair receives and posts all reports, etc. provided by the SIG. The department provided SIG with a laptop computer and a swipe card system to ensure that the SIG maintained and provided accurate attendance records (please see audit by Price Waterhouse Coopers on behalf of UNT Internal Audit suggesting the use of a swipe card system in 2017). Both the Finance chair and her assistant regularly request that SIG provide information that can be posted on the “O&quot; drive. This was true in 2018 as it has been every year. The Finance department can only post information that is provided by the SIG. All information provided by the SIG is posted on the “O&quot; drive.</td>
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<td>The Management Response provided to concern 1 above should address these issues as well. In addition, the SIG Bylaws will be amended to provide that the SIG can take no action unless at least one of the members of the Advisory Committee is present at the meeting.</td>
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<td>The Student Investment Group is not maintaining trade activity documentation, including signed buy/sell orders and voting records.</td>
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<td><strong>Recommendation for Dr. Marcia Staff, Department Chair, FIREL in coordination with the SIG:</strong></td>
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<td>2.1b. Develop a process to ensure newly elected SIG officers sign SIG documentation (i.e. buy/sell orders) in accordance with SIG by-laws.</td>
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<td>The Management Response provided to concern 1 above should address these issues as well. In addition, the SIG Bylaws will be amended to provide that the SIG can take no action unless at least one of the members of the Advisory Committee is present at the meeting.</td>
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<td>Governance and Regulatory Compliance</td>
<td>Student Managed Investment Fund Audit</td>
<td>The Student Investment Group had incorrect calculations on quarterly and annual reports.</td>
<td>Moderate</td>
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<td>S. Quarterly and Annual Report Calculations</td>
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<td>UNT</td>
<td>S. Strip-cut Paper Shredder in BLB 380</td>
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<td>The Donor Agreement has not been reviewed or modified since its inception in 2002.</td>
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<td>The Donor Agreement has not been reviewed or modified since its inception in 2002.</td>
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<td>Governance and Regulatory Compliance</td>
<td>UNTHSC</td>
<td>Terminated employees access to sensitive areas had not been removed from the system</td>
<td>High</td>
<td>1. Recommendation for UNTHSC Interim Chief of Police: 1.1a. Identify and remove terminated employee access to the dispatch area and the server room.</td>
<td>1.a. UNTHSC removed the inappropriate access on February 26, 2019.</td>
<td>Jeff Arrington, Interim Chief of Police</td>
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<tr>
<td>19-029 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>UNTHSC</td>
<td>Terminated employees access to sensitive areas had not been removed from the system</td>
<td>High</td>
<td>1. Recommendation for UNTHSC Interim Chief of Police: 1.1b. Develop and implement a process to ensure prompt removal of access for terminated or employees no longer requiring access to the dispatch area.</td>
<td>1.b. and 1.c. We concur with the recommendation and will collaborate with ITS to develop and implement a process that will ensure access for terminated, or employees no longer requiring access, is promptly removed from the system.</td>
<td>Jeff Arrington, Interim Chief of Police</td>
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<td>Terminated employees with access</td>
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<th>Recommendation Status</th>
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<tr>
<td>19-029 HSC</td>
<td>UNTHSC</td>
<td>A clear image not captured</td>
<td>High</td>
<td>1. Convene a committee of UNTHSC senior leadership to determine and implement the most effective and most feasible method to improve nighttime surveillance of GSB Parking Lot 2.</td>
<td>We concur with the recommendation and will remediate the cameras in the mentioned areas.</td>
<td>Jeff Arrington, Interim Chief of Police</td>
<td>12/1/2019</td>
<td>Open</td>
</tr>
<tr>
<td>19-029 HSC</td>
<td>UNTHSC</td>
<td>A clear image not captured</td>
<td>High</td>
<td>1. Convene a committee of UNTHSC senior leadership to determine and implement the most effective and most feasible method to improve nighttime surveillance of 3416 Darcy Street.</td>
<td>We concur with the recommendation and will remediate the cameras in the mentioned areas.</td>
<td>Jeff Arrington, Interim Chief of Police</td>
<td>12/1/2019</td>
<td>Open</td>
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<td>UNTHSC</td>
<td>4. Maintenance Schedule Did Not Exist</td>
<td>There was no maintenance schedule for the security camera system.</td>
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| Internal         | UNT System Internal Audit | Fiscal Year 2019          | 19-029 HSC   | Governance and Regulatory Compliance | Security Camera Audit | UNTHSC | There was no documented Disaster Recovery Plan or Service Level Agreement in place for the UNTHSC security camera system. | High | Recommendations for UNTHSC Interim Chief of Police:
6.1a. Work with UNTHSC Information Technology Services (ITS) to develop and implement a Disaster Recovery Plan and Service Level Agreements (SLA) to support the system. The SLA should also be included in the contract with the outside vendor supporting the system. | Jeff Arrington, Interim Chief of Police | 12/1/2019 | Rev. Imp. Date: 03/01/2020 | Open |
| Internal         | UNT System Internal Audit | Fiscal Year 2019          | 19-029 HSC   | Governance and Regulatory Compliance | Security Camera Audit | UNTHSC | There was no security camera policy in place. | Moderate | Recommendations for UNTHSC Interim Chief of Police:
7.1a. Convene a committee comprised of UNTHSC Information Technology Services (ITS) and UNTHSC Institutional Compliance and Integrity to establish an appropriate policy for the use and application of security cameras. | Jeff Arrington, Interim Chief of Police | 12/1/2019 | Rev. Imp. Date: 03/01/2020 | Open |
### Internal / External
- **Internal**
- **External**

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<td>UNI 19-029</td>
<td>Security and Regulatory Compliance</td>
<td>Governance</td>
<td>UNTHSC</td>
<td>Moderate</td>
<td>1. Develop and implement a method to achieve adequate staffing of the dispatch office that does not affect the effectiveness of other police duties.</td>
<td>In the review, we concurred with the recommendation and are committed to asking for additional FTE in the next budget development cycle (FY2020). In addition, the Police Chief committed to discussing alternatives to effectively staff the dispatch area during the busy hours of campus activity (1000-1400 hours).</td>
<td>Jeff Arrington, Interim Chief of Police</td>
<td>12/1/2019</td>
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<tr>
<td>UNTHSC System Internal Audit</td>
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<td>UNI 19-037</td>
<td>Governance</td>
<td>Governance and Regulatory Compliance</td>
<td>Governance</td>
<td>Moderate</td>
<td>1. Develop a written Business Continuity Plan (BCP) for mission critical information resources.</td>
<td>Management agrees with the recommendation to develop a written Business Continuity Plan (BCP) for mission critical information resources. A plan will be put in place to address how operations will be sustained and data will be assured in the event of an IT disruption. The plan will identify key personnel, their contact information, essential functions, equipment, communications and critical information technology data backup locations.</td>
<td>Alicia Brossette, Executive Director of Office of Sponsored Projects</td>
<td>12/31/2019</td>
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<td>Internal/ External</td>
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<td>19-037 DAL</td>
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<td>Grants and Contracts Compliance Audit</td>
<td>UNT Dallas</td>
<td>1. Business Continuity Plan Office of Sponsored Projects (OSP) and Sponsored Projects Accounting (SPA) do not have a written Business Continuity Plan (BCP) for mission critical information resources.</td>
<td>Moderate</td>
<td>1. Recommendations for Alicia Brossette, Executive Director of Office of Sponsored Projects: 1.1b. Develop a process and procedure to test annually the BCP.</td>
<td>Management agrees with the recommendation to develop a process and procedure to test the Business Continuity Plan (BCP) annually. Processes and procedures will include whether steps are conducted in the right order and that no steps are missed.</td>
<td>Alicia Brossette, Executive Director of Office of Sponsored Projects</td>
<td>3/31/2020</td>
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<p>| Internal          | UNT System Internal Audit | Fiscal Year 2019 | 19-037 DAL | Governance and Regulatory Compliance | Grants and Contracts Compliance Audit | UNT Dallas | 1. Business Continuity Plan Office of Sponsored Projects (OSP) and Sponsored Projects Accounting (SPA) do not have a written Business Continuity Plan (BCP) for mission critical information resources. | Moderate | 1. Recommendations for Alicia Brossette, Executive Director of Office of Sponsored Projects: 1.1c. Test annually the BCP. | Management agrees with the recommendation to test the Business Continuity Plan (BCP) for mission critical resources annually. Testing will assist with ensuring the effectiveness of the BCP. | Alicia Brossette, Executive Director of Office of Sponsored Projects | 5/31/2020 | Open |</p>
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2019</td>
<td>19-037 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Grants and Contracts Compliance Audit</td>
<td>UNT Dallas</td>
<td>Office of Sponsored Projects (OSP) and Sponsored Projects Accounting (SPA) do not have a written Business Continuity Plan (BCP) for mission critical information resources.</td>
<td>Moderate</td>
<td>Develop a written Business Continuity Plan (BCP) for mission critical resources.</td>
<td>Management agrees with the recommendation to develop a written Business Continuity Plan (BCP) for mission critical resources. A plan will be put in place to address how operations will be sustained and data will be securing in the event of an IT disruption. The plan will identify key personnel, their contact information, essential functions, equipment, communications and information technology data backup procedures.</td>
<td>Janet Burton, Director of Sponsored Projects Accounting</td>
</tr>
<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2019</td>
<td>19-037 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Grants and Contracts Compliance Audit</td>
<td>UNT Dallas</td>
<td>Office of Sponsored Projects (OSP) and Sponsored Projects Accounting (SPA) do not have a written Business Continuity Plan (BCP) for mission critical information resources.</td>
<td>Moderate</td>
<td>Develop a process and procedure to test annually the BCP.</td>
<td>Management agrees with the recommendation to develop a process and procedure to test the Business Continuity Plan (BCP) annually. Processes and procedures will include whether steps are conducted in the right order and that no steps are missed.</td>
<td>Janet Burton, Director of Sponsored Projects Accounting</td>
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</tbody>
</table>


<table>
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<tr>
<th>Internal/External</th>
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<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2019</td>
<td>19-037 DAL</td>
<td>UNT Dallas</td>
<td>1. Business Continuity Plan</td>
<td>Moderate</td>
<td>Office of Sponsored Projects (OSP) and Sponsored Projects Accounting (SPA) do not have a written Business Continuity Plan (BCP) for mission critical information resources.</td>
<td>Management agrees with the recommendation to test the Business Continuity Plan (BCP) for mission critical resources annually. Testing will assist with ensuring the effectiveness of the BCP.</td>
<td>Janet Burton, Director of Sponsored Projects Accounting</td>
<td>5/31/2020</td>
<td>Open</td>
</tr>
<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2019</td>
<td>19-037 DAL</td>
<td>UNT Dallas</td>
<td>2. Strip-Cut Paper Shredder</td>
<td>Moderate</td>
<td>A strip-cut paper shredder used by Office of Sponsored Projects Accounting (SPA) is not sufficient to protect sensitive information.</td>
<td>Management agrees with the recommendation to discard the strip-cut paper shredder and ensure documents containing sensitive information are destroyed properly to render the information unreadable (i.e., a locked bin or cross-cut shredder). The shredder will no longer be used by the Office of Sponsored Projects Accounting. All documents containing sensitive information will be discarded in the locked bin.</td>
<td>Janet Burton, Director of Sponsored Projects Accounting</td>
<td>6/28/2019</td>
<td>Closed</td>
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### Internal UNT System Internal Audit
**Auditor**: Internal Reporting Agency

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<tr>
<th>Audit Number</th>
<th>Audit Category</th>
<th>Report Name</th>
<th>Component Institution</th>
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<tbody>
<tr>
<td>19-040 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Effort Reporting Process Audit</td>
<td>UNT-Slack</td>
<td>No observations</td>
</tr>
<tr>
<td>19-055 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Residence Hall Key Card Access</td>
<td>UNT-Slack</td>
<td>A criminal history check has not on file for one of the 45 employees with access to the residence hall, even though the employee may have completed a criminal history background check with the institution.</td>
</tr>
</tbody>
</table>

**Recommendation Details**

1. Recommend an administrative action to determine whether the employee is still authorized to have access to the residence hall. **High**

**Recommendation Status**

1.1a. Recommend a follow-up to ensure that the employee is still authorized to have access to the residence hall. **High**

**Management Response**

1a. Dee Goines, Director of Residence Life, Housing and Conference Services, coordinated with Director of Facilities Management and Planning to ask staff member to go through the background check process. Staff member agreed. Background check completed by UNT Dallas Human Resources. **Closed**
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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2019</td>
<td>19-055 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Residence Hall Key Card Access</td>
<td>A. Periodic Access Review Not Performed. A process did not exist to review access on a regular basis.</td>
<td>High</td>
<td>1. Recommendations for the Chief of Police: 1.2a. Create a process to regularly monitor authorized access, which includes: a review of access levels at least annually, and a review of terminated employees at least monthly.</td>
<td>Christopher Shaw, Chief of Police</td>
<td>1/1/2020</td>
<td>Open</td>
<td></td>
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2019</td>
<td>19-055 DAL</td>
<td>Governance and Regulatory Compliance</td>
<td>Residence Hall Key Card Access</td>
<td>A. Service-Level Agreement Not in Place. A service-level agreement (SLA) with the vendor supporting the access system did not exist.</td>
<td>Moderate</td>
<td>1. Recommendations for the Office of IT Director: 1.3a. Establish a service-level agreement with the vendor supporting the access system that outlines uptime expectations, updates, patches, and a maintenance schedule and submit for contract approval.</td>
<td>Kevin Rocha, Office of IT Director</td>
<td>Exp. Imp. Date: 9/30/2019 Rev. Imp. Date: 05/31/2020</td>
<td>Open</td>
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## Internal / External Audit Report Inventory

