

The University of Texas Rio Grande Valley



Brownsville • Edinburg • Harlingen

ANNUAL INTERNAL AUDIT REPORT FISCAL YEAR 2020

**Office of Audits and
Consulting Services**



October 29, 2020

Dr. Guy Bailey, President UTRGV
Mr. Kenneth Everhard, Chair, UTRGV Internal Audit Committee

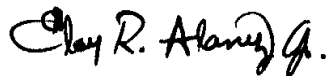
We are pleased to submit the Office of Audits and Consulting Services' Annual Internal Audit Report for the fiscal year ended August 31, 2020. This report is required by the Texas Internal Auditing Act and provides information on the assurance services, consulting services, and other activities of the UTRGV internal audit function.

During fiscal year 2020, we issued audit reports that have enhanced University operations and provided value to management with recommendations relating to governance, risk management, and control processes at The University of Texas Rio Grande Valley.

We will post the Annual Internal Audit Report on the UTRGV website by November 1, 2020 as required by the Texas Government Code, *Section 2102.015*.

If you have any questions about the contents of this report, please do not hesitate to contact me.

Respectfully submitted,



Eloy R. Alaniz, Jr. CPA, CIA, CISA
Chief Audit Officer

Office of Audits and Consulting Services
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Office of Audits and Consulting Services

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SECTION I
Compliance with Texas Government
Code, Section 2102.015:
Website Postings

The University of Texas Rio Grande Valley
Office of Audits and Consulting Services
Compliance with Texas Government Code, Section 2102.015: Posting the Internal Audit Plan, Internal Audit Report, and Other Audit Information on Internet Web site
Fiscal Year Ending August 31, 2020

Texas Government Code, Section 2102.015, requires state agencies and higher education institutions, as defined in the statute, to post certain information on their internet websites. Accordingly, an entity should post its final audit plan and annual report on its internet website within 30 days after the audit plan and annual report are approved by an entity's governing board or chief executive. In accordance with Texas Government Code, Section 2102.01, submitting and posting the fiscal year 2021 Internal Audit Plan and fiscal year 2020 Internal Audit Annual Report is **due November 1, 2020**. Agencies and higher education institutions are also required to post a summary of actions taken to address issues raised by the audit plan or annual report. In addition, all periodic internal audit reports should be submitted "not later than the 30th day after the date the report is submitted to the state agency's governing board or the administrator of the state agency if the state agency does not have a governing board."

To comply with the requirements of Texas Government Code, Section 2102.015, the Annual Internal Audit Report is posted on the home page of the UTRGV website under the link <https://www.utrgv.edu/audits/tools-and-resources/index.htm>. Internal Audit Plans are posted under the Office of Audits & Consulting Services' website link <https://www.utrgv.edu/audits/tools-and-resources/index.htm>. All periodic internal audit reports were submitted to the Governor's Office of Budget, Planning & Policy, State Auditor's Office, Legislative Budget Board, and the Sunset Advisory Commission within 30 days of submitting these reports to UT Rio Grande Valley's Internal Audit Committee. In addition, the periodic internal audit reports were posted to the Office of Audits & Consulting Services' website link <https://www.utrgv.edu/audits/tools-and-resources/index.htm>.

SECTION II
Internal Audit Plan for Fiscal Year 2020

The University of Texas Rio Grande Valley
Office of Audits & Consulting Services
Deviations from the UTRGV Audit Plan
Fiscal Year Ending August 31, 2020

Explanation of Deviations from Audit Plan

The FY 2020 Audit Plan Status Report indicates that the Office of Audits & Consulting Services did not complete all engagements on its budgeted audit plan. While not all audits/projects on the plan were completed, several engagements were in progress at year end and carried forward to the FY 2021 Audit Plan.

We adjusted the FY 2020 plan three times during the year and received approval by the UTRGV Internal Audit Committee (IAC). The FY 2020 original plan was revised to include two carryforwards that were not completed in FY 2019 and were inadvertently left off the FY 2020 Audit Plan: Athena Access Management Audit and CARA Center Audit. We also included a requested audit from management on the plan: Scholarships Audit. The COVID-19 Pandemic not only severely impacted our institution, but our internal audit work plan as well. With the President and IAC's approval, we requested postponement of the UT Health RGV Clinic Audits. These audits required us to visit the clinics and, for obvious reasons, we were unable to go to the clinics. These audits are included on the FY 2021 Audit Plan. We filled the void with internal audit strategic initiatives and internal audit process improvements. We also re-purposed hours from other engagements that were not completed by August 31, 2020. Most of these audits were reassessed and carried forward to FY 2021 Audit Plan, while two were removed.

We requested removal of two engagements from the FY 2020 Audit Plan: Executive Travel and Entertainment Audit and the NCAA Compliance – Eligibility Audit. The Executive Travel and Entertainment Audit was no longer required by UT System Administration. UTRGV hired a new Athletic Director (AD), and the AD requested time to understand, evaluate and make changes to processes in Athletics prior to conducting the NCAA Compliance – Eligibility Audit.

Refer to the FY 2020 Annual Audit Plan Status Report for details.

**The University of Texas Rio Grande Valley
FY2020 Audit Plan Status as of August 31, 2020**

Engagement Name	Original Budget	Additions/ Deletions	Revised Budget	Percent of Total Revised Budget	Status as of August 31, 2020	Report Date
Assurance Engagements						
FY 2019 Carryforward - Cost Transfers Audit	200.00	0.00	200.00		Not Completed - Reassessed and not included on FY 2021 Audit Plan	-
FY 2019 Carryforward - Global Engagement Audit	150.00	0.00	150.00		Report Issued #19CF-AEN-13	4/27/2020
FY 2019 Carryforward - Bursar's Office Audit	100.00	0.00	100.00		Report Issued #19-AEN-05	3/23/2020
FY 2019 Carryforward - Athena Access Management Audit	0.00	104.00	104.00		Report Issued #19-ACE-18	4/17/2020
FY 2019 Carryforward - CARA Center Audit	0.00	360.00	360.00		Draft Report	-
UTS 142.1 - Monitoring Plan & Account Reconciliations Audit	200.00	0.00	200.00		Report Issued #20-AEN-01	6/12/2020
Diabetes & Obesity Institute Audit	400.00	0.00	400.00		Not Completed - Reassessed and included on FY 2021 Audit Plan	-
Fixed Costs Contracts Audit	300.00	0.00	300.00		In Progress - Carryforward to FY 2021 Audit Plan	-
Banner System Access Audit	200.00	0.00	200.00		In Progress - Carryforward to FY 2021 Audit Plan	-
UT Health RGV Pediatric Specialty Clinic Audit	300.00	(213.00)	87.00		Postponed and included on FY 2021 Audit Plan	-
UT Health RGV Surgery & Women's Specialty Clinic Audit	300.00	(300.00)	0.00		Postponed and included on FY 2021 Audit Plan	-
Medical Devices Audit	300.00	(300.00)	0.00		Postponed and included on FY 2021 Audit Plan	-
NCAA Compliance - Eligibility Audit	300.00	(300.00)	0.00		Removed from FY 2020 Audit Plan	-
Cloud/3rd Party Security Management Audit	300.00	0.00	300.00		Not Completed - Reassessed and included on FY 2021 Audit Plan	-
MSRDP (Faculty Practice Plan) Audit	250.00	(171.00)	79.00		Postponed and included on FY 2021 Audit Plan	-
Federal Financial Audit	300.00	(50.00)	250.00		Not Completed - Reassessed and not included on FY 2021 Audit Plan	-
Scholarships Audit	0.00	200.00	200.00		In Progress - Carryforward to FY 2021 Audit Plan	-
Assurance Engagements Subtotal	3,600.00	(670.00)	2,930.00	31.11 %		
Advisory and Consulting Engagements						
FY 2019 Carryforward - Tuition Revenue Cycle	350.00	0.00	350.00		Not Completed - Reassessed and included on FY 2021 Audit Plan	-
Enrollment Reporting Data Analysis	250.00	0.00	250.00		In Progress - Carryforward to FY 2021 Audit Plan	-
Clinical Revenue Reconciliations	250.00	0.00	250.00		Internal Memo Issued	8/31/2020
Procurement Card & Travel Card Monthly Analysis	50.00	0.00	50.00		Completed; exception reports provided to management for review	-
UT Systemwide Security Assessments	50.00	0.00	50.00		Not Completed	-
Other Committee Meetings	200.00	0.00	200.00		Completed	-
Training and/or assistance to Institutional Depts.	300.00	0.00	300.00		Completed	-
NIFA-Additional Travel Expenses Procedures	0.00	150.00	150.00		Internal Memo Issued	9/30/2019
Financial Aid Data Analysis SAP	0.00	100.00	100.00		In Progress - Remaining engagement completed by UT System Audit Data Analytics	-
Advisory and Consulting Engagements Subtotal	1,450.00	250.00	1,700.00	18.05 %		
Required Engagements						
Benefit Proportionality Audit	200.00	0.00	200.00		Report Issued #20-REQ-22	8/31/2020
FY 2019 UT System wide Financial Audit - Final	35.00	0.00	35.00		Completed work for Deloitte - UT System consolidated audit	-
FY 2020 UT System wide Financial Audit - Interim	25.00	0.00	25.00		Completed work for Deloitte - UT System consolidated audit	-
McAllen Family Practice Operational Grant Audit	200.00	0.00	200.00		Report Issued #20-REQ-25	12/20/2019
NCAA Agreed Upon Procedures Audit	300.00	0.00	300.00		Assisted UT System Audit Office	-
Executive Travel & Entertainment Audit	350.00	(350.00)	0.00		Removed from FY 2020 Audit Plan; no longer required	-
TEC 51.9337 Compliance Assessment	50.00	0.00	50.00		Completed and Issued with FY 2019 Annual Internal Audit Report	10/31/2019
Assistance on President's Travel & Entertainment	50.00	0.00	50.00		Completed	-
Audits/Reviews by External Agencies	100.00	0.00	100.00		Completed	-
DHR Family Practice Operational Grant Audit	0.00	200.00	200.00		Report Issued #20-REQ-50	2/28/2020
Required Engagements Subtotal	1,310.00	(150.00)	1,160.00	12.32 %		
Investigations						
Investigations	200.00	(200.00)	0.00			
SAO Complaint #19-2129-Healthcare Billing	0.00	200.00	200.00		Internal Memo Issued	5/8/2020
Investigations Subtotal	200.00	0.00	200.00	2.12 %		

