Higher Education Auditing... We’re Not As Old School as You Think!

Dallas Chapter of the Institute of Internal Auditors
CAE Spotlight
September 5, 2013
Why We’re Unique!

- Board of Regents Appointed by Governor
- Texas Internal Auditing Act
- Compliance
- Our Customers
- Fund Accounting
- TENURE and Academic Freedom
- Never a Dull Moment
- Our Mascot!
June 13, 1969: UT Dallas Established
Growth and Change at UTD

Average SAT 1260

- 1977: 5,300
- 2000: 10,945
- 2006: 14,523
- 2013: 21,300
- Projected 2018: 25,294

88 National Merit Scholars
1969: Internal Audit established with a director and one part-time secretary.

1992: Staff of 3 - included director, secretary, and one staff auditor.

2003: Began working with students.

2006: Internal Audit merged with Compliance to form Audit and Compliance department.

2013: Staff of 12.5.
Audit AND COMPLIANCE?

Internal Audit
Follow-up Audits
IT Audits
Consulting Reviews
Financial Audits
Hotline Compliance Audits
Fraud Operational Process Audits
Compliance
# How Do We Assess Risk?

![Image of a table showing various activities and their associated risks](Image)

<table>
<thead>
<tr>
<th>Activity</th>
<th>1, 14, 24</th>
<th>2, 12, 22</th>
<th>3, 13, 23</th>
<th>4, 14, 24</th>
<th>5, 15, 25</th>
<th>6, 16, 26</th>
<th>7, 17, 28</th>
<th>8, 18, 29</th>
<th>9, 19, 20</th>
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</thead>
<tbody>
<tr>
<td>Budgeting/Financial Management</td>
<td>H1</td>
<td>H2</td>
<td>H3</td>
<td>H4</td>
<td>H5</td>
<td>H6</td>
<td>H7</td>
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<td>Facilities</td>
<td>H10</td>
<td>H11</td>
<td>H12</td>
<td>H13</td>
<td>H14</td>
<td>H15</td>
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<td>Human Resources</td>
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<td>H21</td>
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<tr>
<td>Information Technology</td>
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<td>H29</td>
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<td>Construction &amp; Academic Support</td>
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<td>Plant Operations &amp; Construction</td>
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<td>Research</td>
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<td>Student Services</td>
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<tr>
<td>External Relations &amp; Alumni Affairs</td>
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<tr>
<td>Medical/Pharmaceutical Services</td>
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Top Compliance Risks

- IT Security
- PeopleSoft Access
- HIPAA Privacy
- Time and Effort Reporting
- Tax Compliance
- Property (Controlled Assets)
- Cash/Check/Credit Card Handling
- Title IX
- Code of Ethics – Financial Conflict of Interest (UTS 180)
- Account Reconciliation & Segregation of Duties
- Lab Safety
- Emergency Management
- University Events & Student Travel, including Summer Camps
- Financial Aid
- Purchasing Cards
- Clery Act
- Conflict of Interest in Research
- Contract & Grants – Unallowable Costs, Cost Sharing
- FERPA
- Gramm Leach Bliley (PCI Compliance, credit cards)
- Business Expense Reimbursements (Travel, Entertainment)
- Export Controls
- Human Subjects
- Callier Medical Billing
- Endowments & Gifts
- Animal Care
What Do We Audit?

- **Financial**: 35%
- **Operational**: 20%
- **Compliance**: 26%
- **IT**: 8%
- **Projects & Follow-up**: 9%
- **Reserve**: 2%

**Financial**
- Expenditure Process: Payables and Receiving
- FY 2013 Financial Statement Audit
- FY 2014 Interim Financial Statement Audit Work
- Sponsored Programs Billing and Receivables

**Operational**
- Assistance to UT System Audit for Presidential Travel and Entertainment Audit
- Caller Center for Communication Disorders
- Cash Handling/Treasury Management
- Center for Brain Health
- Contracting Process
- Executive Education
- Executive Travel and Entertainment Expenses
- Hiring and Compensation Process
- International Students/SEVIS
- Travel Process
- Meals and Catering
- Construction Management: Repairs, Renovations, and Work Orders
- Parking Services

**Compliance**
- Clery Act
- CPRIT (Cancer Prevention Research Institute of Texas) Grants
- Endowments and Gifts
- HIPAA Privacy
- Human Subjects
- Lab Safety
- Lena Callier Trust
- NCAA Compliance
- Time and Effort

**Information Technology**
- Cloud Computing
- Data Centers
- Education Research Center
- eLearning/Blackboard
- HIPAA Security
- IT Governance: Policies and Procedures Consulting Review
- IT Security
- PeopleSoft Roles
- Unix
- Vulnerability Scanning Process

**Follow-up Audits & Special Projects**
- External Quality Assurance Review of Internal Audit
- Follow-up Audits
- Fraud Awareness and Training
- Consulting Projects
- Change in Management Audits
1. Quality Assurance – every 3 years
2. Training – strong focus on staff development
3. TeamMate/IDEA
4. Dedicated IT Audit Manager and IT Staff Auditor
5. Flexible hours - virtually no travel
6. Career development...interns participate in all facets of an audit – not just specific tasks
7. Association of College & University Auditors (ACUA) - Risk Dictionary
8. Compliance – leading edge and synergy by being combined with Internal Audit
9. Working with student interns
10. Actively involved with ACUA, IIA
More about UT Dallas:
http://www.utdallas.edu/corporate/

More about Audit and Compliance:

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