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<tr>
<th>Internal / External</th>
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<th>Management Response</th>
<th>Recommendations Status</th>
<th>Hop. Imp. Date</th>
<th>Rev. Imp. Date</th>
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<tbody>
<tr>
<td>Internal UNT System Internal Audit</td>
<td>Governance and Regulatory Compliance</td>
<td>FY 2019</td>
<td>19-055 DAL</td>
<td>Residence Hall Key Card Access</td>
<td>UNT Dallas</td>
<td>4. User Identifying Data Inconsistent with EIS</td>
<td>The user name and/or ID number in the door access software system did not match the data in the central database.</td>
<td>Moderate</td>
<td>4. Recommendations for the Office of IT Director:</td>
<td>1a. A direct feed will be part of the new card access system to reduce as possible. 3rd party vendor access will need to be a manual feed still in some areas. We are correcting the user data identified during the audit and the ID Center staff will continue to cross-check new user data with EIS data.</td>
<td>Kevin Rocha, Office of IT Director</td>
<td>Exp. Imp. Date: 9/30/2019</td>
<td>Rev. Imp. Date: 07/31/2020</td>
</tr>
<tr>
<td>Internal UNT System Internal Audit</td>
<td>Governance and Regulatory Compliance</td>
<td>FY 2019</td>
<td>19-058 DAL</td>
<td>UNT Dallas Financial Aid Processes Audit</td>
<td>UNT Dallas</td>
<td>14. Satisfactory Academic Progress Appeal Form</td>
<td>The Satisfactory Academic Progress (SAP) appeal form does not correspond to UNT Dallas policy.</td>
<td>Moderate</td>
<td>2. Recommendations for Elizabeth Giddens, Director of University Accreditation and Policy:</td>
<td>2a. The Director of University Accreditation and Policy will work with the Director of Financial Aid to discuss whether we need an institutional policy on SAP or not. If not, we will go through the formal process of having Policy 7.015 Satisfactory Academic Progress deleted from our inventory and then will remove it from the policy manual/website. If we decide to keep it, we will ensure the policy and form are aligned.</td>
<td>Elizabeth Giddens, Director of University Accreditation and Policy</td>
<td>8/1/2019</td>
<td>Closed</td>
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<td>Reporting Agency</td>
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<td>Internal</td>
<td>BKD</td>
<td>Fiscal Year 2019</td>
<td>19-111 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Cancer Prevention and Research Institute of Texas (CPRIT) Audit</td>
<td>UNTHSC</td>
<td>No observations were noted. N/A N/A N/A N/A N/A N/A</td>
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<td>External</td>
<td>County of Los Angeles, Department of Public Health</td>
<td>Fiscal Year 2019</td>
<td>N/A</td>
<td>Program Review of Contract Number PH-0003507, Emergency Preparedness and Response Services</td>
<td>No observations were noted</td>
<td>N/A</td>
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<td>Texas Higher Education Coordinating Board</td>
<td>Fiscal Year 2019</td>
<td>N/A</td>
<td>Governance and Regulatory Compliance</td>
<td>For Audit of the Educational Management Letter</td>
<td>N/A</td>
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<td>Texas Higher Education Coordinating Board</td>
<td>Fiscal Year 2019</td>
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<td>Governance and Regulatory Compliance</td>
<td>AY 2018-2019 Exclusively Management Letter</td>
<td>No observations were noted</td>
<td>N/A</td>
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<td>Fiscal Year 2020</td>
<td>19-006 SYS</td>
<td>Governance and Regulatory Compliance</td>
<td>Benefits Proportionality Audit</td>
<td>1. Business Continuity Plan</td>
<td>The Controller’s Office does not have a written Business Continuity Plan (BCP) in place</td>
<td>Moderate</td>
<td>1. Recommendations for Paula Welch, System Controller and Associate Vice Chancellor for Finance: 1.1a. Develop a written Business Continuity Plan (BCP) for mission critical resources. Include procedures specific to each campus location.</td>
<td>Paula J. Welch, System Controller and Associate Vice Chancellor for Finance</td>
<td>8/31/2020</td>
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<td>19-006 SYS</td>
<td>Governance and Regulatory Compliance</td>
<td>Benefits Proportionality Audit</td>
<td>UNT System</td>
<td>1. Business Continuity Plan: The Controller’s Office does not have a written Business Continuity Plan (BCP) in place</td>
<td>Moderate</td>
<td>1. Recommendations for Paula Welch, System Controller and Associate Vice Chancellor for Finance: 1.1b. Develop a process and procedure to test annually the BCP</td>
<td>Paula J. Welch, System Controller and Associate Vice Chancellor for Finance</td>
<td>8/31/2020</td>
<td>Open</td>
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<td>19-006 SYS</td>
<td>Governance and Regulatory Compliance</td>
<td>Benefits Proportionality Audit</td>
<td>UNT System</td>
<td>1. Business Continuity Plan: The Controller’s Office does not have a written Business Continuity Plan (BCP) in place</td>
<td>Moderate</td>
<td>1. Recommendations for Paula Welch, System Controller and Associate Vice Chancellor for Finance: 1.1c. Test annually the BCP</td>
<td>Paula J. Welch, System Controller and Associate Vice Chancellor for Finance</td>
<td>8/31/2020</td>
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## Internal

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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2020</td>
<td>19-027 SYS</td>
<td>System Accessibility and Availability Uptime Audit</td>
<td>Moderate</td>
<td>1. Retain all data for critical systems.</td>
<td>Larry Mendez, ITSS Chief Technology Officer</td>
<td>4/30/2020</td>
<td>Open</td>
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### Internal