**The University of Texas Rio Grande Valley
Audit Plan Status as of August 31, 2020**

Engagement Name	Original Budget	Additions/ Deletions	Revised Budget	Percent of Total Revised Budget	Status as of August 31, 2020	Report Date
Reserve						
Operational Projects Requests	100.00	(100.00)	0.00			
Reserve Subtotal	100.00	(100.00)	0.00	0.00 %		
Follow-Up						
1st Quarter Follow-Up	50.00	0.00	50.00		Completed	-
2nd Quarter Follow-Up	50.00	0.00	50.00		Completed	-
3rd Quarter Follow-Up	50.00	0.00	50.00		Completed	-
4th Quarter Follow-Up	50.00	0.00	50.00		Completed	-
Follow-Up Subtotal	200.00	0.00	200.00	2.12 %		
Development - Operations						
UT System Meetings and Reporting	125.00	0.00	125.00		Completed	
Annual Audit Plan and Risk Assessments	300.00	0.00	300.00		Completed	
Quality Assurance & Improvement Program	250.00	0.00	250.00		Completed	2/28/2020
Internal Audit Committee Meetings	300.00	0.00	300.00		Completed	
Annual Internal Audit Report	100.00	0.00	100.00		Completed and Posted	10/31/2019
TeamMate and Other Technologies	150.00	300.00	450.00		Completed	
Management of Audit Activity	350.00	270.00	620.00		Completed	
Development - Operations Subtotal	1,575.00	570.00	2,145.00	22.78 %		
Development - Initiatives and Education						
UT System Audit Office Initiatives	100.00	0.00	100.00		Completed	
Continuing Professional Education	600.00	0.00	600.00		Completed	
Internal Audit Office Organization and Strategic Initiatives	182.00	100.00	282.00		Ongoing	
Professional Organizations	100.00	0.00	100.00		Ongoing	
Development - Initiatives and Education Subtotal	982.00	100.00	1,082.00	11.49 %		
Totals - Audit Hours	9,417.00	0.00	9,417.00	100.00 %		

**The University of Texas Rio Grande Valley
FY 2020 Observations, Recommendations, and Action Plans**

REPORT NO.	REPORT DATE	REPORT NAME	OBSERVATIONS/FINDINGS AND RECOMMENDATIONS	MANAGEMENT RESPONSES/ACTION PLANS	IMPLEMENTATION STATUS
16-05	7/14/2016	Asst. VP Research Sponsored Programs	Develop comprehensive UTRGV formal policies and procedures that provide guidance and accountability for adherence to processes and should address Academics and the School of Medicine. Policies and procedures help ensure management directives are carried out towards achievement of management goals and objectives, and risks are managed. Also institution wide training should be conducted to disseminate information about processes, rules and regulations.	OSP and ORC are finalizing the UTRGV formal policies. These policies are to be presented to the Policy Committee for approval. Expected approval date is June 30, 2017. OSP and ORC are updating the OSP and ORC Handbook/Manual expected completion date June 30, 2017.	Ongoing
16-06	7/15/2016	Payment Card Industry Data Security Standards	The Associate VP for Financial Services should work with Information Technology and the Office of the CISO to define roles and responsibilities for ensuring PCI DSS compliance.	Management concurs with the recommendation. The Office of Financial Services/Comptroller, CIO, and CISO will develop and implement policy guidelines with the goal of ensuring that business processes for accepting electronic payments comply with the 12 components of PCI DSS. Each of the 12 components has undergone an initial review and the office of Treasury, CIO, or CISO, or a combination of these offices have been identified as the responsible party for each of the 12 PCI DSS components. CISO, in collaboration with CIO and Treasury, will develop and maintain an information security policy to ensure that strong controls that are appropriately integrated with the University's financial and information technology systems are put in place.	Ongoing
16-06	7/15/2016	Payment Card Industry Data Security Standards	The Associate Comptroller in collaboration with the Associate VP for Financial Services should initiate and work with Information Technology to complete a PCI DSS self-assessment. A self-assessment needs to be performed on an annual basis or when a major change to UTRGV's payment card processing environment occurs.	Management concurs with recommendation and will set guidelines to ensure that the PCI DSS self-assessment questionnaires are completed on an annual basis or when a major change to UTRGV's payment card processing environment occurs.	Ongoing
17-EXT-017	10/28/2018	TAC 202	Confidential	Confidential	Ongoing
17-EXT-017	10/28/2018	TAC 202	Confidential	Confidential	Ongoing
UTRGV-19-ACE-18	4/17/2020	EMR (Athena Health) Implementation	SOM management should include Athena in a formal on-going risk analysis process.	Several risk assessments were done. The EMR selection committee requested and reviewed Athena IT security in the cloud prior to selection and during. Athena responded. Peer institution (UT Austin Dell Med School) that has Athena was consulted. The preselection Risk Assessment was done during the RFI and RFP process that started Fall of 2017 and concluded January 2018. SOM IT does annual Risk Assessment mandated by CMS (Centers for Medicare & Medicaid Services) by December 31. These CMS Risk Assessments are the highest in Healthcare as required by the Department of Health and Human Services (HHS), Office for the Civil Rights (OCR), Center for Medicare and Medicaid Services (CMS). A detailed risk management plan is maintained continuously and done annually as required by CMS. The risk assessments covered - Administrative, Physical and Technical aspects of UTRGV SOM EMR.	Implemented
UTRGV-19-ACE-18	4/17/2020	EMR (Athena Health) Implementation	SOM IT should ensure that the ability to grant access is designated to employees within the department. Additionally, in collaboration with clinic management: Develop a segregation of duties matrix to use as a guide for user access provisioning, and Implement a compensating control by actively monitoring employees with conflicting duties.	SOM IT made SOM leadership aware of this security risk. This risk is in Patient Services Representatives and Revenue Cycle staff having Managerial Billing level of access on the EMR financials without internal controls.	Not Implemented. Management accepts risk and is actively monitoring users' activities.
UTRGV-19-ACE-18	4/17/2020	EMR (Athena Health) Implementation	SOM Management should develop the following processes: Regularly monitor for separated employees, including non-UTRGV employees who have access to Athena. Examine employee access logs and review for misuse of ePHI. Regularly monitoring for security events.	As cloud-based EMR, no other cloud-based EMR give their customers (users) the ability to setup individual alerts. With respect to knowing when users voluntarily separated from the University, SOM IT developed a multi-process since June 2019 that requires unit managers and directors to validate their personnel roster frequently and regularly when (a) a request for a new employee access is put in; (b) monthly roster of current clinical employees to be validated.	Implemented
UTRGV-19-ACE-18	4/17/2020	EMR (Athena Health) Implementation	SOM management should develop and formalize specific policies and procedures relating to EMR security.	SOM EMR access and use follow UTRGV's existing policies and procedures in provisioning and deprovisioning access. SOM IT is currently working on updating UTRGV's related and relevant policies and procedures that will emphasize EMR. The review process which has begun will conclude when the University approves the changes that emphasize EMR.	Implemented
UTRGV-19-ACE-18	4/17/2020	EMR (Athena Health) Implementation	SOM management should ensure that password requirements for Athena meet UTRGV minimum requirements.	UTRGV EMR password minimum has a higher standard than UTRGV password minimum. The EMR requires 8-20 characters long and must contain at least three of the following: uppercase letters, lowercase letters, umbers, symbols. The password cannot contain any words that are found in the dictionary, all or part of your username, any password previously used for this account, or the word "Athena" that expires every 30 days unlike UTRGV password requirement that expires in 180 days. Password requirements will be met when Single Sign On goes live.	Implemented