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<td>4/30/2020</td>
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Two critical systems supported by IT Shared Services were not monitored using the event monitoring application. Furthermore, data of SLA events were expunged after forty-five days.
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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2020</td>
<td>19-028 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Data Classification and Protection of Information Audit</td>
<td>UNT</td>
<td>Employees who have been terminated from UNT retain access to Category I data.</td>
<td>High</td>
<td>1. Recommendations for the Vice President for Student Affairs: 1.1a. Review access to Category I data and remove all persons who have been terminated from UNT or no longer work in the department.</td>
<td>Dr. Elizabeth With, Vice President for Student Affairs</td>
<td>12/1/2019</td>
<td>Closed</td>
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<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2020</td>
<td>19-028 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Data Classification and Protection of Information Audit</td>
<td>UNT</td>
<td>Employees who have been terminated from UNT retain access to Category I data.</td>
<td>High</td>
<td>1. Recommendations for the Vice President for Student Affairs: 1.1b. Develop a procedure to periodically review and modify access to Category I data, removing those people who no longer work at UNT, or in the area using the data, or no longer require access to this data.</td>
<td>Every department who does not already have a procedure in place to conduct an audit will conduct one once a semester to catch a person not removed through the process described above.</td>
<td>Dr. Elizabeth With, Vice President for Student Affairs</td>
<td>2/21/2020</td>
<td>Closed</td>
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<td>Internal/External</td>
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<td>Fiscal Year 2020</td>
<td>19-028 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Data Classification and Protection of Information Audit</td>
<td>Student Medical Records Retained Beyond Policy</td>
<td>Moderate</td>
<td>Recommendation for Director of Clinical Services: 1. All records in the card catalog and on microfiche older than the record retention policy should be destroyed.</td>
<td>Dr. Cynthia Hermann, Executive Director of the Student Health and Wellness Center (SHWC)</td>
<td>2/21/2020</td>
<td>Open</td>
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<td>Fiscal Year 2020</td>
<td>19-028 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>Data Classification and Protection of Information Audit</td>
<td>Student Medical Records Retained Beyond Policy</td>
<td>Moderate</td>
<td>Recommendation for Director of Clinical Services: 2. Review other records in department, destroying those older than record retention schedule.</td>
<td>Dr. Cynthia Hermann, Executive Director of the Student Health and Wellness Center (SHWC)</td>
<td>2/21/2020</td>
<td>Open</td>
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<tr>
<td>UNT</td>
<td>Student medical records retained in excess of record retention policy.</td>
<td>Moderate</td>
<td>1. Recommendations for Director of Clinical Services: 1.1c. Develop a procedure to periodically review and destroy records older than record retention schedule.</td>
<td>The Director will develop an internal process to ensure medical records are not retained longer than required. The records will be reviewed twice a year - once over the summer for fiscal year retention and again in January for calendar year retention. Medical record retention for UNT is 10 years from last date of service or when the patient turns 18, whichever is later.</td>
<td>Dr. Cynthia Hermann, Executive Director of the Student Health and Wellness Center (SHWC)</td>
<td>2/21/2020</td>
<td>Open</td>
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<td>UNT</td>
<td>Office of Grants and Contracts Administration (OGCA) does not have a written Business Continuity Plan (BCP) for mission critical information resources.</td>
<td>Moderate</td>
<td>1.1a. Develop a written Business Continuity Plan (BCP) for mission critical resources. 1.1b.OGCA will develop a process and procedure to test the BCP annually.</td>
<td>OGCA will Develop a written Business Continuity Plan (BCP) for mission critical resources and develop a process and procedure to test the BCP annually.</td>
<td>Chuck, Tarantino, Assistant Vice President of OGCA</td>
<td>11/18/2019</td>
<td>Closed</td>
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<td>Management Response</td>
<td>Individual Responsible for Implementation</td>
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<td>UNT</td>
<td>Office of Grants and Contracts Administration (OGCA) does not have a written Business Continuity Plan (BCP) for mission critical information resources.</td>
<td>Moderate</td>
<td>1. Recommendations for Chuck Tarantino, Assistant Vice President of OGCA: 1.1b. Develop a process and procedure to test annually the BCP.</td>
<td></td>
<td>Chuck, Tarantino, Assistant Vice President of OGCA:</td>
<td>11/18/2019</td>
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<td>UNT</td>
<td>Office of Grants and Contracts Administration (OGCA) does not have a written Business Continuity Plan (BCP) for mission critical information resources.</td>
<td>Moderate</td>
<td>1. Recommendations for Chuck Tarantino, Assistant Vice President of OGCA: 1.1c. Test annually the BCP.</td>
<td></td>
<td>Chuck, Tarantino, Assistant Vice President of OGCA:</td>
<td>11/18/2019</td>
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<td>19-036 HSC</td>
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<td>Grants and Contracts Compliance</td>
<td>UNTHSC</td>
<td>1. Interdepartmental Charges – Inconsistent and Inaccurate Allocations: Two interdepartmental charges for the PI's utilization of the shared research equipment facility (core facilities) were inaccurately charged. The first interdepartmental charge for June-August 2018 in the amount of $1,045 was without the PI's approval and charged to grant RF00100 in error. The second interdepartmental charge for March-May 2018 in the amount of $2,915 was incorrectly posted as an Interdepartmental Revenue instead of an Interdepartmental Expense.</td>
<td>Moderate</td>
<td>1. Recommendations for the Associate Vice Chancellor &amp; System Controller in coordination with Executive Director of Sponsored Programs: 1.1a. Require interdepartmental expenditures to pass through the Office of Sponsored Programs for review and approval prior to posting by HSC System Accounting.</td>
<td>Paula J. Welch, CPA, AVC for Finance &amp; System Controller, and Andrea M. Anderson, JD, CRA, Executive Director, Office of Sponsored Programs</td>
<td>1/31/2020</td>
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<td>UNTHSC</td>
<td>1. Interdepartmental Charges – Inconsistent and Inaccurate Allocations: Two interdepartmental charges for the PI's utilization of the shared research equipment facility (core facilities) were inaccurately charged. The first interdepartmental charge for June-August 2018 in the amount of $1,045 was without the PI's approval and charged to grant RF00100 in error. The second interdepartmental charge for March-May 2018 in the amount of $2,915 was incorrectly posted as an Interdepartmental Revenue instead of an Interdepartmental Expense.</td>
<td>Moderate</td>
<td>1. Recommendations for the Associate Vice Chancellor &amp; System Controller in coordination with Executive Director of Sponsored Programs: 1.1b. Review and send back any expenditures without the proper documented approval from either the Office of Sponsored Programs and/or Principal Investigator.</td>
<td>HSC System Accounting will send back any journals for sponsored project expenditures which do not have OSP or PI approval.</td>
<td>1/31/2020</td>
<td>Open</td>
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<td>UNT</td>
<td>No Observations were noted</td>
<td>N/A</td>
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<td>Governance and Regulatory Compliance</td>
<td>Effort Reporting Process Audit</td>
<td>UNT HSC</td>
<td>No Observations were noted</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2020</td>
<td>19-060 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Correcting Journal Entries Audit</td>
<td>UNT System</td>
<td>The original Board of Regents approved budget was not secured after initial upload</td>
<td>High</td>
<td>1. Recommendations for the Vice Chancellor of Budget &amp; Planning and the Senior Director of Budget &amp; Planning: 1.1a. Evaluate PeopleSoft configurations to ensure the original BOR approved budget is kept static after initial upload. 1b. Management agrees with the recommendation to Evaluate all users with 'Budget Entry Type 0' edit capabilities and limit usage to only those users deemed necessary.</td>
<td>Jim Gross - Senior Director of Budget and Analytics</td>
<td>12/31/2019</td>
<td>Closed</td>
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<td>Auditors/</td>
<td>Reporting Agency</td>
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| Internal   | UNT System Internal Audit | Fiscal Year 2020 | 19-060 HSC | Governance and Regulatory Compliance | Correcting Journal Entries Audit | UNT System | PeopleSoft settings were not configured to effectively validate transactions against department or project budget. | High       | 1. Recommendations for the Vice Chancellor for Finance in coordination with Associate Vice Chancellor of Budget & Planning and the Senior Director of Budget & Planning:  
2.1a. Develop and implement a process to create a $0 value for all budget chart strings that are not assigned a budget after the original budget upload. | Management agrees to evaluate the cause behind the need to enter zero budgets. The solution may be a configuration change or the development and implementation of a process to create a $0 value for budget chart strings that are not assigned a budget after the original budget upload. | Jim Gross- Senior Director of Budget and Analytics | 3/31/2020 | Open |
| Internal   | UNT System Internal Audit | Fiscal Year 2020 | 19-060 HSC | Governance and Regulatory Compliance | Correcting Journal Entries Audit | UNT System | PeopleSoft settings were not configured to effectively validate transactions against department or project budget. | High       | 1. Recommendations for the Vice Chancellor for Finance in coordination with Associate Vice Chancellor of Budget & Planning and the Senior Director of Budget & Planning:  
2.1b. For all ledgers, review the control budget rule setup to ensure it is configured at the appropriate level. | Management agrees to review the control budget rule setup to ensure it is configured at the appropriate level. | Jim Gross- Senior Director of Budget and Analytics | 12/31/2020 | Open |
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<th>Reporting Agency</th>
<th>Fiscal Year</th>
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<td>Governance and Regulatory Compliance</td>
<td>Correcting Journal Entries Audit</td>
<td>UNT System</td>
<td>PeopleSoft settings were not configured to effectively validate transactions against a department or project budget</td>
<td>High</td>
<td>Recommendation for the Vice Chancellor for Finance in coordination with Associate Vice Chancellor of Budget &amp; Planning and the Senior Director of Budget &amp; Planning: 2.1c. Require budget personnel to limit the utilization of budget overrides.</td>
<td>Management agrees to require budget personnel to limit the utilization of budget overrides.</td>
<td>Jim Gross - Senior Director of Budget and Analytics</td>
<td>05/31/2020</td>
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<td>UNT System Internal Audit</td>
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<td>Correcting Journal Entries Audit</td>
<td>UNT System</td>
<td>PeopleSoft settings were not configured to effectively validate transactions against a department or project budget</td>
<td>High</td>
<td>Recommendation for the Associate Vice Chancellor of Budget &amp; Planning and the Senior Director of Budget &amp; Planning in coordination with Institutional Chief Financial Officers: 2.2a. For all institutions, evaluate the budget settings to determine whether certain fields such as purpose, site, and program should be included in the budget checking process.</td>
<td>Management agrees to evaluate the budget settings, for all institutions, to determine whether certain fields such as purpose, site, and program should be included in the budget checking process.</td>
<td>Jim Gross - Senior Director of Budget and Analytics</td>
<td>12/31/2020</td>
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| 1   | 12/31/2020 | 2020        | 19-060 HSC   | PeopleSoft settings were not configured to effectively validate transactions against department or project budget | High       | Recommendation for the Associate Vice Chancellor of Budget & Planning and the Senior Director of Budget & Planning in coordination with Institutional Chief Financial Officers:  
2b. For all institutions, evaluate the non-budgetary ledger to determine if all expenses should be setup on the expenditure ledger or should be configured as a parent/child relationship. | Management agrees to evaluate the non-budgetary ledger to determine if all expenses should be setup on the expenditure ledger or should be configured as a parent/child relationship. | Jim Gross - Senior Director of Budget and Analytics | 12/31/2020 | Open                 |
| 2   | 3/31/2020  | 2020        | 19-060 HSC   | The PeopleSoft table used to review journal entry transactions from a variety available is not appropriate for the volume of required edit checks. | High       | Recommendations for the Associate Vice Chancellor of Budget & Planning with Senior Director of Budget & Planning in coordination with all Institution Controllers:  
3.1a. Evaluate the combination edit rule configuration to streamline the process with the current method being used.  For example, remove combo types that can be isolated in exception reports. | Management agrees to evaluate the combination edit rule configuration to streamline the process with the current method being used. | Jim Gross - Senior Director of Budget and Analytics | 3/31/2020 | Open                 |
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<th>Fiscal Year/ Reporting Period</th>
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<td>19-060 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Correcting Journal Entries Audit</td>
<td>The PeopleSoft table used to review journal entry transactions, from a variety available, is not appropriate for the volume of required edit checks.</td>
<td>High</td>
<td>1. Recommendations for the Associate Vice Chancellor of Budget &amp; Planning with Senior Director of Budget &amp; Planning in coordination with all Institution Controllers: 3.1b. If current process is determined to not be feasible, evaluate table type options within PeopleSoft that provide the flexibility and efficiency needed, while also allowing sufficient combination edit rules.</td>
<td>1b. Management agrees that if the current method if not feasible, to evaluate table type options within PeopleSoft that provide the flexibility and efficiency needed, while also allowing sufficient combination edit rules.</td>
<td>Jim Gross- Senior Director of Budget and Analytics</td>
<td>3/31/2020</td>
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<td>UNT System Internal Audit</td>
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<td>19-060 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Correcting Journal Entries Audit</td>
<td>Responsibilities in the journal entry process are inefficient and unevenly distributed.</td>
<td>Moderate</td>
<td>1. Recommendations for the Vice Chancellor of Finance in coordination with Institutional CFO’s, Interim Associate Vice Chancellor &amp; System Controller and the Senior Director of Budget &amp; Planning: 4.1a. Coordinate with ITSS to update the permission roles and journal entry workflows in order to allow departments to create, import, and edit check journal entries. Then route the journal entries for review, approval and for post to the Accounting department.</td>
<td>1a. We agree to coordinate with ITSS to configure and implement the ITSS systems and access controls to support automated journal processing.</td>
<td>Paula Welch, Interim AVC for Finance &amp; Controller</td>
<td>8/31/2020</td>
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<td>Governance and Regulatory Compliance</td>
<td>Moderate</td>
<td>Responsibilities in the journal entry process are inefficient and unevenly distributed.</td>
<td>1. Recommend best practices to co-ordinate with institutional CFO’s, Interim Associate Vice Chancellor &amp; System Controller and the Senior Director of Budget &amp; Planning. 4.1b. Train and assign the creation, import and editing of journal entry transactions to the departments. We agree to evaluate departmental journal transaction and access as needed. Training will be provided to all departments given the automated journal entry access.</td>
<td>Paula Welch, Interim AVC for Finance &amp; Controller</td>
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<td>Governance and Regulatory Compliance</td>
<td>Moderate</td>
<td>Responsibilities in the journal entry process are inefficient and unevenly distributed.</td>
<td>1. Recommend best practices to co-ordinate with institutional CFO’s, Interim Associate Vice Chancellor &amp; System Controller and the Senior Director of Budget &amp; Planning. 4.1c. Automate a nightly batch processing of sub-ledger journal edit and post to the GL (i.e. Accounts Payable, Human Resources, etc.) with an automatic budget override. Evaluate automation for consistency across all Institutions.</td>
<td>We agree to work with Financial System Services (FSS) to automate batch edit and submission with automatic budget override for sub-ledger journals.</td>
<td>Paula Welch, Interim AVC for Finance &amp; Controller, Paige Smith – Associate Vice Chancellor of Budget &amp; Planning</td>
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<td>Governance and Regulatory Compliance</td>
<td>Moderate</td>
<td>Responsibilities in the journal entry process are inefficient and unevenly distributed.</td>
<td>1. Recommend best practices to co-ordinate with institutional CFO’s, Interim Associate Vice Chancellor &amp; System Controller and the Senior Director of Budget &amp; Planning. 4.2. Automate nightly batch processing of sub-ledger journal edit and post to the GL (i.e. Accounts Payable, Human Resources, etc.) with an automatic budget override. Evaluate automation for consistency across all Institutions.</td>
<td>We agree to work with Financial System Services (FSS) to automate batch edit and submission with automatic budget override for sub-ledger journals.</td>
<td>Paula Welch, Interim AVC for Finance &amp; Controller, Paige Smith – Associate Vice Chancellor of Budget &amp; Planning</td>
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<td>19-060 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Correcting Journal Entries Audit</td>
<td>UNT System</td>
<td>Manual Processing of journal entry transactions: Responsibilities in the journal entry process are inefficient and unevenly distributed.</td>
<td>Moderate</td>
<td>Recommendations for the Vice Chancellor of Finance in coordination with Institutional CFO's, Interim Associate Vice Chancellor &amp; System Controller and the Interim Director of Budget &amp; Planning: 1d. We agree to collaborate with the VP of Finance &amp; Planning to automate batch edit and post of Student Financial sub-ledgers.</td>
<td>We agree to collaborate with the VP of Finance &amp; Planning to automate batch edit and post of Student Financial sub-ledgers.</td>
<td>Paula Welch, Interim AVC for Finance &amp; Controller</td>
<td>8/31/2020</td>
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<td>19-060 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Correcting Journal Entries Audit</td>
<td>UNT System</td>
<td>UNTHSC PeopleSoft Financial budget balances cannot be relied upon to be balanced or accurate because the Office of Finance &amp; Planning as well as the Office of Sponsored Programs use one-sided budget journal entries for the transfer of budget amounts from one account to another. Such treatment also eliminates the trail to identify the incoming and outgoing budget transactions between the accounts.</td>
<td>High</td>
<td>Recommendations for the Vice Chancellor of Finance in coordination with Associate Vice Chancellor of Budget &amp; Planning: 5.1a. Evaluate whether Institutions are utilizing budget entry types 0, 1, 2, and 3 inaccurately.</td>
<td>Management agrees to evaluate whether Institutions are utilizing budget entry types 0, 1, 2, and 3 inaccurately.</td>
<td>Jim Gross – Senior Director of Budget and Analytics</td>
<td>3/31/2020</td>
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<td>Reporting Agency</td>
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<td>Management Response</td>
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<td>19-060 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>Correcting Journal Entries Audit</td>
<td>UNT System</td>
<td><strong>5. Budget Entry Type</strong>&lt;br&gt;UNTHSC PeopleSoft Financial budget balances cannot be relied upon to be balanced or accurate because the Office of Finance &amp; Planning as well as the Office of Sponsored Programs use one-sided Budget Journal Entries for the transfer of budget amounts from one account to another. Such treatment also eliminates the trail to identify the incoming and outgoing budget transactions between the accounts.</td>
<td>High</td>
<td><strong>1. Recommendations for the Vice Chancellor of Finance in coordination with Associate Vice Chancellor of Budget &amp; Planning and the Senior Director of Budget &amp; Planning:</strong>&lt;br&gt;5.1b. Work with Institutional CFO's to implement monitoring procedures to ensure ongoing compliance with UNT System Budget Manual guidelines.&lt;br&gt;1c. Work with Institutional CFO's to implement monitoring procedures to ensure ongoing compliance with UNT System Budget Manual guidelines.</td>
<td>Management agrees to implement monitoring procedures, in coordination with UNT System, to ensure ongoing compliance with UNT System Budget Manual guidelines.</td>
<td>Jim Gross – Senior Director of Budget and Analytics</td>
<td>3/31/2020</td>
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<td>UNT System</td>
<td>5. Budget Entry Type</td>
<td>UNTHSC PeopleSoft Financial budget balances cannot be relied upon to be balanced or accurate because the Office of Finance &amp; Planning as well as the Office of Sponsored Programs use one-sided Budget Journal Entries for the transfer of budget amounts from one account to another. Such treatment also eliminates the trail to identify the incoming and outgoing budget transactions between the accounts.</td>
<td>High</td>
<td>2a. Recommendations for the Senior Director of Budget &amp; Planning:</td>
<td>Management agrees to evaluate whether PeopleSoft Grants module for all Institutions are accurately configured.</td>
<td>Jim Gross – Senior Director of Budget and Analytics</td>
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<td>5. Budget Entry Type</td>
<td>UNTHSC PeopleSoft Financial budget balances cannot be relied upon to be balanced or accurate because the Office of Finance &amp; Planning as well as the Office of Sponsored Programs use one-sided Budget Journal Entries for the transfer of budget amounts from one account to another. Such treatment also eliminates the trail to identify the incoming and outgoing budget transactions between the accounts.</td>
<td>High</td>
<td>2a. Recommendations for the Senior Director of Budget &amp; Planning:</td>
<td>Management agrees to evaluate whether PeopleSoft Grants module for all Institutions are accurately configured.</td>
<td>Jim Gross – Senior Director of Budget and Analytics</td>
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<td>Fiscal Year 2020</td>
<td>19-060 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>UNTHSC</td>
<td>Interfund Transfers - General Ledger</td>
<td>Interfund transfers are not always recorded in the general ledger in compliance with GAAP</td>
<td>High</td>
<td>1. Recommendation for the Vice President of Finance and Planning in coordination with the Associate Vice Chancellor and System Controller: 6.1a. Record all interfund transfers as a debit to expense (70001) by the contributing fund; and a credit to revenue (70003) by the receiving fund.</td>
<td>The UNTHSC Finance Office agrees with the recommendation and will coordinate with the UNTHSC Controller to ensure fund transfers are recorded properly. Beginning 09/01/2019, GL transfer journal entries will include both the expense and revenue transfer accounts. Entries that do not meet the criteria will be returned to the submitter and the journal will be posted. Cost transfer journals will be an exception to this process until the cost transfer budget reporting is developed. The VP of Finance and Planning and the UNTHSC Controller will work together to ensure budget reports are adjusted to report departmental expenses appropriately.</td>
<td>Gail Hebert, Director, Budgets</td>
<td>8/31/2020</td>
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<td>Fiscal Year 2020</td>
<td>19-060 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>UNTHSC</td>
<td>Manual Budget Transfer Process</td>
<td>UNTHSC Office of Budget and Planning does not utilize available automated processing of budget and expense transfers.</td>
<td>Moderate</td>
<td>1. Recommendation for the Vice President of Finance and Planning in coordination with the Senior Director of Budget &amp; Planning: 6.1a. Work with ITSS to adopt the automated budget authorization function in PeopleSoft.</td>
<td>The UNTHSC Finance Office agrees to utilize PeopleSoft ABA functionality to process budget and expense transfers.</td>
<td>Gail Hebert, Director, Budgets</td>
<td>10/31/2020</td>
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<td>19-079 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>College of Engineering Dean Transition Audit</td>
<td>UNT</td>
<td>1. International Travel Registration</td>
<td>International travel was not registered prior to departure.</td>
<td>High</td>
<td>1. Recommendations for Dr. Hanchen Huang, Dean of the College of Engineering: 1.1a. Communicate requirements related to international travel registration.</td>
<td>Agree with recommendation, will communicate detailed requirements to complete for international trips and the requirement to utilize the detailed checklist discussed in the following action plan.</td>
<td>Yan Huang, Senior Associate Dean</td>
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<td>19-079 UNT</td>
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<td>College of Engineering Dean Transition Audit</td>
<td>UNT</td>
<td>1. International Travel Registration</td>
<td>International travel was not registered prior to departure.</td>
<td>High</td>
<td>1.1b. Develop a process and procedure to ensure that all University-related international travel in the College of Engineering is registered with Risk Management Services prior to departure. 1.2b. Develop a process and procedure to ensure that all University-related international travel in the College of Engineering is registered with Risk Management Services prior to departure.</td>
<td>Agree with recommendation, will develop a checklist detailing each requirement and an office to contact.</td>
<td>Yan Huang, Senior Associate Dean</td>
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<td>College of Engineering Dean Transition Audit</td>
<td>UNT</td>
<td>Asset Management: Assets were not managed in compliance with UNT Policy 10.048 Asset Management.</td>
<td>Moderate</td>
<td>1. 2.1a. Develop a process and procedure to ensure department custodians/inventory coordinators are aware of their responsibilities to safeguard UNT assets at all times and know the whereabouts of the assets in their custody.</td>
<td>We agree with the recommendation and will ensure our equipment custodians receive training on these critical skills.</td>
<td>Randy Burrow, Sr. System Administrator</td>
<td>2/21/2020</td>
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<td>Internal UNT System Internal Audit</td>
<td>Fiscal Year 2020</td>
<td>19-079</td>
<td>UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>College of Engineering Dean Transition Audit</td>
<td>UNT</td>
<td>Asset Management: Assets were not managed in compliance with UNT Policy 10.048 Asset Management.</td>
<td>Moderate</td>
<td>1. 2.1b. Develop a process and procedure to ensure missing assets are reported promptly to UNT Property Management;</td>
<td>We agree with the recommendation and will ensure missing assets are reported to UNT Property Management in a timely manner in accordance with UNT Policy 10.086.</td>
<td>Randy Burrow, Sr. System Administrator</td>
<td>2/21/2020</td>
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<td>UNT</td>
<td>2. Asset Management: Assets were not managed in compliance with UNT Policy 10.048 Asset Management.</td>
<td>Moderate</td>
<td>1. Recommendations for Dr. Hanchen Huang, Dean of the College of Engineering: 2.1c. Develop a process and procedure to ensure an exit inventory is performed as part of the off-boarding process, and the asset custodian is updated in EIS.</td>
<td>1c. We agree with the recommendation and will perform an exit inventory of personal property when a custodian departs in accordance with UNT Policy 10.048.</td>
<td>Randy Burrow, Sr. System Administrator</td>
<td>2/21/2020</td>
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<td>UNT</td>
<td>2. Asset Management: Assets were not managed in compliance with UNT Policy 10.048 Asset Management.</td>
<td>Moderate</td>
<td>1. Recommendations for Dr. Hanchen Huang, Dean of the College of Engineering: 2.1d. Develop a process and procedure to ensure visual confirmation is performed for all assets during the annual inventory, via either in-person observation or a dated photo that shows the asset tag.</td>
<td>1d. We agree with the recommendation and will ensure all assets are located and verified as part of the annual inventory certification process in accordance with UNT Policy 10.048.</td>
<td>Randy Burrow, Sr. System Administrator</td>
<td>2/21/2020</td>
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<td>Governance and Regulatory Compliance</td>
<td>College of Engineering Dean Transition Audit</td>
<td>Moderate</td>
<td>Recommendations for Dr. Hanchen Huang, Dean of the College of Engineering: 1. Ensure all PCard holders identify a clear business purpose for all PCard transactions. 2. Ensure all PCard holders document that the vendor status check for PCard transactions of $500 is performed in Concur.</td>
<td>We agree with the recommendations and will communicate with all PCard holders and supervisors to ensure all transactions are supported by adequate documentation.</td>
<td>Elizabeth Assaad, Academic Research and Financial Officer</td>
<td>2/21/2020</td>
<td>Open</td>
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<td>Moderate</td>
<td>Recommendations for Dr. Hanchen Huang, Dean of the College of Engineering: 1. Ensure all PCard holders identify a clear business purpose for all PCard transactions. 2. Ensure all PCard holders document that the vendor status check for PCard transactions of $500 is performed in Concur.</td>
<td>We agree with the recommendations and will communicate with all PCard holders and supervisors to ensure all transactions are supported by adequate documentation.</td>
<td>Elizabeth Assaad, Academic Research and Financial Officer</td>
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<td>Governance and Regulatory Compliance</td>
<td>College of Engineering, Dean Transition Audit</td>
<td>Moderate</td>
<td>1. Required annual cash handling training not completed. Internal Audit tested 6 College of Engineering employees identified as handling cash and noted none had completed the required annual training every 12 months.</td>
<td>In the affirmative, we will require all cash handlers to complete annual training. We will ensure new employees are trained prior to assuming cash handling duties. Furthermore, we will require all employees to complete training annually.</td>
<td>Elizabeth A. Assaad, Academic Research and Financial Officer</td>
<td>2/21/2020</td>
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<td>Fiscal Year 2020</td>
<td>20-003 SYS</td>
<td>Governance and Regulatory Compliance</td>
<td>Chancellor's Expenditure Review</td>
<td>Moderate</td>
<td>1. Inaccurate 403B Elective Deferrals: The Chancellor has elected to maximize her annual contribution to her 403B account. Based on the 2019 IRS limit, she is eligible to contribute a total of $24,900. Through September pay period, a total of only $18,900 has been deducted, and no further deductions will be processed without a manual system override.</td>
<td>In the affirmative, we will require the HR Business Partner to correct the final 2019 contributions to ensure the Chancellor's annual election is met.</td>
<td>Donna Shell, HR Business Partner II</td>
<td>10/15/2019</td>
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<td>Chancellor’s Expenditure Review</td>
<td>UNT System</td>
<td>Inaccurate 403B Elective Deferrals</td>
<td>Moderate</td>
<td>1. Recommendations to the HR Business Partner II: 1.1b. Analyze all employees who elected maximum voluntary retirement deductions in 2019 to ensure the system will reach the individual’s elected contribution. This should be conducted immediately, so corrections can be made prior to the end of the year.</td>
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<td>20-004 UNT</td>
<td>Governance and Regulatory Compliance</td>
<td>President’s Expenditure Review</td>
<td>UNT System</td>
<td>Excess Optional Retirement Program (ORP) Benefits</td>
<td>Moderate</td>
<td>1. Recommendations for HR Business Partner II: 1.1a. Correct the final 2019 contributions to ensure the President’s annual election does not exceed the maximum amount allowed. 1.1b. Presidents over-contributed amount was refunding on the 10/1/2019 payroll.</td>
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<td>Excess Optional Retirement Program (ORP) Benefits</td>
<td>Moderate</td>
<td>Review the System</td>
<td>Donna Shell, HR Business Partner II</td>
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<td>Inaccurate 403B Elective Deferrals</td>
<td>Moderate</td>
<td>Review the System</td>
<td>Donna Shell, HR Business Partner II</td>
<td>10/15/2019</td>
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### Internal UNT System Internal Audit