**The University of Texas Rio Grande Valley
FY 2020 Observations, Recommendations, and Action Plans**

REPORT NO.	REPORT DATE	REPORT NAME	OBSERVATIONS/FINDINGS AND RECOMMENDATIONS	MANAGEMENT RESPONSES/ACTION PLANS	IMPLEMENTATION STATUS
UTRGV-19-ACE-18	4/17/2020	EMR (Athena Health) Implementation	SOM IT should review Athena user accounts and expire unnecessary multiple accounts.	A handful of accounts were created to separate Mental Health from others because of additional state and federal statutes on mental health. Other few duplicates were prior to the alignment with UTRGV HR process. The duplicated accounts have been deleted since June 2019.	Implemented
UTRGV-19-ACE-18	4/17/2020	EMR (Athena Health) Implementation	SOM management should implement multi-factor authentication as soon as feasible.	UTRGV EMR cannot use two-factor authentication currently tied to UTRGV security authentication systems with Microsoft Active Directory because over 20% of UT Health RGV users are affiliated healthcare users and not UTRGV payroll employees such as community doctors, hospitalists (from affiliated facilities such as DHR, Knapp Med. Center [prime healthcare] and Valley Baptist Med Center [tenet healthcare]). For patient safety and healthcare quality, the use of UTRGV current "Person of Interest" account process with not suffice as it takes weeks for UTRGV access to be created. For our current environment, Athena solution that may be able to support the UTRGV users without impacting non-UTRGV accounts, according to Athena, may be available during the fourth quarter of 2019 to first quarter of 2020. Multi-factor authentication will be addressed when Single Sign On goes live.	Ongoing
UTRGV-19-ACE-18	4/17/2020	EMR (Athena Health) Implementation	SOM management should integrate Athena into UTRGV's Access Administration and Single Sign On environment as soon as feasible.	A single sign-on works when all users are in the same security authentication systems. UTRGV does not have a federated system with affiliated healthcare organizations such as DHR, Knapp Med. Center and Valley Baptist Med. Center. Athena will be integrated into UTRGV's Single Sign on environment.	Implemented
UTRGV-19-ACE-18	4/17/2020	EMR (Athena Health) Implementation	SOM IT should maintain a central repository for all approval documentation and revise the Athena User Access Request Form to add signature lines for approval.	All users' approval process that were previously in different locations have been merged since June 2019.	Implemented
UTRGV-19-ACE-18	4/17/2020	EMR (Athena Health) Implementation	SOM management should develop policies and procedures to quickly off-board Athena users. Set expiration dates in Athena when possible. Consider automating this process.	SOM IT gets notices only on involuntary separation for immediate access termination. To address this, SOM IT, since May 2019, requires every department head approving access for new employee to review and sign-off on current employees in their department by indicating whether access should remain or be discontinued for their employees in addition to the manual review process of SOM personnel roster from PeopleSoft with the EMR user accounts. New policy and procedures address timely off boarding of Athena users.	Implemented
UTRGV-19-ACE-18	4/17/2020	EMR (Athena Health) Implementation	SOM IT should ensure that UTRGV employees have UTRGV emails updated in their Athena profile.	Over 20% of UTRGV EMR are non-UTRGV employees. UTRGV policy does not prohibit the use of non-UTRGV emails as evident in UTRGV requirement for password recovery. However, we have since July audited all users in Athena and ensured that UTRGV email addresses are on their profile. SOM IT communicates temporarily access information to UTRGV emails only. All approvers of accounts (including affiliated organizations) are UTRGV employees.	Implemented
UTRGV-19-AEN-04	4/27/2020	Global Engagement Audit	The Associate VP for Global Engagement should ensure that: The proper delegated authority executes exchange program agreements with foreign institutions. A contract is properly executed when exchange of funds is involved with foreign institutions.	Office of Global Engagement will follow the UTRGV approved delegation authority. In addition, Office of Global Engagement will follow the Total Contracts Manager process which will have the delegated authority in the workflow process.	Implemented
UTRGV-19-AEN-04	4/27/2020	Global Engagement Audit	The Office of Planning and Analysis should develop a HOP policy related to assessment, collection, delegation and charges of fees as required by Regents Rule 40401. In addition, a formal process should be established and communicated to address other fees and charges currently not addressed in Regents Rule 40401.	By March 31, 2020, the Office of Planning & Analysis will prepare and submit a draft Non-Mandatory Fee Approval HOP policy for consideration. This policy will set forth the procedures for proposing and approving fees and charges described in Regents Rule 40401, Section 3. This policy will also provide guidance for proposing and approving charges not addressed in Regents Rule 40401. The exact timeline for full implementation will be dependent on the HOP review process. OIPP has suspended the collection of the \$105 application fee for the J1 Exchange Visitor Program until approval from the UTRGV president's office is attained.	Ongoing
UTRGV-19-AEN-04	4/27/2020	Global Engagement Audit	The Director of International Programs and Partnerships should implement a quality assurance review of visitor files for effective management of the exchange visitor program and adherence to records retention requirements.	A semiannual audit of the J1 program will be carried out by the Director of OIPP each year. These are scheduled for the first week of July and the first week of January each year. During the audit, the director will randomly select 10 J1 scholars and verify their current status in SEVIS as well as all of the documentation on file in OIPP.	Implemented

**The University of Texas Rio Grande Valley
FY 2020 Observations, Recommendations, and Action Plans**

REPORT NO.	REPORT DATE	REPORT NAME	OBSERVATIONS/FINDINGS AND RECOMMENDATIONS	MANAGEMENT RESPONSES/ACTION PLANS	IMPLEMENTATION STATUS
UTRGV-19-AEN-04	4/27/2020	Global Engagement Audit	The Director of International Programs and Partnerships should develop a process to: Ensure that the exchange participants and their dependents, if any, are covered by health insurance, Verify that participants have the education and credentials necessary to carry out the activity for which they are entering the United States and that they have sufficient proficiency in the English language, Offer appropriate orientation for all exchange visitors and their dependents, if any, Maintain SEVIS records for a minimum of three years following the completion of each exchange visitor program.	The Director of International Programs and Partnerships implemented new procedures to address the issues revealed by the audit. Beginning Fall 2019 monthly, mandatory orientations have been conducted for all incoming J1 scholars. These meetings are led by the Director of OIPP with guest speakers from the Title IX office and Export Control. Attendance is taken at these meetings and noted in each scholar's record in the Sharepoint site used by OIPP to store information for the J1EVP. More frequent check-ins help avoid the situation where scholars have changed address or left the university without notifying OIPP. (22 CFR §62.13.) Procedures for routine SEVIS operations were created and include both generating a new DS2019 and validating the J1EVP for a new J1 scholar. The procedures include hyperlinks to resources on the US Dept of State websites for administering the J1 program. The procedures also include links to the documents that we use to create the packets that prospective scholars use to secure their J visa. (22 CFR §62.10.)Following the initial audit conference in March 2019, the application process for new J1 scholars was moved from a paper/pdf format to a Qualtrix survey. This has increased the precision of the processing requests. Hosting departments upload all documentation required to bring an individual to UTRGV under the J1 program. All of this information is downloaded from Qualtrix and stored in the prospective J1 scholar's folder on the Sharepoint site used by OIPP. (22 CFR §62.10.)OIPP weekly team meetings now include discussions around J1EVP and new improvements in our procedures. (22 CFR §62.10.)Recently two of the Alternate Responsible Officers received SEVIS training from our national organization, NAFSA. More training is being scheduled for intermediate levels. (22 CFR §62.10.)Compliance with the insurance requirement for both J1 scholars and J2 dependents is now handled in the following manner. Proof of insurance is required upon arrival to UTRGV. The J1 scholar's program will not be validated without proof of insurance. The expiration date for their insurance coverage is entered into the Sharepoint site, which sends an automatic notification 10 days before the insurance expires. Upon receipt of this notification, OIPP sends a request for updated insurance information to the J1 scholar as well as any J2 dependents. (22 CFR §62.14.)The procedures on the Microsoft Teams site list everything that the Responsible Officer or the Alternate Responsible Officers need to do vet a prospective J1 scholar, including checking the CV, English proficiency, and proof of funding. Additionally, the Qualtrix survey has added in the collection and processing of the documents required for issuing a new DS2019 through SEVIS. (22 CFR §62.10.) A semiannual audit of the J1 program will be carried out by the Director of OIPP each year. There	Implemented
UTRGV-19-AEN-04	4/27/2020	Global Engagement Audit	The Office of Global Engagement should follow the process towards developing an International Student Health Insurance policy.	We will create a Health Insurance Policy for UTRGV basing it on the UTS policy.	Ongoing
UTRGV-19-AEN-04	4/27/2020	Global Engagement Audit	The Director of International Programs and Partnerships should: Adhere to University purchasing and travel policies, guidelines, and procedures. Use student fees according to their intended purpose.	As of May 2019, we have hired new personnel and the administrative analyst has implemented various policies to better control the budget for the cost centers. An Office Handbook has also been created and is currently being updated to keep everyone informed of the new processes. The staff has been working together to familiarize themselves with the appropriate cost center to use depending on each transaction. Specialists work closely with Administrative Analyst when an expense is to occur and this method seems to be working now. The office has reduced costs tremendously and has been using the cost center account accordingly, which has controlled the spending. We are also working on making sure the appropriate e-types are used accordingly when submitting requisitions.	Implemented
UTRGV-19-AEN-04	4/27/2020	Global Engagement Audit	The Director of International Programs and Partnerships should develop a process to: Timely identify exchange visitors separated from employment via the separation of employment workflow.	OIPP needs to be included in the separation procedures for all J1 visa holders that are employed by UTRGV. The Director of OIPP has requested that ipp@utrgv.edu be notified when any J1 scholar separates through the separation PAF process. For those J1 scholars that are visiting scholars and not employed by UTRGV, OIPP has already shortened all programs to 12-month intervals. This will require J1 scholars to check-in with OIPP for renewals or extensions. Also, a reminder has been set in Sharepoint using Microsoft Flow that will notify OIPP 180 days before the program end date. Upon receipt of this email reminder, OIPP will email the J1 scholar asking for an update on how their program is going and for a status update.	Implemented
UTRGV-19-AEN-05	3/23/2020	Bursar Audit	The Bursar should enhance the physical security of the Brownsville location, specifically the office where the safe is located.	Request to install the locking mechanism in the room where the safe is located has been installed. The purchase order for cameras has been submitted and is pending the arrival of equipment and the installation. Request for a quote to install window tint that has the mirror reflection has also been requested.	Ongoing
UTRGV-19-AEN-05	3/23/2020	Bursar Audit	The Bursar should update the Cash Handling Training materials to include the revised Handbook of Operating Procedures, Cash Handling and Reporting policy.	The Cash Handling Training materials have been revised to include the revised Handbook of Operating Procedures, Cash Handling and Reporting policy.	Implemented

**The University of Texas Rio Grande Valley
FY 2020 Observations, Recommendations, and Action Plans**

REPORT NO.	REPORT DATE	REPORT NAME	OBSERVATIONS/FINDINGS AND RECOMMENDATIONS	MANAGEMENT RESPONSES/ACTION PLANS	IMPLEMENTATION STATUS
UTRGV-19-AEN-05	3/23/2020	Bursar Audit	Treasury Services and the Bursar should work together to ensure that the Petty Cash listing is accurate and reflects all the areas with cash and the respective amounts.	The Bursar's Office and Treasury Services have coordinated to ensure the petty cash listing for those areas & individuals responsible for managing petty cash contains current information, including departments, individuals, and amounts.	Implemented
UTRGV-19-AEN-05	3/23/2020	Bursar Audit	The Bursar should be proactive and reach out to the areas they know have not received cash handling training or need the two-year refresher training. Additionally, the training should include examples of internal controls issues identified during the surprise cash counts.	Completed. The Bursar's Office contacted departments to notify them of the cash handling training requirements and will continue this process with all departments on an on-going basis.	Implemented
UTRGV-19-AEN-05	3/23/2020	Bursar Audit	The Bursar should recommend that all the departments purchase locked money bags in accordance with HOP ADM 10-701, Cash Handling and Reporting.	Bursar office will provide locked bag(s) to departments. Departments will be reminded during petty cash audits to use the locked bags for transporting money at all times.	Ongoing
UTRGV-19-AEN-05	3/23/2020	Bursar Audit	The Bursar should work with the UT Health RGV Clinics to consider using weekly armored car services to pick up the monies collected at the clinics, when feasible.	Bursar Office will coordinate with UT Health RGV on the final decision of using armored car services.	Ongoing
UTRGV-19-AEN-05	3/23/2020	Bursar Audit	The Bursar should perform surprise cash counts throughout the fiscal year and ensure that the annual confirmation of all petty cash funds is completed.	Bursar's Office has completed and validated all FY19 petty cash funds from a listing provided by Treasury Services and will conduct a minimum of one surprise petty cash audit in FY20 for all areas, which have a petty cash fund.	Implemented
UTRGV-20-AEN-01	7/10/2020	UTS 142.1 - Monitoring Plan & Account Reconciliations Audit	Management should evaluate the Monitoring Plan to determine adequate internal controls are in place to ascertain the validity of the financial statements. Management should ensure: All cost center and project account reconciliations are certified. Escalation process for instances of noncompliance are followed and process is documented. Sample selected for review be risk based and focus on high dollar, high value reviews. This process should be documented. Appropriate information is communicated which is essential for an internal control system to be effective. Ensure corrective action plan is submitted and followed up.	Management agrees with the recommendations and will implement the following activities / processes, at a minimum: a) A process will be implemented to ensure all cost center/projects are certified, including a process to notify management for those areas that are in non-compliance with policy.b) A risk-based assessment will be established to review and document cost center/projects, which are deemed to be high risk.c) Key information will be communicated to appropriate individuals to enhance the validity of the financial statements. Accounting will obtain corrective action plans from all non-compliant managers and ensure the plans are completed. We plan to implement later this summer the reconciliation and certification tool currently being implemented for all UT Share institutions. Planning meetings with UTSIS will commence in June 2020. In addition, for FY2021, UTRGV is considering revising the Monitoring Plan to change the reporting basis from Semi-annual to Annual to be consistent with the UT Share institutions.	Ongoing
UTRGV-20-AEN-01	7/10/2020	UTS 142.1 - Monitoring Plan & Account Reconciliations Audit	Update the Certification Acknowledgement in PeopleSoft from to ADM 10-703 Accounting Policy.	Management agrees with the recommendation and has implemented the update to the Certification Acknowledgement in PeopleSoft to ADM 10-703 Accounting Policy on 3/23/2020.	Implemented
UTRGV-20-AEN-01	7/10/2020	UTS 142.1 - Monitoring Plan & Account Reconciliations Audit	Review status certification report to ensure audit trail is preserved and reconcilers and certifiers are listed.	Management agrees with the recommendations and has begun the process to update the status certification report. Cherwell ticket 12657365 was submitted to UTSIS on 3/03/2020 to update the Semi-annual Certification Report to include columns with the name of the person who certified and the date/time it was certified. UTSIS is pending the determination of the level of effort before they can begin working on this request.	Ongoing
UTRGV-20-AEN-01	7/10/2020	UTS 142.1 - Monitoring Plan & Account Reconciliations Audit	See Recommendations in: ISS.3 Training	See Action Plans in: Training	Implemented
UTRGV-20-AEN-01	7/10/2020	UTS 142.1 - Monitoring Plan & Account Reconciliations Audit	Management should strengthen the training program to include: Information on UTS 142.1, ADM 10-703 Accounting Policy, and PeopleSoft Cost Center/Project Reconciliation Overview. Roles & Responsibilities for Reconciler, Certifier, Dean/Director, Vice President. All information required to properly reconcile cost centers and projects such as Encumbrances and payroll expenses Revenue resources to reconcile Discussion on prior period adjustments	Management agrees with the recommendations and has implemented the updates to the "PeopleSoft – GL – Monthly Financial Reconciliation Process" training to include the auditor's recommended information listed in this section.	Implemented

**The University of Texas Rio Grande Valley
FY 2020 Observations, Recommendations, and Action Plans**

REPORT NO.	REPORT DATE	REPORT NAME	OBSERVATIONS/FINDINGS AND RECOMMENDATIONS	MANAGEMENT RESPONSES/ACTION PLANS	IMPLEMENTATION STATUS
UTRGV-20-AEN-01	7/10/2020	UTS 142.1 - Monitoring Plan & Account Reconciliations Audit	Reconciliations assist management in identifying errors and inconsistencies, determining availability of funds and identifying internal control deficiencies. Management should emphasize the importance of monthly account reconciliations and require both certifiers and reconcilers to attend the reconciliation training.	Management agrees with the recommendations and all certifiers and reconcilers will be required to attend the updated training for "PeopleSoft – GL – Monthly Financial Reconciliation Process". Process will be implemented to ensure additional training opportunities are provided, as well as notifying management for those individuals who do not comply with these requirements.	Implemented
UTRGV-20-REQ-22	8/31/2020	Benefit Proportionality Audit	A reconciliation to UTRGV's general ledger should be completed when conducting the State Comptroller Reconciliation. General ledger should support AFR and tie to USAS. Any differences should be noted along with a description.	Management concurred at exit and has enhanced the reconciliation process.	Implemented
UTRGV-20-REQ-22	8/31/2020	Benefit Proportionality Audit	The following opportunities for improvement were identified in the process for completing the APS11 Report: Secondary review needs to be completed and documented prior to APS011 report submission. A mechanism needs to be in place to reconcile actual benefits paid from E&G funds from Fund 1, Fund 2 and Local in GL to USAS.	Management Accepts Risk. Management discussed query available to reconcile actual expenses to commitment control (budget). This is a PeopleSoft issue and it is System wide. A query was created by UT System in order to provide salaries, wages & payroll related costs paid by E&G Fund identified by Fund1, Fund2, & Local from USAS. UTRGV Management feels comfortable providing assurance that amounts are accurately reported and entered in the APS011 report.	Not Implemented. Management accepts risk
UTRGV-20-REQ-22	8/31/2020	Benefit Proportionality Audit	Complete a thorough review of the APS011 Report prior to submission to verify amounts are accurately reported.	Management concurred at exit and will enhance reviews.	Implemented
UTRGV-20-REQ-22	8/31/2020	Benefit Proportionality Audit	Complete adjustments based on updated APS011 reports submitted to Texas Comptroller's Office.	Management concurred at exit. APS011 report for AY18 & AY19 were resubmitted and adjustments were completed.	Implemented
UTRGV-20-REQ-25	12/20/2019	McAllen Family Practice Residency Program	No Findings	Not Applicable	Not Applicable
UTRGV-20-REQ-50	2/29/2020	DHR Family Practice Residency Program Operational Grant Audit	No Findings	Not Applicable	Not Applicable

The University of Texas Rio Grande Valley
Office of Audits & Consulting Services
TEC Section 51.9337(h) Assessment & Benefits Proportionality Audit
Fiscal Year Ending August 31, 2020

Senate Bill 20 (86th Legislative Session) made several modifications and additions to Texas Government Code and Texas Education Code (TEC) related to purchasing and contracting. Effective September 1, 2015, TEC §51.9337 requires that, “*The chief auditor of an institution of higher education shall annually assess whether the institution has adopted the rules and policies required by this section and shall submit a report of findings to the state auditor.*”

The UTRGV Office of Audits & Consulting Services conducted this required compliance assessment for fiscal year 2020, and our conclusion is as follows:

Based on our review of current institutional policies, the UT System policies and the UT System Board of Regents’ *Rules and Regulations*, UTRGV has generally adopted all of the rules and policies required by TEC §51.9337. Review and revision of institutional policies is an ongoing process. These rules and policies will continue to be assessed annually to ensure continued compliance with TEC 51.9337.

In addition, Rider 8, page III-48 of the General Appropriations Act (86th Legislature, Conference Committee Report) requires each higher education institution to conduct an internal audit of benefits proportional by fund using a methodology approved by the State Auditor’s Office. A compliance audit of Benefits Proportionality Funding was completed on August 31, 2020 with a focus on Appropriation Years 2018 and 2019.

The University of Texas Rio Grande Valley
Office of Audits & Consulting Services
Texas Government Code, Section 2102.005(b) Compliance
Fiscal Year Ending August 31, 2020

The Texas Internal Auditing Act *Sec. 2102.005(b)* requires that a state agency's internal audit program shall consider methods for ensuring compliance with contract processes and controls and for monitoring agency contracts.