- **Audit Number**: 20-005 HSC
- **Report Name**: President’s Expenditure Review
- **Component Institution**: UNT System
- **Key Observations**: Inaccurate 403B Elective Deferrals

**Details**

- **Risk Level**: Moderate

**Recommendation**

1. **Recommendation to HR Business Partner II**:
   1.1b. Analyze all employees who elected maximum voluntary retirement deductions in 2019 to ensure the system will reach the individual’s elected contribution. This should be conducted immediately, so corrections can be made prior to the end of the year.
   1b. As of August 1, 2019, a process for IRS extensions, allowing additional contributions for individuals over age 50 or with 15 or more years of service, have been set up to automatically run on a weekly basis to allow the additional contributions.

**Management Response**

- **Individual Responsible for Implementation**: Donna Shell, HR Business Partner II
- **Expected Implementation Date**: 10/15/2019
- **Status**: Closed

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### Internal UNT System Internal Audit

- **Audit Number**: 20-006 DAL
- **Report Name**: President’s Expenditure Review
- **Component Institution**: UNT Dallas
- **Key Observations**: No observations

**Details**

- **Risk Level**: N/A

**Recommendation**

1. **Recommendation to HR Business Partner II**

- **Status**: N/A

**Management Response**

- **Individual Responsible for Implementation**: N/A
- **Expected Implementation Date**: N/A
- **Status**: N/A
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<td>20-011 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>THECB Family Medicine Residency Program</td>
<td>High</td>
<td>Recommendations for the Vice President Finance and Administration &amp; Sr. Academic and Business Director: 1.1.a. Update the FY2019 Annual Financial Report to appropriately reflect the miscalculations. 1a. Corrections in revenue of $108,492.59 will be made to reflect revenue utilized to operate Resident Clinic and overstatement of expenses of $585.50 for malpractice insurance to the AFR.</td>
<td>A.J. Randolph, Vice President Finance and Administration &amp; Sr. Academic and Business Director</td>
<td>10/22/2019</td>
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<td>UNT System Internal Audit</td>
<td>Fiscal Year 2020</td>
<td>20-011 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>THECB Family Medicine Residency Program</td>
<td>High</td>
<td>Recommendations for the Vice President Finance and Administration &amp; Sr. Academic and Business Director: 1.1.b. Review, analyze, and evaluate current procedures to verify accuracy of the Annual Financial Report to supporting schedules. 1b and 1c. An evaluation was conducted and a secondary review is required. The secondary review that includes all sources of funds by organization and department – including types of funding – will be conducted prior to finalizing the AFR. This additional review process will prevent this issue from occurring in the future.</td>
<td>A.J. Randolph, Vice President Finance and Administration &amp; Sr. Academic and Business Director</td>
<td>10/16/2020</td>
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<td>Audit Category</td>
<td>Report Name</td>
<td>Component Institution</td>
<td>Key Observations</td>
<td>Risk Level</td>
<td>Recommendation Details</td>
<td>Management Response</td>
<td>Recommendation Status</td>
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2020</td>
<td>20-011 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>THECB Family Medicine Residency Program</td>
<td>UNTHSC</td>
<td>1. Annual Financial Report Inaccurate Calculations. Based on the financial support documentation, the Annual Financial Report did not accurately reflect various revenues and expenditures paid with ‘Other Funds’.</td>
<td>High</td>
<td>Recommendations for the Vice President Finance and Administration &amp; Sr. Academic and Business Director: 1.1.e. Implement process improvements identified to verify the accuracy of the Annual Financial Report to supporting schedules. 1a and 1c. An evaluation was conducted and a secondary review is required. The secondary review that includes all sources of funds by organization and department – including types of funding - will be conducted prior to finalizing the AFR. This additional review process will prevent this issue from occurring in the future.</td>
<td>A.J. Randolph, Vice President Finance and Administration &amp; Sr. Academic and Business Director</td>
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2020</td>
<td>20-011 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>THECB Family Medicine Residency Program</td>
<td>UNTHSC</td>
<td>2. Cost and Income Elements Outside the Established Measurement Guidelines FY2019 financial results for the program did not fall within optimum ranges established within the Family Medicine Residency Program Measurement Guidelines.</td>
<td>Moderate</td>
<td>Recommendation for the Vice President Finance and Administration &amp; Sr. Academic and Business Director: 2.1.a. Going forward, perform a variance analysis throughout the year and communicate trending concerns to the Family Medicine Program Director and Chief Financial Officer. If necessary, implement any corrective actions. 1a. A variance analysis will be conducted mid-year (February) to determine if any element included on the AFR falls outside the expected range provided by the THECB. When possible, any element falling outside the recommended range will be addressed in the subsequent months.</td>
<td>A.J. Randolph, Vice President Finance and Administration &amp; Sr. Academic and Business Director</td>
<td>Open</td>
<td></td>
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<tr>
<td>Internal/External</td>
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<td>Risk Level</td>
<td>Recommendation Details</td>
<td>Management Response</td>
<td>Implemented Implementation Date</td>
<td>Recommendation Status</td>
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<td>Fiscal Year 2020</td>
<td>20-012 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>THECB Faculty Development Center Grant</td>
<td>UNTHSC</td>
<td>1. Annual Financial Report Inaccurate Calculations</td>
<td>The FY 2019 Annual Financial Report overstated personnel benefit calculations paid by ‘other funds’ by $9,447.83. In addition, the Annual Financial Report did not reconcile to the University’s General Ledger.</td>
<td>Moderate</td>
<td>1. Recommendations for the Vice President Finance and Administration &amp; Sr. Academic and Business Director: 1.1.a. Update the FY 2019 AFR to appropriately reflect the personnel compensation expenses paid with ‘other funds’. 1a. Corrections in the amount of $9,447.83 were made to the AFR to reflect personnel funds expended with “Other Funds.”</td>
<td>A.J. Randolph, Vice President Finance and Administration &amp; Sr. Academic and Business Director</td>
<td>10/18/2019</td>
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<td>UNT System Internal Audit</td>
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<td>20-012 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>THECB Faculty Development Center Grant</td>
<td>UNTHSC</td>
<td>1. Annual Financial Report Inaccurate Calculations</td>
<td>The FY 2019 Annual Financial Report overstated personnel benefit calculations paid by ‘other funds’ by $9,447.83. In addition, the Annual Financial Report did not reconcile to the University’s General Ledger.</td>
<td>Moderate</td>
<td>1. Recommendations for the Vice President Finance and Administration &amp; Sr. Academic and Business Director: 1.1.b. Review, analyze, and evaluate current procedures to verify accuracy of the Annual Financial Report to supporting schedules. 1b and 1c. An evaluation was conducted and a secondary review is required. The secondary review that includes all sources of funds by organization and department – including types of funding – will be conducted prior to finalizing the AFR. This additional review process will prevent this issue from occurring in the future.</td>
<td>A.J. Randolph, Vice President Finance and Administration &amp; Sr. Academic and Business Director</td>
<td>10/16/2020</td>
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<td>Internal/External</td>
<td>Reporting Agency</td>
<td>Fiscal Year</td>
<td>Audit Number</td>
<td>Report Name</td>
<td>Component Institution</td>
<td>Key Observations</td>
<td>Risk Level</td>
<td>Recommendation Details</td>
<td>Management Response</td>
<td>Individual Responsible for Implementation</td>
<td>Expected Implementation Date</td>
<td>Recommendation Status</td>
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<tr>
<td>Internal</td>
<td>UNT System Internal Audit</td>
<td>Fiscal Year 2020</td>
<td>20-012 HSC</td>
<td>Governance and Regulatory Compliance</td>
<td>THECB Faculty Development Center</td>
<td>The FY 2019 Annual Financial Report overstated personnel benefit calculations paid by 'other funds' by $9,447.83. In addition, the Annual Financial Report did not reconcile to the University's General Ledger.</td>
<td>Moderate</td>
<td>Recommendations for the Vice President Finance and Administration &amp; Sr. Academic and Business Director: 1.1.c. Implement process improvements identified to verify the accuracy of the Annual Financial Report to supporting schedules.</td>
<td>Management agrees with the condition as stated. Based on last year's audit, management has revised its procedures as of August 31, 2018, to include an R2T4 Review checklist for the Director or assigned staff member to complete. Once complete this document is saved within UNTHSC's shared drive for that award year.</td>
<td>A.J. Randolph, Vice President Finance and Administration &amp; Sr. Academic and Business Director</td>
<td>10/16/2020</td>
<td>Open</td>
<td></td>
</tr>
<tr>
<td>Internal</td>
<td>Weaver and Tidwell, LLP</td>
<td>Fiscal Year 2019</td>
<td>19-112 HSC</td>
<td>Financial Compliance Audit of the Title IV Program</td>
<td>UNTHSC</td>
<td>We reviewed all 36 returns of Title IV funds for the 2017-2018 grant year and determined that one return was not calculated correctly by Financial Aid staff. Specifically, school's portion of the return was understated by $16.32. In this instance, the incorrect withdrawal date was used. The error occurred prior to implementation of review over financial aid returns by the Director of Financial Aid in September 2018. All returns were accurate since the implementation of the review.</td>
<td>Moderate</td>
<td>Financial Aid should ensure that all returns of Title IV funds are complete and accurate. The Director of Financial Aid should continue reviewing all returns prior to processing to ensure that data inputs and the calculations are accurate. Additionally, the Director of Financial Aid should ensure that changes to inputs are identified and reflected in the return calculation.</td>
<td>Management agrees with the condition as stated. The revised procedures as of August 31, 2018 include an MT4 Review checklist for the Director or assigned staff member to complete. Once complete this document is saved within UNTHSC's shared drive for that award year.</td>
<td>Director of Financial Aid / Assigned Staff Member</td>
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<td></td>
</tr>
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<td>Audit Number</td>
<td>Audit Category</td>
<td>Report Name</td>
<td>Component Institution</td>
<td>Key Observations</td>
<td>Risk Level</td>
<td>Recommendation Details</td>
<td>Management Response</td>
<td>Individual Responsible for Implementation</td>
<td>Expected Implementation Date</td>
<td>Recommendation Status</td>
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<tr>
<td>Internal (Outsourced)</td>
<td>Weaver and Tidwell, LLP</td>
<td>Fiscal Year 2019</td>
<td>19-112 HSC</td>
<td>Financial</td>
<td>Compliance Audit of the Title IV Program</td>
<td>UNTHSC</td>
<td>We selected a sample of 25 out of 42 students who dropped out, withdrew or enroled but never attended and a sample of 25 out of 891 students who graduated during the 2017-2018 grant year to determine whether their status was reported to the National Student Loan Database System (NSLDS). We identified the following exceptions: - 1 student's withdrawal date was incorrectly reported to NSLDS. The withdrawal date reported to NSLDS was October 28, 2017. However, the accurate withdrawal date was November 28, 2017. - 1 student's graduation date was incorrectly reported to NSLDS. The graduation date reported to NSLDS was June 5, 2018. However, the accurate graduation date was June 1, 2018.</td>
<td>Moderate</td>
<td>The Registrar should ensure that student enrollment status, withdrawal or enrollment, and graduation dates are consistently reported to NSLDS. The Registrar should review enrollment reports for accuracy and completeness prior to submission of the reports to the National Student Clearinghouse (NSC). Any discrepancies should be resolved by the Registrar before the submission of the enrollment report.</td>
<td>Management agrees with the condition as stated. Director of Enrollment and Records/Registrar will work with UNT System IT Shared Services to automate enrollment status reporting to the National Student Data Loan System (NSLDS) to alleviate manual entry errors.</td>
<td>Registrar/Assigned Staff Member</td>
<td>5/22/2020</td>
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# Summary of UNTS Enterprise Audit Inventory