The UTRGV Office of Audits & Consulting Services considers risks related to contracting processes and monitoring controls annually through its risk assessment process when developing its internal audit plan. An audit of fixed costs contracts was initially on the FY 2020 Audit Plan; however, it was not completed. The engagement was carried forward and included on FY 2021 Audit Plan. **(Refer to Section V – Internal Audit Plan FY 2021).**

In addition, in accordance with the Texas Education Code (TEC) §51.9337 related to purchasing and contracting, the Office of Audits & Consulting Services is required to annually assess whether the institution has adopted the rules and policies required by this section and shall submit a report of findings to the state auditor **(Refer to TEC §51.9337 Compliance in Section II).**

SECTION III
Consulting Services and
Nonaudit Services Completed

SECTION III

CONSULTING SERVICES AND NON-AUDIT SERVICES COMPLETED

Date Completed	Name of Engagement	High-Level Non-Audit Services Objective(s)	Observations/Findings and Recommendations	Fiscal Impact/Other Impact
September 30, 2019	USDA NIFA Sponsored Programs Travel Expenses Review Reissued.	NIFA – Additional Travel Expenses Procedures. Objective included: Further review of those travel expenses that had no documented prior approvals to determine which of these expenses did not align with the goals and objectives of the awards.	Some of the expenses lacked documented evidence to support that the business purpose related to the goals and objectives of the awards.	Fiscal and Compliance
March 13, 2020	Office of Global Engagement	Performed internal control training to departments.	Refresher training on internal controls that impact the operations of the department.	Operations
May 8, 2020	Complaint #19-21-129 - Investigation	Evaluate allegations of improper billing related to a Healthcare facility at UTRGV.	Not substantiated.	Fiscal and Compliance
August 31, 2020	Clinical Revenue Consulting	Evaluate the reconciliation process for the Clinical Revenue Cycle and offer recommendations for improvement.	Significant improvements recommended in the financial reconciliations process.	Fiscal
Ongoing	Procurement and Travel Card Program Data Analysis	To provide monthly custom data analytic reports to the procurement and travel card administrator to identify procurement and travel card transactions that may require further review.	Management is using these reports as a monitoring tool to increase compliance throughout the institution.	Compliance
Ongoing	Financial Aid Data Analysis – Cost of Attendance	To provide custom data analytic reports to the Financial Aid Office to identify Cost of Attendance transactions that may require further review.	Management is using these reports as a monitoring tool to increase financial aid compliance.	Compliance

SECTION IV
External Quality Assurance Review
(Peer Review)

**The University of Texas Rio Grande Valley
Office of Audits and Consulting Services
External Quality Assurance Review
Fiscal Year Ending August 31, 2020**

In early 2020, The University of Texas System Audit Office engaged Baker Tilly to perform an independent validation of the UTRGV's Office of Audit and Consulting Services' Quality Assurance Review self-assessment. The UTRGV Office of Audits and Consulting Services completed its self-assessment on August 7, 2020, and it was our overall opinion that the UTRGV internal audit program "Generally Conforms" to the Institute of Internal Auditor's *International Standards for the Professional Practice of Internal Auditing* and Code of Ethics. In addition, the UTRGV internal audit program is in conformance with the Texas Internal Auditing Act and *Generally Accepted Government Auditing Standards*

The review team consisted of two internal audit professionals with extensive higher education experience. The independent validation report is in a draft status and it is anticipated to be issued in mid to late November of 2020. In the meantime, we have provided the external quality assurance report issued in 2017.

August 29, 2017

Mr. Eloy R. Alaniz, Jr., Chief Audit Executive
The University of Texas Rio Grande Valley

In August 2017, University of Texas Rio Grande Valley (UTRGV) Office of Audits and Consulting Services (OACS) completed a self-assessment of internal audit activities in accordance with guidelines published by the Institute of Internal Auditors (IIA) for the performance of a quality assessment review (QAR). UTRGV OACS engaged an independent review team consisting of three internal audit professionals with extensive higher education experience to perform an independent validation of OACS' QAR self-assessment. The primary objective of the validation was to verify the assertions made in the QAR report concerning OACS' conformity to the Institute of Internal Auditor's *International Standards for the Professional Practice of Internal Auditing* (the IIA Standards) and Code of Ethics, Generally Accepted Government Auditing Standards (GAGAS), and the relevant requirements of the Texas Internal Auditing Act (TIAA).

The IIA's *Quality Assessment Manual* suggests a scale of three ratings, "generally conforms," "partially conforms," and "does not conform." "Generally conforms" is the top rating and means that an internal audit activity has a charter, policies, and processes that are judged to be in conformance with the *Standards*. "Partially conforms" means deficiencies in practice are noted that are judged to deviate from the *Standards*, but these deficiencies did not preclude the internal audit activity from performing its responsibilities in an acceptable manner. "Does not conform" means deficiencies are judged to be so significant as to seriously impair or preclude the internal audit activity from performing adequately in all or in significant areas of its responsibilities.

Based on our independent validation of the QAR performed by OACS, we agree with OACS' overall conclusion that the internal audit function "**Generally Conforms**" with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing* and Code of Ethics, as well as with OACS' conclusions regarding GAGAS and TIAA requirements. Our review noted strengths as well as opportunities for enhancing the internal audit function.

This information has been prepared pursuant to a client relationship exclusively with, and solely for the use and benefit of, The University of Texas System Administration and UTRGV and is subject to the terms and conditions of our related contract. Baker Tilly disclaims any contractual or other responsibility to others based on its use and, accordingly, this information may not be relied upon by anyone other than The University of Texas System Administration and UTRGV.

The review team appreciates the cooperation, time, and candid feedback of executive leadership, stakeholders, and OACS personnel.

Very truly yours,

Baker Tilly Virchow Krause, LLP

SECTION V
Internal Audit Plan for Fiscal Year
2021

The University of Texas Rio Grande Valley



Brownsville • Edinburg • Harlingen

Office of Audits and Consulting Services

FISCAL YEAR 2021 AUDIT PLAN

Approved by: Internal Audit Committee
Date: June 18, 2020



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BACKGROUND

In accordance with Texas Government Code, *Chapter 2102*, referred to as the Texas Internal Auditing Act, The University of Texas System Administration Policy 129, The Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing, Standard 2010 – Planning*, and Generally Accepted Government Auditing Standards, a formal Audit Plan has been prepared for fiscal year (FY) 2021. This Audit Plan allows the chief audit executive to carry out the responsibilities of the Office of Audits & Consulting Services. The Office of Audits & Consulting Services is responsible for providing the president of the University of Texas Rio Grande Valley (UTRGV) with information about the adequacy and effectiveness of the institution's system of internal administrative and accounting controls and the quality of operating performance when compared with established standards. Therefore, the overall objective was to develop a standardized Audit Plan which addresses the highest risks of UTRGV.

The Audit Plan is based on risk assessments performed, management input and available current audit resources. Input to the annual plan was requested of the president and executive management. In addition, major goals and institutional priorities were reviewed to identify those areas where value-added audit services could be provided. The methodology used in assessing risk is described below.

Since the Texas State Auditor's Office, the Texas State Comptroller's Office and The University of Texas System Audit Office audit UTRGV, we will coordinate our audit work to eliminate any duplication of effort. Consequently, we may limit or supplement our work as deemed necessary. Additionally, due to changing circumstances, any additions or deletions to the FY 2021 Audit Plan are communicated to, and approved by, the UTRGV Internal Audit Committee.

AUDIT UNIVERSE AND RISK ASSESSMENT METHODOLOGY

The plan (**Appendix A**) is prepared using a risk-based approach to ensure that areas and activities specific to UT Rio Grande Valley with the greatest risk are identified for audit consideration.

As part of the FY 2021 Audit Plan process, a risk assessment was conducted based on a top-down process that included conversations and requests for input with risk collaborators, executives, and managers from the various operating areas on campus. The goal for this risk assessment approach was to start at the top with an awareness of critical initiatives and objectives to ensure the risks assessed were the most relevant. The assessment process was standardized by creating common terms and criteria, enabling trending of risks and UT System wide comparisons. An emphasis was placed on collaboration with other functions that assess or address risks such as Institutional Compliance and the Legal Office.

We developed a Risk List through evaluation of the twenty-one (21) major processes applicable to UTRGV. These twenty-one processes are as follows:

1. Governance
2. Finance
3. Information Technology
4. Research
5. Human Resources
6. Facilities Management
7. Property Management
8. Purchasing/Supply Chain
9. Legal
10. Risk Management
11. Public Services
12. Auxiliary Services
13. University Relations
14. University Development
15. Enrollment Management
16. Student Services
17. Academic Support
18. Instruction
19. Medical Practice Plan
20. Medical Training
21. Medical Services Revenue Cycle

For all critical (red) risks or high (orange) risks identified on the risk list, either an audit or project is included in the Annual Audit Plan (**Appendix A**) or an explanation/mitigation strategy has been provided on the risk list for those not on the Audit Plan.

The 84th Legislature passed *Senate Bill 20* which requires consideration of risks related to contract management, procurement contracting, sole source agreements and procurement functions. These risks were considered in our risk assessment process described above.

SCOPE OF AUDITS

The Standards for the Professional Practice of Internal Auditing addresses the engagement scope of work as follows:

“The established scope must be sufficient to achieve the objectives of the engagement. **2220.A1** – The scope of the engagement must include consideration of relevant systems, records, personnel, and physical properties, including those under the control of third parties.

2220.A2 – If significant consulting opportunities arise during an assurance engagement, a specific written understanding as to the objectives, scope, respective responsibilities, and other expectations should be reached and the results of the consulting engagement communicated in accordance with consulting standards.

2220.C1 – In performing consulting engagements, internal auditors must ensure that the scope of the engagement is sufficient to address the agreed-upon objectives. If internal auditors develop reservations about the scope during the engagement, these reservations must be discussed with the client to determine whether to continue with the engagement.

2220.C2 – During consulting engagements, internal auditors must address controls consistent with the engagement’s objectives and be alert to significant control issues.”

The planned scope of each of the audits is described in **Appendix A**.

Risk Based Audits

The risk assessment process identified areas that are critical or high risk to UTRGV, resulting in audits or projects. A few of those audits include the School of Medicine’s Faculty Practice Plan, UT Health RGV Pediatric Specialty Clinic and Surgery & Women’s Specialty Clinic, Cloud Security Management which covers TAC 202 requirements, and the South Texas Diabetes and Obesity Institute.

Required Audits (Externally and Internally)

The UT System Board of Regents approved an independent CPA firm to conduct the FY 2020 UT System-wide Consolidated Financial Audit. Interim procedures will be conducted during the months of July of 2020, and year-end procedures will be conducted in November of 2020. The NCAA Agreed-Upon Procedures is an annual requirement in accordance with NCAA regulations and is conducted in November and December. The Texas Higher Education Coordinating Board awarded operational grants to the McAllen Family Practice Residency Program and the Doctors Hospital at Renaissance Family Practice Residency Program. These audits will determine whether the funds were utilized in accordance with program guidelines.