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<th>Recommendations</th>
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<th>Fiscal Year 2019</th>
<th>Fiscal Year 2018</th>
<th>Fiscal Year 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td># of Audits</td>
<td># of Audits</td>
<td># of Audits</td>
<td># of Audits</td>
<td># of Audits</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>Open</td>
<td>Closed</td>
<td>Total</td>
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<tr>
<td>UNTS</td>
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<td>UNTHSC</td>
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<td><strong>Total Internal Audit Activity</strong></td>
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<th>Fiscal Year 2019</th>
<th>Fiscal Year 2018</th>
<th>Fiscal Year 2017</th>
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<td></td>
<td>Total</td>
<td>Open</td>
<td>Closed</td>
<td>Total</td>
</tr>
<tr>
<td><strong>Conducted by UNTS Component Institutions</strong></td>
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<td>0</td>
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<tr>
<td><strong>Audits of Sponsored Research Activity</strong></td>
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<tr>
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<tr>
<td><strong>Other External Agencies</strong></td>
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<td>0</td>
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<tr>
<td><strong>Total Other Audit Agencies</strong></td>
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<th>Fiscal Year 2018</th>
<th>Fiscal Year 2017</th>
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<td></td>
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<td><strong>Conducted by UNTS Component Institutions</strong></td>
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<tr>
<td><strong>Audits of Sponsored Research Activity</strong></td>
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<td><strong>Total Other Audit Agencies</strong></td>
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Questions?
Title: UNT System Consolidated Quarterly Compliance Report September 2019 through November 2019

Background:
This report represents the quarterly compliance actions for the University of North Texas System, University of North Texas, University of North Texas Health Science Center and the University of North Texas at Dallas from September 1, 2019 through November 30, 2019. Regular reporting of compliance actions to the UNT System Board of Regents is required by the United States Sentencing Commission’s Federal Guidelines §8B2.1(b)(2)(A).

This quarterly report has been consolidated to reflect the compliance actions for all UNT System components. This report reflects the actions that management and each compliance function has taken to manage their highest compliance risks.

Financial Analysis/History:
This is a report item only.

Legal Review:
This item has been reviewed by General Counsel.

Schedule: N/A

No action required. Information only. Submitted by:
Attachments Filed Electronically:

- UNT System Consolidated Quarterly Compliance Report: September 2019 – November 2019
Executive Summary
This quarterly report provides a summary and highlights of compliance activities that have taken place during the first quarter (Q1) of Fiscal Year 2020 (FY20) at UNT System Administration. It is divided into seven sections.

- Introduction
- Compliance and Integrity Program Updates
- Investigation Activities
- Audit Activities
- Compliance Risk Work Plan (FY20) Updates
- Other Compliance Crossroads (Optional)
- Conclusion
Introduction
Each Chief Compliance Officer (CCO) reports to the Board of Regents, at a minimum, quarterly. These reports update Board members on the effectiveness of the Compliance and Ethics Program at each of the institutions.

At UNT System Administration, the Office of Institutional Compliance (Office) provides centralized oversight and substantive support toward the ethical, lawful, and responsible conduct of all operations. The Office identifies and analyzes a wide range of existing and emerging compliance concerns. It works closely with key administration stakeholders to foster a culture of compliance that supports the mission of the University. This requires a resilient partnership between the CCO and each of the organizational leaders who serve on the Chancellor’s Cabinet. The organizational structure of the UNT System Administration Compliance and Integrity Program is provided in Appendix A.

Compliance and Integrity Program
The Office of Institutional Compliance at UNT System Administration is responsible for maintaining an effective Compliance and Integrity Program that includes, but is not limited to: 1) serving as a resource for addressing compliance concerns and communicating emerging risks; 2) facilitating the identification, prioritization, and mitigation of compliance risk focus areas; 3) assisting in determining risk mitigation strategies and how to assess their effectiveness; 4) reviewing policies and procedures; 5) assisting in identifying and monitoring training requirements; and 6) helping with the implementation of corrective actions, as appropriate. The Compliance and Integrity Program identifies, assesses, monitors, oversees, and helps ensure that all UNT System Administration operations comply with applicable laws and regulations, Regents Rules, System Regulations, and System Administration policies. The CCO is responsible for the effective implementation and management of the Compliance and Integrity Program.

During FY20 Q1, the CCO continued reviewing and assessing the effectiveness of the System Administration Compliance and Integrity Program per the guidance provided in UNT System Regulation 02.1000; Compliance and Integrity Program, dated 10/17/2017, as well as using the seven Federal Sentencing Guideline Objectives (FSGOs) listed below as measures, specifically identifying areas for improvement.

- **Active Oversight**
  All members of the Chancellor’s Cabinet are kept up-to-date on the overall effectiveness of the Compliance and Integrity Program for UNT System Administration. The CCO provides quarterly updates of the annual Compliance Risk Work Plan to this senior leadership team. Meeting weekly, the members of the Chancellor’s Cabinet are actively engaged in identifying, communicating, and assessing emerging risks. Their commitment to fostering a culture of compliance is pervasive throughout all UNT System Administration operations. In their roles as leaders, they encourage ethical behavior by all who serve UNT World. Several members of the Chancellor’s Cabinet were provided an FY20 Q1 update on the Compliance Risk Work Plan for FY20. Updates on all these risk focus areas are provided throughout the fiscal year.

- **Policies, Standards, and Code of Conduct**
  UNT System Administration is committed to the implementation and maintenance of regulations and policies that facilitate the detection and prevention of unethical and illegal conduct throughout UNT World. These regulations and policies promote integrity, principled behavior, and compliance with federal and state laws, Regents Rules, System Regulations, and the standards of all applicable accrediting bodies. During FY20 Q1, all UNT System Administration regulations and policies are being reviewed as part of the policy Management Initiative. This effort is being championed by Vice chancellor Abercrombie. Additionally, UNT System Administration will begin transitioning over to a new policy management system. The Policy
Tech application has been purchased for use by not only UNT System Administration, but also the UNT flagship and UNT Dallas. UNTHSC has been using Policy Tech as its policy management tool for some time. Initial training on Policy Tech took place in December. Implementation of it should take place sometime in March of 2020. There is also an effort being made by the three institutions to develop a standard policy template.

- **Education and Training**
  All UNT System Administration employees must successfully complete training related to the Compliance and Integrity Program, as well as compliance elements that are key in the effective conduct of their position. Additionally, all employees must be educated and periodically made aware of the ways to report suspected misconduct. During this FY20 Q1, a review of the training tools and course offerings available is in progress. This is an objective that the CCO plans on focusing more attention to during the upcoming year. A new Learning Management System (LMS), Bridge, was recently purchased by UNT System Administration. The projected implementation of Bridge is scheduled for early February of 2020.

- **Open Communications**
  All UNT System Administration employees must not only be aware of, but also understand the rules that govern their respective roles and the values underpinning UNT World. Stakeholders, both, internal and external, need assurances that UNT System Administration is committed to ethical and responsible behavior. Communication is key to a culture of compliance. During FY20 Q1, members of the UNT System Administration community were notified of the requirement to request and report on their outside activities.

- **Monitoring and Auditing**
  UNT System Administration is committed to continuous monitoring by implementing internal controls that allow for early detection and remediation of non-compliance within an organization. Audit activities serve to help ensure that operational management has in place internal controls that do not improperly bias the assessment of business processes. A number of audits took place during the FY20 Q1. A summary of activity is provided in a separate section.

- **Enforcement Tools**
  UNT System Administration, through the Compliance and Integrity Program, incorporates measures that help ensure employees understand the consequences of engaging in unethical behavior or participating in non-compliant activities. This includes procedures for enforcing and disciplining employees who violate compliance standards or fail to report non-compliant activities. Disciplinary provisions equitably enforced are critical to the credibility and integrity of the Compliance and Integrity Program.

- **Responsive Initiatives**
  Keeping in mind that the Compliance and Integrity Program should be scalable, affordable, feasible, and enforceable, the UNT System Administration Office of Institutional Compliance evaluates the effectiveness of its Compliance and Integrity Program and the seven FSGOs on a regular basis. This evaluation also examines emerging compliance challenges. During FY20 Q1, a number of areas were reviewed to identify the need to incorporate new internal controls or enhance existing internal controls.
Investigations

The UNT System Administration Office of Institutional Compliance received eight reports over FY20 Q1. Chancellor Roe continues to receive monthly reports from each institutional CCO. Each Investigation Summary Log (ISL) provides a running three-month snapshot of investigation activities at the respective institution. The distribution of these reports is restricted to each of the institutional leaders, their CCOs, UNT General Counsel, and the Chief Audit Executive. The objective, in the limited sharing of this data, is to help identify possible trends, as well as potential areas of concerns without compromising any on-going investigation. The spreadsheet below provides categorical information of reports received during the FY20 Q1 period. There also graphs provided. In moving forward, UNT System Administration plans on conducting trend analysis of this data that will also look at categorical summary information documented by the other UNT institutions.

**FY20 Q1 Investigation Summary Log**

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<th>Issue Type Summary (If Multiple, Predominate Cited)</th>
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<th>10-2019</th>
<th>11-2019</th>
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<th>%</th>
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<td>Discrimination In General</td>
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FY20 Q1 Investigation Summary

**Other HR** **Financial Concerns** **Misuse of Resources** **Employee Misconduct** **Title IX Concern** **Discrimination Concerns** **In General**

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Internal Audit

During this the FY20 Q1 period, the CCO continued meeting on a regular basis with representatives from the Office of Internal Audit to review the status of recommendations and management responses on a number of audits. The information below lists those audits that saw activity during FY20 Q1.

- System Accessibility & Availability Uptime: 19-027 (Follow Up Recommendations)
- EIS Roles Base Access: 19-026 (Follow Up Recommendations)
- Senate Bill 20 Compliance: 19-007 (Follow Up Recommendations)
- Benefits Proportionality: 19-006 (Follow Up Recommendations)
- Chancellor’s Expenditure: Final
- Workstation Cybersecurity Preparedness: Planned
- External Audit Fieldwork Assistance: Fieldwork

Compliance Risk Work Plan

The UNT System Administration Office of Institutional Compliance, drafted proposed mitigation plans for each of the risk focus areas identified on its FY20 Compliance Risk Work Plan. This plan was approved by the Chancellor’s cabinet, and submitted to the UNT Board of Regents at the quarterly meeting in August. The four risk focus areas identified in the FY20 Compliance Risk Work Plan are provided below:

- Allegations/Whistleblowers
- Physical Infrastructure/Conditions and Maintenance
- Emergency Management/Business Continuity Plan
- Policy Management Initiative

The following tables provide an update of the Compliance Risk Work Plan for the first quarter of fiscal year 2020.
Risk Focus Area:  

1. Allegations
2. Whistleblowers

Commitment and Focus: 

1. Verify allegations are being processed in accordance with applicable federal and state regulations, as well as applicable Regental, system-wide, and campus guidance.
2. Verify System Administration has in place programs to provide students, faculty, and staff the means to report concerns without fear of retaliation.

Risk Focus Champion(s): Chief Compliance Officer; Executive Director, EDI

<table>
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<tr>
<th>Outcome Metrics/(Tracking Indicators)</th>
<th>Quarterly Progress</th>
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<tbody>
<tr>
<td>1. Review system-wide grievance procedures (including process for addressing ADA, Title VI, other discrimination complaints).</td>
<td>1. Met with key stakeholders to assess current environment and propose next steps to include drafting of campus grievance procedures.</td>
</tr>
<tr>
<td>2. Title IX: Review policy and adjudication frameworks and implement local changes (as needed).</td>
<td>2. Risk Focus Champions met with key stakeholders to identify gaps and draft plans to implement updates. This included a review of the impact of S.B. 212.</td>
</tr>
<tr>
<td>3. Review System Administration policies, procedures and protocols/practices for whistleblower complaints.</td>
<td>3. System Administration policies, procedures and protocols/practices for whistleblower complaints are under review.</td>
</tr>
<tr>
<td>4. Determine means to foster better coordination and collaboration throughout UNT World.</td>
<td>4. Enhancing communications in all media is afoot.</td>
</tr>
<tr>
<td>5. Review current complaint processes to assess whether investigations are thorough, complete, timely, and fair.</td>
<td>5. Current complaint processes are being reviewed and assessed as to whether investigations are thorough, complete, timely, and fair. This is on-going effort.</td>
</tr>
<tr>
<td>6. Provide periodic status reports to senior leadership.</td>
<td>6. Investigation Summary Logs are provided on a monthly basis to the Chancellor.</td>
</tr>
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</table>
Risk Focus Area: Physical Infrastructure/Conditions and Maintenance
Commitment and Focus: The UNT System Administration physical infrastructure represents an extremely valuable asset. Physical space is the literal foundation supporting the mission of the University. Senior leadership is well aware of the importance of these structures and the high stakes involved in managing them. However, sometimes facilities operations and maintenance are a bottom-line cost to be controlled and not, necessarily, an institutional priority. It is important to verify that System Administration has effective processes and decision support methods in place to address prioritization and effects all facilities maintenance, including new construction and renovations.

Risk Focus Champion(s): VC-Facilities Planning and Construction

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<tr>
<th>Outcome Metrics/(Tracking Indicators)</th>
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</tr>
</thead>
</table>
| • Review and assess whether UNT System Administration has effective protocols, decision support methods, and metrics in place to address prioritization of physical infrastructure, to include maintenance requirements that support on-going and emerging operational requirements, as well as emerging business development opportunities. | • Currently, System Administration is assessing the effectiveness of processes and decision support methods in place that address prioritization of requirements at all facilities. This includes:  
  o Main Street Assets  
  o BSC  
  o Campus Support Services |
Commitment and Focus: Provide leadership with educational and informational opportunities to prepare them for their roles and responsibilities in responding to system-wide, community, regional, state, national, and international emergencies. Draft and implement a plan to build and maintain institutional Contingencies of Operations COOP for all applicable units to be incorporated into the UNT System Administration COOP for submission to the State Office of Risk Management (SORM).

Risk Focus Champion(s): VC-Facilities; VC-Finance; Chief Information Officer; Chief Compliance Officer

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<tr>
<th>Outcome Metrics/(Tracking Indicators)</th>
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</tr>
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<tbody>
<tr>
<td><strong>1. Review, Update, and Execute Emergency Management Plan to Include Key Objectives:</strong></td>
<td>1. Key stakeholders review and update the current Institutional Emergency Management Plan.</td>
</tr>
<tr>
<td>a. Program Management</td>
<td>a. Determine key stakeholders in program management.</td>
</tr>
<tr>
<td>b. EOC Development</td>
<td>b. Assisted by UNTD PD and UNT Risk Services, risk focus champions are identifying, reviewing, and assessing institutional EOC logistics, resources, and capabilities, with an objective to enhance and update the existing EOC.</td>
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<tr>
<td>c. Communications</td>
<td>c. The risk focus champions, along with the Chief Communications Officer, are identifying and reviewing alert protocols.</td>
</tr>
<tr>
<td>d. Training and Exercises</td>
<td>d. Assisted by UNTD PD and UNT Risk Services, risk focus champions are beginning the creation of several tabletop exercises for 2020.</td>
</tr>
<tr>
<td>e. All Hazard Planning</td>
<td>e. All hazard planning is being reviewed by key stakeholders as part of the Emergency Management Plan update and COOP initiative.</td>
</tr>
<tr>
<td>f. Campus Collaborations</td>
<td>f. The risk focus champions, along with the Chief Communications Officer, are identifying and reviewing how best to distribute information to System Administration units regarding their respective responsibilities in dealing with a variety of emergencies.</td>
</tr>
<tr>
<td>g. Business Continuity Planning</td>
<td>g. Business Continuity Planning is being incorporated into the COOP initiative.</td>
</tr>
<tr>
<td>h. Community Outreach</td>
<td>h. Community outreach is an on-going effort to identify the needs of the surrounding community.</td>
</tr>
<tr>
<td>i. External Partnerships</td>
<td>i. Efforts are being made to identify and reach out to a variety of external partners.</td>
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| **2. Draft and implement a plan to build and maintain Contingencies of Operations (COOP) for applicable units to be incorporated into the UNT System Administration COOP for submission to the State Office of Risk Management (SORM).** | **2. SORM COOP initiative timeline will be developed.** |
| | The Chief Compliance Officer, with support from key stakeholders, is serving as the lead. A proposed plan is provided as Appendix B/ |
**Risk Focus Area:** Policy Management  
**Commitment and Focus:** System Administration and each institution must have in place policies and procedures that comply with federal and state laws and regulations and provide guidance to employees. The system developed to implement these policies must be clear and efficient.

**Risk Focus Champion(s):** VC-OE/Chief Human Capital Officer

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| Promoting an active culture of compliance in accordance with the System Administration CIP, System Administration is:  
1. updating policy on policies.  
2. drafting standard review protocol.  
3. drafting standard policy template.  
4. developing and executing a comprehensive review of regulations and policies.  
5. purchasing and installing new policy management system.  
6. reviewing and revising website resources that provide for easier accessibility, as well as links to resources. | Progress on the six outcome metrics included:  
   o Periodic Meetings with System-Wide Policy Leads  
   o On-Going Review of Rules, Regulations, and Policies  
   o Draft and Propose Standard Policy Template  
   o Drafting Plan for Implementation of Policy Tech |
Closing Comments
UNT System Administration is committed to an “Evolving Culture of Compliance.” This is a commitment to evolve from a culture that is managed or mitigated through controls to a culture that promotes responsibility for consistently doing the right thing. Again, this is an evolving process best illustrated in the graphic below.

UNT System Administration recognizes that a culture of compliance requires active engagement from every member of the University. To that end; UNT System Administration is striving to move from the “Ethics of Obedience” to the “Ethics of Reason,” in which the role of Compliance is not that of “box-ticking,” but rather of “situational thinking.”

- Ethics of Obedience
- Ethics of Reason
Appendix A: Compliance and Integrity Program Organizational Overview

UNT System Administration Compliance & Integrity Program (2020)

System Administration Oversight and Accountability

Chancellor Lesa Roe

System Administration Chief Compliance Officer

Tim Willette

Chancellor's Cabinet/
Institutional Executive Compliance Committee

Rosemary Haggett,
VC-Academic Affairs & Student Success

Dan Tenney,
VC-Finance/Chief Financial Officer

Steve Maruszewski,
VC-Facilities Planning & Construction

Barbara Abercrombie,
VC-OE/Chief Human Capital Officer

Jack Morton,
VC-Govt Relations & Policy Operations

Alan Stucky,
VC-General Counsel

Chris McCoy,
Chief Information Officer

Tracy Grunig,
Chief Audit Executive

Paul Corliss,
Chief Communications Officer

Tim Willette,
Chief Compliance Officer

Compliance Coordinating Committee(s)

Employee Training & Development

Monitoring & Auditing

Investigations & Reporting

Principles of Community/Code of Conduct/Policies & Procedures/Standards

Day-to-Day Operations/Preventive & Corrective Efforts/Works In Progress/Emerging Concerns

Federal Sentencing Guidelines

1. Active Oversight
2. Policies, Standards, & Code of Conduct
3. Education & Training
4. Open Communications
5. Monitoring & Metrics
6. Enforcement Tools
7. Responsive Approaches

Auditing Controls

Operating Controls

Auditing Responsibilities

Employee Responsibilities

Oversight Controls

Monitoring Controls

Compliance Responsibilities

Supervisory Responsibilities
## Appendix B: COOP Plan

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<td>Review SORM COOP to Assess Scope &amp; Level of Effort in Meeting Requirements</td>
<td>CCO; VC-FAC; VC-FIN</td>
</tr>
<tr>
<td>Review Current System Administration BCPs &amp; Other Applicable Documents</td>
<td>CCO; VC-FAC; VC-FIN</td>
</tr>
<tr>
<td>Advise Chancellor’s Cabinet &amp; Key Stakeholders of COOP Requirements</td>
<td>CCO</td>
</tr>
<tr>
<td>Identify Key Units &amp; Assigns COOP Liaison</td>
<td>CCO; VC-FAC; VC-FIN</td>
</tr>
<tr>
<td>Create COOP-Specific Email Address &amp; COOP Repository</td>
<td>CIO; CCO</td>
</tr>
<tr>
<td>Notify COOP Unit Liaisons, Providing Access to &quot;Kuali&quot; Tool &amp; Access to Repository</td>
<td>CCO</td>
</tr>
<tr>
<td>Conduct In-Depth Training of &quot;Kuali&quot; Tool &amp; Share Key Dates &amp; Deliverables</td>
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<tr>
<td>Progress Meetings (as required)</td>
<td>CCO; Liaisons</td>
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<tr>
<td>Track Progress &amp; Report to Chancellor’s Cabinet &amp; BOR (RFA: EM/BCP)</td>
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<tr>
<td>All Unit COOP Drafts Completed &amp; Ready for Review</td>
<td>CCO; Liaisons</td>
</tr>
<tr>
<td>Submit for Review &amp; Approval to Chancellor’s Cabinet System Administration COOP</td>
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<tr>
<td>Provide Approved System Administration COOP to OGC for Legal Review &amp; Comment</td>
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<tr>
<td>Return Reviewed Campus COOP with Comments</td>
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<tr>
<td>Incorporate OGC Comments &amp; Submit for Final Approval to Chancellor</td>
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<tr>
<td>Review, Approve, &amp; Sign System Administration COOP for Submission to SORM</td>
<td>Chancellor</td>
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<tr>
<td>Submit Completed Campus COOP to SORM</td>
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<td>Report on Final Submission to Cabinet &amp; BOR (RFA: EM/BCP)</td>
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Executive Summary
This quarterly report provides a summary and highlights of compliance activities that have taken place during the first quarter (Q1) of Fiscal Year 2020 (FY20) at UNT Dallas. It is divided into seven sections.

- Introduction
- Compliance & Integrity Program Updates
- Investigation Activities
- Audit Activities
- Compliance Risk Work Plan (FY20) Updates
- Other Compliance Crossroads (Optional)
- Conclusion
Introduction
Each Chief Compliance Officer (CCO) reports to the Board of Regents, at a minimum, quarterly. These reports update Board members on the effectiveness of the Compliance and Ethics Program at each of the institutions.

At UNT Dallas, the Office of Institutional Compliance (Office) provides centralized oversight and substantive support toward the ethical, lawful, and responsible conduct of all operations. The Office identifies and analyzes a wide range of existing and emerging compliance concerns. It works closely with key campus stakeholders to foster a culture of compliance that supports the mission of the University. This requires a resilient partnership between the CCO and each of the organizational leaders who serve on the President’s Cabinet. The organizational structure of the UNT Dallas Compliance & Integrity Program is provided in Appendix A.

Compliance & Integrity Program
The Office of Institutional Compliance at UNT Dallas is responsible for maintaining an effective Compliance and Integrity Program (Program) that includes, but is not limited to: 1) serving as a resource for addressing compliance concerns and communicating emerging risks; 2) facilitating the identification, prioritization, and mitigation of compliance risk focus areas; 3) assisting in determining risk mitigation strategies and how to assess their effectiveness; 4) reviewing policies and procedures; 5) assisting in identifying and monitoring training requirements; and 6) helping with the implementation of corrective actions, as appropriate. The Program identifies, assesses, monitors, oversees, and helps ensure that all UNT Dallas operations comply with applicable laws and regulations, Regents Rules, System Regulations, and campus policies. The CCO is responsible for the effective implementation and management of the Compliance and Integrity Program.

During FY20 Q1, the CCO continued reviewing and assessing the effectiveness of the campus Compliance and Integrity Program per the guidance provided in UNT System Regulation 02.1000; Compliance and Integrity Program, dated 10/17/2017, as well as using the seven Federal Sentencing Guideline Objectives (FSGOs) listed below as measures, specifically identifying areas for improvement.

- **Active Oversight**
  All members of the President’s Cabinet are kept up-to-date on the overall effectiveness of the campus Compliance and Integrity Program. The CCO provides quarterly updates of the annual Compliance Risk Work Plan to this senior leadership team. Meeting weekly, the members of the President’s Cabinet are actively engaged in identifying, communicating, and assessing emerging risks. Their commitment to fostering a culture of compliance is pervasive throughout all operations at UNT Dallas. In their roles as campus leaders, they encourage ethical behavior by all who serve the University. The President’s Cabinet was provided a FY20 Q1 update on investigations, a key component of the Compliance Risk Work Plan Risk Focus Area of Allegations and Whistleblowers. Updates on the other four risk focus areas will be provided throughout the upcoming quarter.