In accordance with the Texas Education Code §51.9337(h) – “The chief auditor of an institution of higher education shall annually assess whether the institution has adopted the rules and policies required by this section and shall submit a report of findings to the state auditor.” This compliance assessment will be conducted in October 2020 and the certification will be included in the Annual Internal Audit Report.

Consulting Projects

Consulting engagements related to tuition revenue cycle, research expenditures data analytics as well as procurement and travel card analysis are planned. Internal controls training to institutional departments are also planned.

Investigations

Hours have been reserved for any investigations that may arise during the year.

Follow up

Professional standards require that follow-up audits be conducted to ensure that management has taken corrective action on previously reported findings. Reporting to The UT System Audit Office on the status of implementation of the recommendations associated with issues considered priority to the institution will continue. Follow-up on all other recommendations will be conducted.

General Reserve

Hours reserved for engagements that may arise during the fiscal year and will be captured in the following categories: financial, operational, and special requests.

Development-Operations

For the Operations section, it includes activities necessary to conduct the internal audit function and serve management and governance such as hours allocated for attending the internal audit committee meetings as well as hours devoted to performing internal quality assurance assessments.

Development-Initiatives and Education

For the Initiatives & Education section, it includes activities that improve the strategic initiatives of the internal audit function and/or its internal leadership and staff.

BUDGET AND STAFFING

The budget for this Audit Plan was prepared in accordance with the *FY 2021 UT System Annual Audit Plan Guidelines*. The Office is budgeted for seven (7) auditors. The internal audit staff consists of highly qualified and skilled audit professionals with 86% (6 out of 7) certified. The chief audit executive (CAE) reports directly to the University president and indirectly to the chief audit executive of the UT System Audit Office. The CAE is a Certified Public Accountant (CPA), Certified Internal Auditor (CIA), and a Certified Information Systems Auditor (CISA) and has 25 years of audit experience. The director has 26 years of audit experience and is a CIA and a Certified Government Auditing Professional (CGAP). The assistant director has 25 years of audit experience and is a CIA, CGAP, and a Certified Fraud Examiner. Three senior staff auditors have many years of auditing experience and two are CIAs, and one is a CGAP. Our senior IT auditor is a CISA.

Career development for the staff is a strategic goal of the Office of Audits & Consulting Services, and it is the CAE's practice to create a working environment that facilitates career opportunities for the audit staff within and outside the office. Currently, a staff auditor is pursuing professional certification. The CAE continues to seek low cost training for its staff and provides them with the opportunity to perform a wide range of audit activities and provide exposure to high levels of management.

CALCULATION OF FY 2020 AUDIT HOURS

The number of audit hours available for FY 2021 was calculated using 2,080 hours per auditor. There are 7.0 budgeted audit positions for the fiscal year. Estimated hours associated with administrative tasks, holidays, training, and other types of leave were deducted to arrive at the available hours for audits and special projects. The Audit Plan includes **9,990** hours for audits and consulting engagements as well as audit staff and management development hours. The FY 2021 Budget Hours is included in **Appendix B**.

APPROVAL OF THE AUDIT PLAN

The Audit Plan is reviewed and approved as follows:

- The UT System Audit Office – Audit plan presented on June 10, 2020.
- The UTRGV Audit Committee – Audit plan approved on June 18, 2020.
- The UT System Board of Regents – Audit plan provided on August 19, 2020.

**The University of Texas Rio Grande Valley
FY2021 Annual Audit Plan**

FY 2021 Audit Plan	Budget	Percent of Total	General Objective/Description
Assurance Engagements			
UT Health RGV Pediatric Specialty Clinic	240		Efficiency and effectiveness of front end revenue processes as well as review of internal controls of clinical operations.
UT Health RGV Surgery & Women's Specialty Clinic	300		Efficiency and effectiveness of front end revenue processes as well as review of internal controls of clinical operations.
Medical Devices Audit	300		Evaluate internal controls over medical devices.
MSRDP (Faculty Practice Plan) Audit	250		Adherence to practice plan bylaws.
South Texas Diabetes and Obesity Institute Audit	350		Evaluate the adequacy and effectiveness of internal controls over financial, administrative and information security
Conflicts of Interest Audit	250		To assess the effectiveness of controls for ensuring the identification, communication, and management of individual and institutional conflicts of interest.
CARES Act Audit	400		To ensure funds were spent in accordance with the federal regulations. This engagement will be conducted under GAGAS.
ePHI Audit	400		To determine whether all ePHI has been identified and appropriate safeguards are in place.
Cloud/3rd Party Security Management Audit	300		Utilize technical and investigative audit discovery techniques to identify and review cloud hosting solutions/systems being utilized by the institution. Meets TAC 202 requirements.
School of Medicine IT Controls	300		To evaluate whether appropriate IT General Controls are in place for the School of Medicine with a focus on responsibility for maintenance of systems.
NCAA Compliance - Recruiting	300		Determine whether policies and procedures are in place to recruit student-athletes in accordance with NCAA legislation.
Fees and Other Charges Audit	300		To determine whether policies and procedures are in place to address the assessment, collection, and use of fees and other charges.
UTS 142.1 - Monitoring Plan & Account Reconciliations Audit	250		Perform audit of UTRGV's Monitoring Plan, including sub certifications and assertions on segregation of duties and account reconciliations.
Assurance Engagements Subtotal	3940	39.4%	

The University of Texas Rio Grande Valley
FY2021 Annual Audit Plan

FY 2021 Audit Plan	Budget	Percent of Total	General Objective/Description
Advisory and Consulting Engagements			
Data Analytics - Research Expenditures	250		Consulting: Develop scripts to evaluate research expenditures for monitoring use by the Research Compliance Office.
Tuition Revenue Cycle Consulting	350		Consulting: Requested by management to identify best practices over tuition revenue cycle.
Procurement & Travel Card Monthly Analysis	50		Provide Procurement & Travel Offices with monthly exception reports on card activity.
Institutional Committee Meetings and Adhoc Workgroups	200		Advisory: Attend campus committees and other meetings with management.
Education & Training of Institutional Departments	300		Education: Provide internal controls training or assistance to UTRGV supervisors, cost/project center reviewers and/or depts.
Executive Leadership Meetings and Others	300		Advisory: Meetings with Executive Leadership and Others
Advisory and Consulting Engagements Subtotal	1450	14.5%	
Required Engagements			
NCAA Agreed Upon Procedures	350		Perform the required annual NCAA Agreed Upon Procedures for FY 2020.
McAllen Family Practice Residency Program Audit	200		Assess whether revenues, expenditures and unexpended fund balance were reported accurately in the AFR and grant funds were utilized in accordance with guidelines for operational and optional rotation programs.
DHR Family Practice Residency Program Audit	200		Assess whether revenues, expenditures and unexpended fund balance were reported accurately in the AFR and grant funds were utilized in accordance with guidelines for operational and optional rotation programs.
FY 2020 Financial Audit - Final	10		Required assistance to Deloitte for FY 2020 UT System wide AFR audit final work.
FY 2021 Financial Audit - Interim	20		Required assistance to Deloitte for FY 2021 UT System wide AFR audit interim work.
Audits/Reviews by External Agencies	75		Assistance to external agencies auditing UTRGV, such as the State wide Single Audit, etc.
TEC 51.9337 Compliance Assessment	50		Internal Audit shall annually assess whether UTRGV has adopted the rules and policies required by Senate Bill 20.

**The University of Texas Rio Grande Valley
FY2021 Annual Audit Plan**

FY 2021 Audit Plan	Budget	Percent of Total	General Objective/Description
Required Engagements Subtotal	905	9.1%	
Investigations			
Reserve Hours for Investigations	300		Reserve for investigations.
Investigations Subtotal	300	3.0%	
Reserve			
Reserve Hours for Unanticipated Projects	400		Reserve for unanticipated projects.
Reserve Subtotal	400	4.0%	
Follow-Up			
1st Quarter	50		Follow up on all recommendations.
2nd Quarter	50		Follow up on all recommendations.
3rd Quarter	50		Follow up on all recommendations.
4th Quarter	50		Follow up on all recommendations.
Follow-Up Subtotal	200	2.0%	
Development - Operations			
UT System Meetings and Reporting	100		CAE weekly meetings, IA Council and reporting requests.
Annual Audit Plan and Risk Assessments	350		Conduct risk assessments capturing critical risks and prepare annual audit plan for FY 2022.
External Quality Assurance Review	100		Implement potential process improvements based on EQAR recommendations.
Internal Quality Assurance Review	100		CAE to perform periodic internal quality assessments.

**The University of Texas Rio Grande Valley
FY2021 Annual Audit Plan**

FY 2021 Audit Plan	Budget	Percent of Total	General Objective/Description
Internal Audit Committee Meetings	250		Conduct and prepare for Internal Audit Committee meetings.
Annual Internal Audit Report	50		Prepare FY 2020 Annual Internal Auditor's Report. State requirement; Due November 1, 2020
TeamMate & Other Technologies Development/Maintenance	145		Maintain TeamMate audit program libraries and templates and address technical issues.
Management of Audit Activity	600		Staff meetings to discuss updates/status of multiple audit projects, includes travel time between campuses.
Development - Operations Subtotal	1695	17.0%	
Development - Initiatives and Education			
UT System Audit Office Initiatives	100		Staff's participation in System Audit Office Initiatives.
Continuing Professional Education	600		Training for professional staff, includes travel time.
Internal Audit Office Organization and Strategic Initiatives	300		Updating internal audit manual and procedures, finalize internal audit strategic plan
Professional Organizations	100		Staff's participation in professional organizations.
Development - Initiatives and Education Subtotal	1100	11.0%	
Total Budgeted Hours	9990	100.0%	

**The University of Texas Rio Grande Valley
FY 2021 Annual Audit Plan**

Calculation of Available Hours	Management				%
	CAE	Team	Staff	Total	
Audit Hours*	1,510	3,020	5,460	9,990	74%
Non-Audit Hours:					
General Administration	250	500	700	1,450	11%
Holidays	120	240	420	780	6%
Vacation & Sick Leave	200	400	700	1,300	10%
Total Available Hours	<u>2,080</u>	<u>4,160</u>	<u>7,280</u>	<u>13,520</u>	100%
Gross Budgeted Positions (# of FTEs)				7	
Position Vacancies (# of FTEs)				<u>0</u>	
Net Positions (# of FTEs)				<u><u>7</u></u>	

***Reminders:**

AUDIT HOURS SHOULD BE EQUIVALENT TO TOTAL BUDGETED HOURS ON TAB A - AUDIT PLAN

Audit Hours SHOULD include co-source staffing for engagements that are on the audit plan in Appendix A

Audit Hours SHOULD NOT include students/interns unless they will be tracking time in TEC (*non-typical*)

Audit Hours SHOULD include Training/CPE hours in Development - I&E section (*was included in Non-Audit Hours in in past years*)

	Total	Holiday	V/S Leave	GA	Projects
CAO	2,080	120	200	250	1,510
Director	2,080	120	200	250	1,510
Assistant Director	2,080	120	200	250	1,510
Senior Auditor	2,080	120	200	200	1,560
Senior Auditor	2,080	120	200	200	1,560
Senior IT Auditor	2,080	120	200	200	1,560
Auditor	2,080	120	200	200	1,560
	<u>14,560</u>	<u>840</u>	<u>1,400</u>	<u>1,550</u>	<u>10,770</u>
Less 50% estimated vacancy	<u>(1,040)</u>	<u>(60)</u>	<u>(100)</u>	<u>(100)</u>	<u>(780)</u>
	<u><u>13,520</u></u>	<u><u>780</u></u>	<u><u>1,300</u></u>	<u><u>1,450</u></u>	<u><u>9,990</u></u>

Estimated vacancy

50%

UTRGV has 7 FTE auditor positions budgeted (gross) less 50% FTE vacancy

**The University of Texas Rio Grande Valley
Office of Audits & Consulting Services
Critical & High Risks Not on FY 2021 Audit Plan**

The risk assessment process identified critical and high risks that were not included in the FY 2021 audit plan. The following is a list of these risks and the mitigation strategies for each.

Detailed Risk Description	Risk Mitigation Strategies
Lack of donor cultivation due to COVID	Addressed through videos sent as well as calls to donors.
Inability to attract quality faculty due to market and budgetary conditions	COVID Pandemic assessed risk. Economic conditions outside of institutions control.
Inability to retain quality faculty due to market and budgetary conditions	Academic Affairs is addressing the risk
Insufficient funding which would lead to inadequate resources for research, teaching and operations	Academic Affairs is addressing the risk, funding for OYAs, TAs, Overloads to meet student demand, etc. has not been part of the permanent budget.
Impact of COVID on Athletics: student athlete welfare, competition, ticket sales, sponsorships, etc.	University community and Athletics working with athletes and students to address issues caused by the pandemic
Better processes for care in training room	Risk to be addressed by Athletics
Inadequate facilities for athletic programs	Risk to be addressed by Athletics
NCAA sanctions	Risk to be addressed by Athletics Compliance Office
Failure to report a Title IX or Clery Act incident	Risk to be addressed by Athletics - Education and Awareness - Gender Equity Working Group
Student-athletes are not aware of available Title IX resources	Risk to be addressed by Athletics - Education and Awareness - Gender Equity Working Group
Not fostering an environment that promotes diversity and inclusion - Athletes	Risk to be addressed by Athletics - Diversity and Inclusion Plan - Gender Equity Working Group
Not fostering an environment that promotes diversity and inclusion - Staff	Risk to be addressed by Athletics - Diversity and Inclusion Plan - Gender Equity Working Group
Lack of sensitivity to different cultures, genders, races, and personal identities	Risk to be addressed by Athletics - Diversity and Inclusion Plan - Gender Equity Working Group
Not fostering an environment that is free of gender bias	Risk to be addressed by Athletics - Diversity and Inclusion Plan - Gender Equity Working Group

**The University of Texas Rio Grande Valley
Office of Audits & Consulting Services
Critical & High Risks Not on FY 2021 Audit Plan**

Detailed Risk Description	Risk Mitigation Strategies
Not implementing a gender equity plan	Risk to be addressed by Athletics - Diversity and Inclusion Plan - Gender Equity Working Group
Student-Athlete or Athletic staff health emergencies insufficiently addressed	Risk to be addressed by Athletics - Health Emergency Response Training
Not having accurate and up to date medical records that meet legal standards	Risk to be addressed by Athletics - Partner with the School of Medicine
Poor graduation rates, APR, and retention	Risk to be addressed by Athletics - Athletic Academic Service Unit
Gap in staffing and resources in campus departments that work with Athletics	Hired an outside consultant - Forward Progress
Failure to have institutional oversight by the Registrar's Office	Hired an outside consultant - Forward Progress
Failure of the Campus Advising Office to oversee Student Athlete Eligibility Certification calculations	Hired an outside consultant - Forward Progress
Investigator not following IACUC protocols	Developed post approval monitoring process of protocols but Executive Director for Research for Research Compliance has just started this process; need to evaluate.
Unknowingly collaborating with restricted entities/parties	Increased Training/Awareness; Contracts are reviewed by OSP; International agreements reviewed by Assoc VP or VP; Visual Compliance being used; Export Controls Manual on website
Faculty in high-risk areas unaware of their responsibility and role when engaging in international travel or when hiring foreign nationals	Attestation form for the hiring of foreign nationals; Export Controls office is notified of any foreign shipments; Export Controls is included in foreign travel notifications;
Cost transfers are not processed timely resulting in loss of funding to the institution	Timeliness and completeness of the explanation of the transfer are important factors in supporting allowability and allocability in accordance with federal requirements. Cost Transfers Audit FY 2020

**The University of Texas Rio Grande Valley
Office of Audits & Consulting Services
Critical & High Risks Not on FY 2021 Audit Plan**

Detailed Risk Description	Risk Mitigation Strategies
Fixed Cost Agreements (Contracts) may have excessive residual balances which may threaten the non-profit status of the institution and/or subject the institution to unrelated business income tax liability.	DRAFT policy on Fixed Cost Contracts defines and establishes residual balances. 10% -to department; 90% moved to Finance. G&C coordinating w Academic Affairs to deny requests for extension dates
Allowability of Costs-Compensation Cost	Mapping PeopleSoft Earning Codes to ECRT categories; Effort Certifications are processed more timely; Time & Effort moved to Grants & Contracts; ECRT Upgrade; G&C requires PI to complete T&E training for all new awards
Subrecipient Monitoring to ensure proper stewardship of sponsor funds	No UTRGV Policy. Required by UG; Grants & Contracts has developed a subrecipient monitoring process
Due to the complexity of international travel, and foreign employees, students, visitors, there is a risk that UTRGV may not comply with the law and regulations Student enrollment systems not adequately secured from unauthorized access	Highly complex operations with much coordination with other departments; New Depts under EVP; immigration laws changed recently. Audit completed in FY20 Follow UTRGV policies and PEWD does not collect and maintain private information.
Non sponsored contracts not appropriately reviewed	Need good communication with Accounting. Maybe review cost center set up process for those non sponsored contracts to see what needs to be done to properly identify those that need to go through grants accounting and properly set up contracts upfront.
Inadequate compliance monitoring; failure to become an emerging research institution	Have developed monitoring activities in Effort Reporting, Subrecipient Monitoring, other areas
Lack of oversight of protection of human subjects program by researchers deviating from protocols	Currently Research Compliance efforts are mainly to review and screen protocols. Have online surveys
Lack of awareness of current P&P which may lead to non-compliance	Currently Research Compliance efforts are mainly to review and screen protocols.
Foreign influence of theft of IP and research data	Mitigation plans for foreign influence are being conducted.
Fees for courses and programs not used in accordance with UTRGV policy	Fees are reviewed and approved prior to charge
Student enrollment systems not adequately secured from unauthorized access	Follow UTRGV policies and PEWD does not collect and maintain private information.
Students not returning for subsequent semester; faculty resource issue impacts courses available	Addressing by using a Communication Plan

**The University of Texas Rio Grande Valley
Office of Audits & Consulting Services
Critical & High Risks Not on FY 2021 Audit Plan**

Detailed Risk Description	Risk Mitigation Strategies
Students are not able to register for the classes needed to graduate timely	Daily reports during enrollment cycles
Risk of not safeguarding information, risk of exposure of personal information, risk of inappropriate access	Banner Access Audit FY 2020
Reporting not done timely impacting student repayment status	Monitoring student status changes and the timing of said changes.
Risk of inaccurate enrollment reporting and insufficient processes	Reconciling the data
Risk of ineligible athletes competing	Two individuals outside of Athletics who work closely with Athletics Compliance Office to verify and monitor eligibility.
Not knowing about 50% or more teaching at a location without having received proper approvals	Process in place to monitor
Changes to programming and format delivery (virtual vs. face-to-face interaction). Potential technology impact (students owned equipment, wi-fi)	Daily meetings to review orientation attendance.
Safety of minors; noncompliance with state and federal rules and regulations	Have established guidelines and a Youth Program Support Manager to provide support.
Not being able to track and intervene with students of concern; risk to student safety; and managing student conduct processes	Staff training and weekly meetings.
Risk to safety and academic progress for individuals with disabilities; not complying with ADA rules and regulations in purchasing practices of services/software, facilities/grounds, and online content	EIR Committee and training.
Negative impact on future funding opportunities from sponsor(s) and missed opportunities for RGV.	Work closely with OSP

The University of Texas Rio Grande Valley
Office of Audits & Consulting Services
Critical & High Risks Not on FY 2021 Audit Plan

Detailed Risk Description	Risk Mitigation Strategies
Risk of not meeting program objectives as reported in each Annual Performance Report (ARP)	Work closely with OSP
Awards given to ineligible students	Weekly Strategic Enrollment Audit Meetings held to discuss monitoring results and process improvements. Several levels of monitoring frequently performed.
Total aid awarded is in excess of the student's financial need	Weekly Strategic Enrollment Audit Meetings held to discuss monitoring results and process improvements. Several levels of monitoring frequently performed.
Satisfactory Academic Progress for financial aid not calculated accurately.	Weekly Strategic Enrollment Audit Meetings held to discuss monitoring results and process improvements. Several levels of monitoring frequently performed.
Non-compliance with federal or state financial aid requirements	Weekly Strategic Enrollment Audit Meetings held to discuss monitoring results and process improvements. Several levels of monitoring frequently performed.
Failure to provide accurate and timely information to students	Weekly Strategic Enrollment Audit Meetings held to discuss monitoring results and process improvements. Several levels of monitoring frequently performed.
Inaccurate Return to Title IV calculations, processes, and timeliness	Weekly Strategic Enrollment Audit Meetings held to discuss monitoring results and process improvements. Several levels of monitoring frequently performed.
Inaccurate verification of FAFSA items and no monitoring process	Weekly Strategic Enrollment Audit Meetings held to discuss monitoring results and process improvements. Several levels of monitoring frequently performed.
Cash Management- inaccurate financial reporting, inaccurate drawdowns, and insufficient policies and procedures	Weekly Strategic Enrollment Audit Meetings held to discuss monitoring results and process improvements. Several levels of monitoring frequently performed.