- **Policies, Standards, and Code of Conduct**
  UNT Dallas is committed to the implementation and maintenance of policies that facilitate the detection and prevention of unethical and illegal conduct at the University. These policies promote integrity, principled behavior, and compliance with federal and state laws, Regents Rules, System Regulations, and the standards of all applicable accrediting bodies. During FY20 Q1, several UNT Dallas policies were reviewed and are in the process of being updated. This effort is being championed by Dr. Elizabeth Giddens, Director of University Accreditation & Policy Management. It is a key component of the SACSCOC Administrative Effectiveness Assessment. Additionally, UNT Dallas will begin transitioning over to a new policy management system. The Policy Tech application has been purchased for use by UNT System Administration, the UNT flagship, and UNT Dallas. UNTHSC has been using Policy Tech as its policy management tool for some time. In initial training on Policy Tech took place in December.
Implementation of it should take place sometime in March of 2020. There is also an effort being made by the three institutions to develop a standard policy template.

- **Education and Training**
  All UNT Dallas employees must successfully complete training related to the Compliance and Integrity Program, as well as compliance elements that are key in the effective conduct of their position. Additionally, all employees must be educated and periodically made aware of the ways to report suspected misconduct. During this FY20 Q1, a review of the training tools and course offerings available was begun and remains in progress. This is an objective that the CCO plans on focusing more attention to during the upcoming year. A new Learning Management System (LMS), Bridge, was recently purchased by UNT System Administration. UNT Dallas will be provided access to this tool. The projected implementation of Bridge is scheduled for early February of 2020.

- **Open Communications**
  All UNT Dallas employees must not only be aware of, but also understand the rules that govern, their respective roles and the values underpinning UNT World. Stakeholders, both, internal and external, need assurances that UNT Dallas is committed to ethical and responsible behavior. Communication is key to a culture of compliance. During FY20 Q1, members of the campus community were notified of the requirement to request and report on their outside activities.

- **Monitoring and Auditing**
  UNT Dallas is committed to continuous monitoring by implementing internal controls that allow for early detection and remediation of non-compliance within an organization. Audit activities serve to help ensure that operational management has in place internal controls that do not improperly bias the assessment of business processes. A number of audits took place during the FY20 Q1. A list of audit activities is provided in a separate section of this report.

- **Enforcement Tools**
  UNT Dallas, through the Compliance and Integrity Program, incorporates measures that ensure employees understand the consequences of engaging in unethical behavior or participating in non-compliant activities. This includes procedures for enforcing and disciplining employees who violate compliance standards or fail to report non-compliant activities. Disciplinary provisions equitably enforced are critical to the credibility and integrity of the Compliance and Integrity Program.

- **Responsive Initiatives**
  Keeping in mind that the Compliance and Integrity Program should scalable, affordable, feasible, and enforceable, the UNT Dallas Office of Institutional Compliance evaluates the effectiveness of its Program and the seven FSGOs on a regular basis. This evaluation also examines emerging compliance challenges. During FY20 Q1, a number of areas were reviewed to identify the need to incorporate new internal controls or enhance existing internal controls. Of particular note was the updating of Fraud Awareness training.
Investigations

The UNT Dallas Office of Institutional Compliance received 13 reports over FY20 Q1. President Mong and Chancellor Roe continue to receive monthly reports from each institutional CCO. Each Investigation Summary Log (ISL) provides a running three-month snapshot of investigation activities at the respective institution. The distribution of these reports is restricted to each of the institutional leaders, their CCOs, UNT General Counsel, and the Chief Audit Executive. The objective, in the limited sharing of this data, is to help identify possible trends, as well as potential areas of concerns without compromising any on-going investigation. The latest report submitted to President Mong and Chancellor Roe is provided below. This spreadsheet provides categorical information about the 13 reports received during the FY20 Q1 period that involve UNT Dallas. There also graphs provided. In moving forward, UNT Dallas plans on conducting trend analysis of campus data, as well as comparing data from the other UNT institutions.

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<th>Issue Type Summary (If Multiple, Predominate Cited)</th>
<th>Institution</th>
<th>Type</th>
<th>09-2019</th>
<th>10-2019</th>
<th>11-2019</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discrimination In General</td>
<td></td>
<td>Discrimination In General</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>15%</td>
</tr>
<tr>
<td>Employee Misconduct</td>
<td></td>
<td>Employee Misconduct</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>23%</td>
</tr>
<tr>
<td>Misuse of Resources</td>
<td></td>
<td>Misuse of Resources</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>23%</td>
</tr>
<tr>
<td>Inappropriate Communications</td>
<td></td>
<td>Inappropriate Communications</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>8%</td>
</tr>
<tr>
<td>Financial Concerns</td>
<td></td>
<td>Financial Concerns</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>4</td>
<td>31%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Institution</th>
<th>Type</th>
<th>09-2019</th>
<th>10-2019</th>
<th>11-2019</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unsubstantiated</td>
<td></td>
<td>Unsubstantiated</td>
<td>2</td>
<td>2</td>
<td>0</td>
<td>4</td>
<td>31%</td>
</tr>
<tr>
<td>In Progress</td>
<td></td>
<td>In Progress</td>
<td>1</td>
<td>1</td>
<td>5</td>
<td>7</td>
<td>54%</td>
</tr>
<tr>
<td>Referred to Other</td>
<td></td>
<td>Referred to Other</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>15%</td>
</tr>
<tr>
<td>Closed</td>
<td></td>
<td>Closed</td>
<td>3</td>
<td>3</td>
<td>0</td>
<td>6</td>
<td>46%</td>
</tr>
<tr>
<td>Open</td>
<td></td>
<td>Open</td>
<td>1</td>
<td>1</td>
<td>5</td>
<td>7</td>
<td>54%</td>
</tr>
</tbody>
</table>
FY20 Q1 Investigation Summary

- Referred to Other
- In Progress
- Unsubstantiated

### Total
- Referred to Other: 2
- In Progress: 4
- Unsubstantiated: 2

### 11-2019
- Referred to Other: 1
- In Progress: 5
- Unsubstantiated: 2

### 10-2019
- Referred to Other: 1
- In Progress: 4
- Unsubstantiated: 3

### 09-2019
- Referred to Other: 1
- In Progress: 3
- Unsubstantiated: 4

FY20 Q1 Investigation Summary

- Open
- Closed

### Total
- Open: 7
- Closed: 6

### 11-2019
- Open: 5
- Closed: 2

### 10-2019
- Open: 1
- Closed: 3

### 09-2019
- Open: 1
- Closed: 2
Internal Audit
During this the FY20 Q1 period, the CCO continued meeting on a regular basis with representatives from the Office of Internal Audit to review the status of recommendations and management responses on a number of audits. The information below lists those audits that saw activity during FY20 Q1.

- President’s Expenditure Review: 20-006 (Final)
- School of Education: 19-061 (Final)
- System Accessibility and Availability Uptime: 19-027 (Final)
- Benefits Proportionality (System-Wide): 19-006 (Final)
- Caruth Police Institute Transition: 19-062 (Draft Report)
- College of Law Business Processes: 19-021 (Draft Report)
- Financial Aid Processes: 19-058 (Follow Up Recommendations)
- Residential Hall Key Card Access: 19-055 (Follow Up Recommendations)
- Grants & Contract Compliance: 19-037 (Follow Up Recommendations)
- Security Cameras: 18-412 (Follow Up Recommendations)
- Community Counseling Clinic: 17-413 (Follow Up Recommendations)
- Student Fees: In Progress
- Workstation Cybersecurity Preparedness: Planned

Compliance Risk Work Plan
The UNT Dallas Office of Institutional Compliance, drafted proposed mitigation plans for each of the risk focus areas identified on its FY20 Compliance Risk Work Plan. This plan was approved by the UNT Dallas Executive Compliance Committee, and submitted to the UNT Board of Regents at the quarterly meeting in August. The five risk focus areas identified in the FY20 Compliance Risk Work Plan are provided below:

- Allegations/Whistleblowers
- Community Well-Being
- Minors on Campus
- Physical Infrastructure/Conditions & Maintenance
- Emergency Management/Business Continuity Plan

The following tables provide an update of the Compliance Risk Work Plan for the first quarter of fiscal year 2020.
Risk Focus Area: Allegations/Whistleblowers

Commitment & Focus: 1. Verify allegations are being processed in accordance with applicable federal and state regulations, as well as applicable Regental, system-wide, and campus guidance. 2. Verify campus has in place programs to provide students, faculty, and staff the means to report concerns without fear of retaliation.

Risk Focus Champion(s): Chief Compliance Officer

<table>
<thead>
<tr>
<th>Outcome Metrics/(Tracking Indicators)</th>
<th>Quarterly Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Review campus grievance procedures (including process for addressing ADA, Title VI, other discrimination complaints).</td>
<td>1. Met with key stakeholders to assess current environment and propose next steps to include drafting of campus grievance procedures.</td>
</tr>
<tr>
<td>2. Title IX: Review policy and adjudication frameworks and implement local changes (as needed).</td>
<td>2. Met with Title IX Coordinator and Deputy Coordinator to identify gaps and draft plans to implement updates. This included a review of the impact of S.B. 212.</td>
</tr>
<tr>
<td>3. Review campus policies, procedures and protocols/practices for whistleblower complaints.</td>
<td>3. Campus policies, procedures and protocols/practices for whistleblower complaints are under review.</td>
</tr>
<tr>
<td>4. Determine means to foster better coordination and collaboration among campus units and system.</td>
<td>4. Enhancing communications in all media is afoot.</td>
</tr>
<tr>
<td>5. Review current complaint processes to assess whether investigations are thorough, complete, timely, and fair.</td>
<td>5. Current complaint processes were reviewed and assessed as to whether investigations are thorough, complete, timely, and fair. This is an on-going effort.</td>
</tr>
<tr>
<td>6. Provide periodic status reports to senior leadership.</td>
<td>6. Investigation Summary Logs are provided on a monthly basis to the campus president and the system chancellor.</td>
</tr>
</tbody>
</table>

Risk Focus Area: Community Well-Being

Commitment & Focus: “Looking Upstream” in detecting and preventing activities that compromise health and safety, provide the UNT Dallas campus and neighboring community with the necessary support to nurture a sense of security and maintain a safe environment. Determine, provide, and distribute to the all members of the UNT Dallas campus community the resources and support to effectively address existing and emerging health and safety concerns.

Risk Focus Champion(s): UNTD PD Chief; Director of Risk Management; Dean of Students

<table>
<thead>
<tr>
<th>Outcome Metrics/(Tracking Indicators)</th>
<th>Quarterly Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Provide the campus and neighboring communities with the necessary support to foster and maintain a safe environment.</td>
<td>4. Focus on Mental Health Services a. Counseling Services Summary for Fall 2019 • 108 Students Sought Counseling • 28 Students Provided Case Management Services • 15 Students Referred to ECI Food Insecurities Program</td>
</tr>
<tr>
<td>2. Promote campus awareness and understanding of and compliance with VAWA, focusing on the safety of women on campus.</td>
<td>b. QPR Trainings for Fall 2019 • 09/12/2019: 2 Attendees • 11/01/2019: 12 Attendees (LAS Faculty) • 11/19/2019: 7 Attendees</td>
</tr>
<tr>
<td>3. Promote a campus that is safe for all modes of transportation.</td>
<td></td>
</tr>
<tr>
<td>4. Provide the campus community with the necessary resources and support to effectively address mental health concerns.</td>
<td></td>
</tr>
</tbody>
</table>

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**Risk Focus Area:** Minors & University-Sponsored Activities  
**Commitment & Focus:** UNT Dallas sponsors a wide range of activities involving minors. All units/stakeholders must conduct youth activities in compliance with applicable regulations and policies. The need to have a keen awareness of the associated risks is critical. Comprehensive protocols & collaborative engagement must be in place to protect the health, safety, & general welfare of minors. Accordingly, system-wide, campus, & unit best practices, including training requirements, need to be reviewed & monitored on a routine basis, with updates, as needed.

**Risk Focus Champion(s):** UNTD PD Chief; Director of Risk Management; Dean of Students

<table>
<thead>
<tr>
<th>Outcome Metrics/(Tracking Indicators)</th>
<th>Quarterly Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Inventory &amp; create database for all University-Sponsored activities involving minors that tracks salient compliance concerns.</td>
<td>1.-4. Updates to be provided in FY20 Q2 Report.</td>
</tr>
<tr>
<td>2. Review &amp; update, as necessary, campus guidance for University-Sponsored activities involving minors. (See Applicable Regulations &amp; Policies.)</td>
<td></td>
</tr>
<tr>
<td>3. Assess campus-wide protocols &amp; practices for University-Sponsored activities involving minors.</td>
<td></td>
</tr>
<tr>
<td>4. Review &amp; update websites involving Events Management &amp; University-Sponsored activities involving minors.</td>
<td></td>
</tr>
</tbody>
</table>

**Risk Focus Area:** Physical Infrastructure/Conditions & Maintenance  
**Commitment & Focus:** The UNT Dallas physical infrastructure represents an extremely valuable asset. Physical space is the literal foundation supporting the academic mission. Senior leadership is well aware of the importance of these structures & the high stakes involved in managing them. However, sometimes facilities operations & maintenance are a bottom-line cost to be controlled & not, necessarily, an institutional priority. Verify campus has effective processes & decision support methods in place to address prioritization & effects all facilities maintenance.

**Risk Focus Champion(s):** Director of Facilities; Director of Risk Management

<table>
<thead>
<tr>
<th>-Outcome Metrics/(Tracking Indicators)</th>
<th>Quarterly Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Review and assess whether UNT Dallas has effective protocols, decision support methods, and metrics in place to address prioritization of physical infrastructure, to include maintenance requirements that support on-going and emerging operational requirements.</td>
<td>• Facilities and Risk Management are working closely with the UNT System Administration VC for Facilities to identify gaps and assess a number of options to better document space usage and work request requirements, as well as current and projected construction projects. This review &amp; assessment includes both the main campus and the College of Law.</td>
</tr>
</tbody>
</table>
### Risk Focus Area:
Emergency Management Plan/Contingencies of Operations (SORM COOP)

### Commitment & Focus:
Provide campus leadership with educational and informational opportunities to prepare them for their roles and responsibilities in responding to campus-wide, community, regional, state, national, and international emergencies. Draft and implement a plan to build and maintain campus Contingencies of Operations COOP for applicable units to be incorporated into the UNT Dallas COOP for submission to the State Office of Risk Management (SORM).