**The University of Texas Rio Grande Valley
Office of Audits & Consulting Services
Critical & High Risks Not on FY 2021 Audit Plan**

Detailed Risk Description	Risk Mitigation Strategies
Not meeting DOE regulations regarding the Gramm-Leach-Bliley Act for protecting student information (1. Designated individual for information security program 2. Risk Assessment 3. Safeguards for each risk)	Weekly Strategic Enrollment Audit Meetings held to discuss monitoring results and process improvements. Several levels of monitoring frequently performed.
Not adding New Locations and Programs to the Department of Education Program Participation Agreement (PPA) can result in awards given to ineligible students.	Weekly Strategic Enrollment Audit Meetings held to discuss monitoring results and process improvements. Several levels of monitoring frequently performed.
Not meeting Grant Requirements	Weekly Strategic Enrollment Audit Meetings held to discuss monitoring results and process improvements. Several levels of monitoring frequently performed.
Noncompliance of HIPAA regulations may result in significant financial penalties as well as reputational damage	Compliance Office-Responsible Area-Required employee Online training for all SOM employees; HIPAA training to be more detailed for SOM clinical staff; Compliance Office has started a GAP analysis.
Lack of a single EMR System creates inconsistency in tracking relevant information for healthcare operations programs	EMR implemented in August of 2018 to address lack of single system. UT Health RGV clinics utilize ATHENA; billing interface partner hospitals in progress.
The lack of a standard ERM system exposes the university to risks and financial loss due to inefficiencies and lack of information	In FY20 we conducted a Clinical Revenue Reconciliations engagement
No/minimal contracts with hospitals, providers for timely payment or non-compliance of contract terms.	Affiliation agreements; annual operating agreements; monthly DHR joint council committee meets and reviews issues & topics.
Risk of non-compliance with accreditation standards and statutory/regulatory requirements in new program development	UTRGV has worked diligently to create new program development and new course development; Doctorate in Physical Therapy; working on Doctorate in Occupational Therapy, Physical Therapy, Nurse Practitioner, Podiatry; approval for interpreter training program; increasing masters programs

**The University of Texas Rio Grande Valley
Office of Audits & Consulting Services
Critical & High Risks Not on FY 2021 Audit Plan**

Detailed Risk Description	Risk Mitigation Strategies
Risk of injury/death of children	Employees receive training including CPR and maintain coverage to never leave children unsupervised. Video surveillance cameras in the center.
Potential for spread of infectious disease.	More extensive and frequent cleaning and disinfection protocols will be required.
Income earned may not be reported	Parking permits are posted to student accounts. Effective FY 2020, employee parking permits are processed via payroll deduction. Results in reduced cash handling and improved reconciliation between PS and T2.
Potential for spread of infectious disease.	More extensive and frequent cleaning and disinfection protocols will be required.
Potential for spread of infectious disease.	Protocols have been established.
Inaccurate space counts for reduced capacities and not having enough space	Risk being addressed by Academic Affairs
Injury to personnel, fines associated with non-compliance with regulations. Loss of research funding due to non-compliance with regulations	Reviewing the need of additional personnel as volume of clinical and research activities involving infectious agents and the use of radiation producing equipment increases. Researchers are continuing despite COVID-19.
Acquisition of an infectious disease associated with an infectious agent.	Effective program in place.
Failure to protect employee information resulting in unauthorized access to private employee data	Access to Employee Records is given on an as need basis secured by access roles in the ERP system. InfoSec, IT and Audit addressing
Possible physical harm to the public during Special Events	Increased FTE's and reduced vacancies. Conduct Special Event Plan's for large events. Recommending the placement of Bollards to specific locations to eliminate access to the campus community.

**The University of Texas Rio Grande Valley
Office of Audits & Consulting Services
Critical & High Risks Not on FY 2021 Audit Plan**

Detailed Risk Description	Risk Mitigation Strategies
Annual Security Report (ASR) not encompassing all required elements.	1) Clery Coordinator has been hired. 2) A Clery Committee has been put in place to address all required Clery elements in the ASR. 3) Sub committees are being formed to address specific elements. 4) The Clery Committee is in the process of receiving Clery training.
Sensitive personal or institutional information is lost or stolen due to a security breach	Prioritization of security risk by CISO.
Incomplete inventory of electronic medical devices from acquired medical facilities	Medical Devices Audit in FY 2020; postponed to FY 2021 due to COVID-19.
Destruction or compromise of resources due to connection of unidentified and/or insecure devices	IT Governance structure in place and operating. CISO also addressing through increased university employee training.
Loss, theft, or damage of insufficiently secured controlled or confidential data (e.g., research data and intellectual property)	IT Data Governance Committee in place working on identifying data for data warehouse project.
Reduced ability to secure and monitor critical resources, respond to IT and IS requests, and timely address service failures due to insufficient or unskilled staff	Funding unavailable due to COVID-19; Prioritization of risks by CIO.
Increased service failures or exposure of information resources due to management of multiple data centers (e.g., configuration and change management, resource limitations, integration, and complexity of interfaces, etc.)	Project in progress to move to hyperconverged technology, which will allow consolidating multiple data centers and migrating to use only ARDC and Austin Data Center. Initial completion date is November 2020; however, staffing is stretched thin and focused on emergency response.
Reduced ability to secure and monitor critical resources or address issues timely due to inability to secure sufficient funding	Funding unavailable due to COVID-19; Prioritization of security risks by CISO.
Not appropriately invoicing and lack of oversight may increase the possibility of revenue not recorded accurately	Fixed Costs Contracts Audit FY 2020
Missing assets and Inaccurate inventory listings	Addressing Issue thru Phase II implementation of inventory scanning software and the redirection of additional resources to the area.

SECTION VI
External Audit Services Procured
in Fiscal Year 2020

EXTERNAL AUDIT SERVICES PROCURED IN FISCAL YEAR 2020

Report Date	Type of Service	Objective
January 15, 2020	NCAA Agreed-Upon Procedures conducted by UT System Audit Office.	Performed procedures to evaluate whether the Statement of Revenues and Expenses of UTRGV's Department of Intercollegiate Athletics is in compliance with NCAA Bylaw 3.2.4.16 for FY 2019.
January 24, 2020	Review engagement of the UTRGV financial statements for the year ended August 31, 2019 conducted by Deloitte and Touche, LLP. Contracted through UT System Administration.	Determine whether material modifications should be made to the FY 2019 financial statements.
February 7, 2020	Schedule of Expenditures of Federal Awards (SEFA) audit and Student Financial Assistance Program conducted by Deloitte and Touche, LLP. Contracted through UT System Administration.	Express an opinion on the SEFA for the US Department of Education (DOE) Student Financial Assistance Program for the 2018-2019 award year and determine compliance with the DOE's requirements that could have a material effect on the Student Financial Assistance Program for the 2018-2019 award year.
Ongoing	Statewide Single Audit for FY 2020	Evaluate compliance requirements as described in the OMB Compliance Supplement for each of the State's major federal programs (i.e., Financial Assistance Cluster). Evaluate financial information as part of CAFR for the State of Texas and the Schedule of Expenditures of Federal Awards for the year ending August 31, 2020.

SECTION VII
Reporting Suspected Fraud and Abuse

The University of Texas Rio Grande Valley
Reporting Fraud
Fiscal Year Ending August 31, 2020

Reporting Suspected Fraud and Abuse

To comply with the requirements of Section 7.09, Page IX-38, General Appropriations Act (86th Legislature, Conference Committee Report), a link for Fraud Reporting was created at the bottom of The University of Texas Rio Grande Valley's website <http://www.utrgv.edu/en-us/>

In addition, the UTRGV Office of Audits and Consulting Services has a link directly to the State Auditor's Office as follows:

<https://www.utrgv.edu/audits/report-fraud/index.htm>

“To report suspected fraud, waste or abuse of state appropriated funds by UTRGV, please contact the Texas State Auditor's Office through the fraud hotline @ **1-800-TX-AUDIT (1-800-892-8348)** or online through the State Auditor's website @ <http://sao.fraud.state.tx.us>.

In addition to reporting it to the Texas State Auditor's Office, please report it to the “UTRGV Anonymous Compliance Hotline @ **1-877-882-3999**.”

The Institutional Compliance Office receives inquiries and allegations regarding a wide range of compliance issues including fraud and abuse, and the Office tracks investigations and any resulting actions through to completion.

The UTRGV Office of Audits and Consulting Services notifies the UT System Administration and the State Auditor's Office Investigations and Audit Support when investigations of fraud are conducted.