### Risk Focus Champion(s):
UNTD PD Chief; Director of Risk Management; Chief Compliance Officer

<table>
<thead>
<tr>
<th>Outcome Metrics/(Tracking Indicators)</th>
<th>Quarterly Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Program Management</td>
<td>a. Program management remains under the authority of the UNTD PD Chief, who provides updates to senior leadership as required.</td>
</tr>
<tr>
<td>b. EOC Development</td>
<td>b. UNTD PD Chief is reviewing and updating the EOC to increase capabilities as the campus community grows.</td>
</tr>
<tr>
<td>c. Communications</td>
<td>c. On-going JAG alerts through a number of media are available. UNTD PD works closely with Marketing to provide on-going communications. Director of Risk Management provides weather alerts as required.</td>
</tr>
<tr>
<td>d. Training &amp; Exercises</td>
<td>d. UNTD PD Chief &amp; Director of Risk Management are working on several tabletop exercises for 2020. Training courses, including Active Shooter, are offered throughout the academic year.</td>
</tr>
<tr>
<td>e. All Hazard Planning</td>
<td>e. All hazard planning is being reviewed by key stakeholders as part of the Emergency Management Plan update &amp; COOP initiative.</td>
</tr>
<tr>
<td>f. Campus Collaborations</td>
<td>f. All campus units are being provided information as to their respective responsibilities in dealing with a variety of emergencies.</td>
</tr>
<tr>
<td>g. Business Continuity Planning</td>
<td>g. Business Continuity Planning is being incorporated into the COOP initiative.</td>
</tr>
<tr>
<td>h. Community Outreach</td>
<td>h. Community outreach is an on-going effort to identify the needs of the surrounding community, both at the main campus &amp; the College of Law.</td>
</tr>
<tr>
<td>i. External Partnerships</td>
<td>i. Efforts are being made to identify &amp; reach out to a variety of external partners.</td>
</tr>
<tr>
<td>2. Draft &amp; implement a plan to build and maintain campus Contingencies of Operations (COOP) for applicable units to be incorporated into the UNT Dallas COOP for submission to the State Office of Risk Management (SORM).</td>
<td>2. SORM COOP initiative timeline has been developed. The Director of Risk Management, with assistance from the Chief Compliance Officer, is serving as the lead. The plan is provided as Appendix B/</td>
</tr>
</tbody>
</table>
Closing Comments
UNT Dallas is committed to an “Evolving Culture of Compliance.” This is a commitment to evolve from a culture that is managed or mitigated through controls to a culture that promotes responsibility for consistently doing the right thing. Again, this is an evolving process best illustrated in the graphic below.

UNT Dallas recognizes that a culture of compliance requires active engagement from every member of the University. To that end; UNT Dallas is striving to move from the “Ethics of Obedience” to the “Ethics of Reason,” in which the role of Compliance is not that of “box-ticking,” but rather of “situational thinking.”
Appendix A: Compliance & Integrity Program Organizational Overview
## Appendix B: COOP Plan

<table>
<thead>
<tr>
<th>Milestone/Event</th>
<th>Driver</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review SORM COOP to Assess Scope &amp; Level of Effort in Meeting Requirements</td>
<td>Director, RS</td>
</tr>
<tr>
<td>Review Current Campus BCP &amp; Other Applicable Documents</td>
<td>Director, RS/CCO</td>
</tr>
<tr>
<td>Identify &amp; Notify Campus Leadership of Campus COOP Requirements</td>
<td>Director, RS/CCO</td>
</tr>
<tr>
<td>Campus Leadership Identifies Key Units &amp; Assigns COOP Liaison</td>
<td>Leadership</td>
</tr>
<tr>
<td>Create COOP-Specific Email Address &amp; COOP Repository</td>
<td>Director, RS/Director, ITS</td>
</tr>
<tr>
<td>Notify CCOP Unit Liaisons, Providing Access to &quot;Kuali&quot; Tool &amp; Access to Repository</td>
<td>Director, RS</td>
</tr>
<tr>
<td>Conduct In-Depth Training of &quot;Kuali&quot; Tool &amp; Share Key Dates &amp; Deliverables</td>
<td>Director, RS</td>
</tr>
<tr>
<td>All Unit COOP Drafts Completed &amp; Ready for Review</td>
<td>Director, RS/Liaisons</td>
</tr>
<tr>
<td>Submit for Review &amp; Approval to Cabinet Campus COOP</td>
<td>Director, RS</td>
</tr>
<tr>
<td>Provide Approved Campus COOP to OGC for Legal Review &amp; Comment</td>
<td>Director, RS</td>
</tr>
<tr>
<td>Return Reviewed Campus COOP with Comments</td>
<td>OGC</td>
</tr>
<tr>
<td>Incorporate OGC Comments &amp; Submit for Final Approval to Campus President</td>
<td>Director, RS</td>
</tr>
<tr>
<td>Review, Approve, &amp; Sign Campus COOP for Submission to SORM</td>
<td>Campus President</td>
</tr>
<tr>
<td>Submit Completed Campus COOP to SORM</td>
<td>Director, RS</td>
</tr>
<tr>
<td>Report on Final Submission to Cabinet &amp; BOR (RFA: EM/BCP)</td>
<td>CCO</td>
</tr>
</tbody>
</table>
Overview

In the first quarter of the 2020 fiscal year, the University Compliance and Ethics (“UCE”) continued to develop the compliance and ethics program at UNT and expand its reach within the university. UCE also collaborated with many university partners to address pressing compliance related issues across the organization. Our main efforts during the quarter were directed toward program development in the areas of training and initiatives such as improving export controls; primarily in the area of visiting scholars; the university’s youth protection program, and improving online accessibility.

Compliance and Ethics Program Development

Training

UNT implemented its first required training module, covering discrimination and sexual harassment topics. Every employee is required to complete this module, including student workers. As of the writing of this report, completion for the entire workforce is 75%. A review of employees who have not completed the training indicates that student workers make up the majority of those who are non-compliant. In support of the training requirement, UNT executive leadership has determined that merit raises will not be available to employee who do not complete the training. University Compliance is working now to ensure that all employees are aware of this consequence and providing support for those experiencing problems with the system.

UCE has developed a draft module covering common ethical issues to raise general compliance awareness among the employee base. This module is slated to be completed in the Spring semester, but will most likely not be moved into production until next fiscal year in order to limit the training burden on employees.
UCE is also engaging with university partners who oversee programs designed to comply with federal laws that require substantial training across campus, such as the Clery Act. As UNT’s capabilities increase, more training will be provided in the online format to the employee base.

**Reviews and Initiatives**

**Export Controls**

UCE continued to work with various university partners to address export controls and associated procedures in certain technical areas, primarily focusing on the Talon High-Performance Computing Center. UNT is engaging the U.S. Department of Commerce Bureau of Industry Security for assistance in classifying the HPC for export control purposes and for guidance on controlling access to the system. A related issue that became apparent during this work was the control and visibility of visiting scholars at the university. UCE has discussed the current procedures for sponsoring and tracking visiting scholars with the Division of Academic Affairs, Research, and the International Office to better understand the issues and correctly evaluate the risk associated with these visitors. Given the Federal government’s increased attention to foreign influence on university campuses, UNT has decided to revise the manner in which we permit foreign national visiting scholars to increase oversight and coordination of controls over these individuals while still permitting very useful collaborations and interactions with foreign researchers.

**Youth Protection Program**

The UNT Youth Protection Program is operating in accordance with the design envisioned when the project was started. Over 300 programs involving minors have been identified to date, and individual issues continue to arise that require analysis and risk assessment. This will be an ongoing effort for the university, and continual improvements are anticipated over time. The Youth Protection Program policy
was completed, approved by UNT’s policy review committee and forwarded to OGC for review. UCE will provide additional assistance with the Youth Program Handbook which is intended to provide guidance, best practice advice, and other assistance to youth programs provided by UNT.

Accessibility Review

UCE continued its efforts to conduct an accessibility review of all online programs and websites. The goal of the review is to ensure UNT is providing accessible information for those with disabilities in its online programs and websites. Offices engaged include System IT Shared Services, the Center for Learning Experimentation, Application, and Research, Administrative IT Services, the Division of Enrollment, System Office of General Counsel, and others. UCE continues to execute the plan developed earlier in the year. An Online Accessibility Coordinator position has been developed and proposed for funding in the FY2021 budget. That position is intended to provide centralized support for all online accessibility issues users may encounter on UNT systems. The position will also be available to provide support, technical advice, and expert assistance with accessibility issues across the university. Work continues on the review of compliance issues related to online accessibility. Further actions to implement the accessibility improvement plan will continue.

Trust Line Activity Report

During the first quarter, UNT received twelve reports through the EthicsPoint system. Of the twelve reports received, eight were closed, while four remain under review with the appropriate units. All compliance reports and inquiries were referred to the appropriate unit for investigation and consideration. Once reports are referred for investigation, UCE retains oversight of the investigation and obtains periodic updates from the investigatory unit until it is completed. All non-compliance
reports received via the Trust Line were referred to the appropriate units for follow-up with the reporting party, if possible.

![UNT Trust Line Reports FY 2020 - September 1, 2019 - November 30, 2019](chart.png)
INTRODUCTION

INTEGRITY is defined as “adherence to moral and ethical principles; soundness of moral character; honesty; the state of being whole, entire, or undiminished; to preserve the integrity of the empire; a sound, unimpaired, or perfect condition.” However, the concept of integrity goes beyond this definition. Incorporating notions of adherence to moral and ethical principles, uprightness and sound moral character requires high ethical values and consistency between words and actions. The Office of Institutional Compliance and Integrity contributes to the establishment of an enduring ethical culture; engaging with students, employees, departments and units in order to build an ethical culture that advances the overall objectives of HSC in addition to helping leaders prevent misconduct and provide guidance on the institution’s commitment to our Values.

Most compliance programs are based on being reactive to compliance issues and proactive to integrity; but what happens when a compliance program is proactive in its approach to integrity and reactive to compliance as on means when necessary? Consider the chart adopted from Integrity Action (www.integrityaction.org)

By utilizing a proactive approach, integrity becomes a top attribute within the organization. This concept demonstrates consistency of actions, values, principles, expectations and outcomes. It signifies a deep commitment to doing things right.
**Education and Training**

The Integrity Education(Training) Program continues throughout the year to ensure that new employees and student receive the information and direction they need regarding our policies, processes and operations. New Employees have 30 days to complete their training once it is assigned to them in our learning management system, LearnHSC. In October, employees were also required to complete Information Security Awareness Training.
**Trust Line**

HSC received 11 Trust Line calls/inquiries during the 1st quarter.

**Issue Type Summary**

- Conflict of Interest: 36%
- Discrimination or Harassment: 36%
- Employee Misconduct: 18%
- General Concern/Inquiry: 9%
- Misuse of Resources: 18%
- Nepotism: 36%
- Offensive or Inappropriate Communication: 36%
- Other Academic Affairs Matters: 36%
- Time Abuse: 36%
- Waste, Abuse and Misuse of Institution Resources: 36%

**Intake Method**

- TrustLine Phone: 9%
- TrustLine Web: 18%
- Report Form: 36%
- Employee Walkin: 36%

**Process Status**

- In Process: 100%
- Closed: 100%
Auditing and Monitoring

In the 1st Quarter, 8 providers were audited in the Department of Geriatrics during a focused audit. Some concerns identified include:

- Bundling/Unbundling
- Over/Under Coding
- Teaching Physician Rule

Providers were provided education during a one-on-one review of the audit findings and will be monitored for improvements.

POLICY TRANSFORMATION

The Policy Transformation projects is in its final stages. More than 40 policies were reviewed and drafted with the Subject Matter Specialist and Policy Owners contributing content and providing approval of final drafts. The Institutional Policy Committee with review the drafts in the second quarter before moving to the Office of General Counsel for legal sufficiency review. The Office of General Counsel has approved 87% of the policies as legal sufficient as those sent in the summer; the majority of the policies will be review by the Office of General Counsel during the 2nd quarter.

CONFLICT OF INTEREST DISCLOSURE

In September, the Office of Institutional Compliance in collaboration with the Office of Research Compliance, launched the HSC combined, electronic Conflict of Interest Disclosure form. The form assist employees in disclosing conflicts of commitment, outside employment and activities, significant financial interests, travel, etc. The employees had 30 days to update and complete their form; of particular importance was our researcher completing this disclosure for grant submissions. The disclosure form was also sent to external collaborators in research as well as a customized form for UNTHSC Foundation Board members. A total of 1889 forms were sent; 94% of the forms were completed within the 30-day timeframe. Each positive response to a question results in a potential conflict. Each conflict will be reviewed and follow up to employees who may have definitive conflicts for clarification. Those conflicts will then be vetted for management plans with senior leadership and their managers. The Research Conflicts are vetted and reviewed through the Research Conflict of Interest Committee. This information and any subsequent management plans are shared with the Office of Institutional Compliance.
The following identified risk are currently under review and progress is described below:

<table>
<thead>
<tr>
<th>Identified Risk</th>
<th>Q1 Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Campus Off boarding</td>
<td>Through the Policy Transformation project, areas of vulnerability have been addressed through the revision of the policy. Additionally, discussions and policy updates regarding Intellectual Property have been identified and reflected in the updated policies.</td>
</tr>
<tr>
<td>Unauthorized Access to Protected Institutional Data</td>
<td>The Office of Institutional Compliance continues to meet with the Information Security Officer to identify procedures that will assist. The IT department is making significant progress on security controls currently deployed to protect Institutional data. The campus has recently administered Security Awareness training which will assist with education to the campus on InfoSec issues.</td>
</tr>
<tr>
<td>HIPAA/HITECH</td>
<td>Mandatory Training for clinical and research personnel was conducted in the summer. The Office of Institutional Compliance is resuming HIPAA walkthroughs in the winter to monitor. The Office of Civil Rights has also provided the institution with an authorized copy of their HIPAA education presentation.</td>
</tr>
<tr>
<td>Export Control (International Compliance)</td>
<td>Export Control Officer position posted. Continued dialogue with Department of Justice for monitoring of export control issues.</td>
</tr>
<tr>
<td>Conflict of Interest (Outside Employment)</td>
<td>Institutional Conflict of Interest and Research Conflict of Interest forms combined for submission of one electronic form. Conflict of Interest Disclosure forms assigned on September 1; 30 days to disclose. Conflict of Interest and Outside Employment policies combined to ensure adherence to requirements.</td>
</tr>
</tbody>
</table>