

THE UNIVERSITY OF TEXAS AT EL PASO

Internal Audit Annual Report



**Fiscal Year
2013**

THE UNIVERSITY OF TEXAS AT EL PASO



Office of Auditing and
Consulting Services

October 30, 2013

TO: Kate McGrath, Governor's Office of Budget, Planning and Policy
Ed Osner, Legislative Budget Board
Internal Audit Coordinator, State Auditor's Office
Ken Levine, Sunset Advisory Commission

FROM: William A. Peters, Director, Auditing and Consulting Services

SUBJECT: The University of Texas at El Paso Internal Audit Annual Report for fiscal year 2013

Attached please find the 2013 Internal Audit Annual Report for the University of Texas at El Paso as required by the Texas Internal Auditing Act. Should you have questions or need additional information, please contact me at (915) 747-8921 or e-mail wpeters@utep.edu.

Administration Bldg.
Fourth Floor
El Paso, Texas 79968-0586
(915) 747-5191
Fax (915) 747-8913

The University of Texas at El Paso
Internal Audit Annual Report
Table of Contents
Fiscal Year 2013



TABLE OF CONTENTS

I.	Internal Audit Plan for Fiscal Year 2013.....	4
II.	List of Consulting Engagements and Non-Audit Services Completed	31
III.	External Quality Assurance Review.....	33
IV.	Internal Audit Plan for Fiscal Year 2014.....	40
V.	External Audit Services.....	71
VI.	Reporting Suspected Fraud and Abuse.....	71

THE UNIVERSITY OF TEXAS AT EL PASO

Office of Auditing and Consulting Services



2013 Audit Plan

Final
Approved by Internal Audit Committee
September 05, 2012

The University of Texas at El Paso
Office of Auditing and Consulting Services
2012-2013 Annual Audit Plan

TABLE OF CONTENTS

OVERVIEW.....1
IDENTIFICATION OF THE AUDIT UNIVERSE AND RISK ASSESSMENT.....2
SCOPE OF AUDITS5
BUDGET AND STAFFING6
CALCULATION OF FY 2013 AUDIT HOURS.....6
COMMENTARY ON VALUE ADDED.....7
INSTITUTIONAL PROCESSES AND RELATED SUB-PROCESSES8

FISCAL YEAR 2013 AUDIT PLAN..... APPENDIX A
INSTITUTION PROCESSES TIER I..... APPENDIX B
RESEARCH AND DEVELOPMENT TIER II..... APPENDIX C
INFORMATION TECHNOLOGY TIER II..... APPENDIX D
TIER I RISKS NOT COVERED IN AUDIT PLAN..... APPENDIX E
AUDIT HOURSAPPENDIX F
FIVE YEAR HISTORY APPENDIX G

The University of Texas at El Paso
2012-2013 Annual Audit Plan
Attachment A
Institutional Processes and Sub-Processes

OVERVIEW

In accordance with the Texas Internal Auditing Act (Article 6252-5d, Vernon's Texas Civil Statutes), The University of Texas System Administration Policy UTS129 – Internal Audit Activities, and The Institute of Internal Auditors' International Professional Practices Framework (IPPF) *Performance Standard 2010 Planning and 2210 – Planning Considerations*, we have prepared an audit plan for fiscal year 2013. The 2013 Audit Plan is a description of the internal audit activities that will be performed by the Office of Auditing and Consulting Services in fiscal year 2013.

The process of preparing the 2013 Audit Plan included identifying those areas that are considered the most important and ensuring that activities with the greatest risk are audited. The Internal Audit Committee reviewed and approved the 2013 Audit Plan. Members of the Internal Audit Committee provided input, as did Deans and Department Directors/Chairs, where appropriate. The Internal Audit Committee is comprised of the following members:

- Dr. Diana Natalicio, President and Chair of the Internal Audit Committee
- Dr. Junius Gonzales, Provost, Vice President for Academic Affairs
- Ms. Cynthia Villa, Vice President for Business Affairs
- Dr. Stephen Riter, Vice President for Information Resources and Planning
- Dr. Gary Edens, Interim Vice President for Student Affairs
- Dr. Roberto Osegueda, Vice President for Research
- Mr. Richard Aauto III, Executive Vice President
- Mr. Edward Escudero, External Member

Input was also received from:

- Ms. Susan Avena, Manager, Research and Sponsored Projects
- Mr. Corey Bailey, Director, Student Development Center
- Mr. Gerard D. Cochrane Jr., Chief Information Security Officer, Information Technology
- Dr. Kathleen Curtis, Dean, College of Health Sciences
- Ms. Diane De Hoyos, Director, Purchasing and General Services
- Ms. Manuela Dokie, Assistant Vice President, Research and Sponsored Projects
- Ms. Guadalupe Gomez, Manager, Contracts and Grants Accounting
- Mr. Henry W. Humphreys, Associate Director, Intercollegiate Athletics
- Ms. Catherine McCorry-Andalis, Associate Vice President/Dean of Students, Associate Vice President of Student Life
- Mr. Robert Moss, Assistant Vice President, Environmental Health and Safety
- Mr. Andrew Pena, Director, Human Resource Services
- Ms. Adriana Price, Assistant Vice President, Institutional Advancement
- Dr. Elias Provencio-Vasquez, Dean-School of Nursing
- Ms. Tessa Rappe, Director Associate Comptroller, Business Services
- Mr. Bob Stull, Athletics Director, Intercollegiate Athletics
- Mr. Anthony Turrietta, Associate Vice President for Business Affairs/Comptroller-VPBA

The University of Texas at El Paso
2012-2013 Annual Audit Plan
Attachment A
Institutional Processes and Sub-Processes

- Dr. Jorge Villalobos, Director, Facilities Services
- Dr. Craig Westman, Associate Vice President, Enrollment Services Management
- Mr. James R. Williams, Associate Director of Student Financial Aid

The Internal Audit Committee members, these individuals, and selected members of their staffs, provided information relative to their specific areas of responsibility, plus insight into other areas in which they interacted, or had knowledge and/or opinions.

IDENTIFICATION OF THE AUDIT UNIVERSE AND RISK ASSESSMENT

The Institute of Internal Auditors' International Professional Practices Framework (IPPF) requires that internal auditors develop an audit plan based on the assignment of risk to the audit universe. The audit universe is a subjective assessment of auditable areas at the University of Texas at El Paso (UTEP). To identify the audit universe, we reviewed prior audit plans, the annual financial report (AFR), the budget; various risk assessments, and a five-year history of audit activity (Appendix G). The audit plan was broken down into six major categories and sub categories (Appendix A):

1. Financial
2. Operational
3. Compliance
4. Information Technology

Within each of the above, sub categories of:

- UT System or Externally Required
- Risk Based Tier One: Institutional Processes
- Risk Based Tier Two: Auditable Areas

5. Follow-up Audits
6. Projects

Consideration of the following was given in developing the 2013 Audit Plan:

- Management input
- Various risk assessments
- Economical and efficient use of internal audit resources
- Required activities (i.e., KTEP FM Radio audit, Annual Financial Reporting, NCAA Compliance, etc.)
- Requirements of the following action plans:

The University of Texas at El Paso
2012-2013 Annual Audit Plan
Attachment A
Institutional Processes and Sub-Processes

- *1994 Action Plan to Enhance Internal Controls through Awareness, Accountability, and Audit Committees*
- *1996 Action Plan to Enhance Internal Controls*
- *1998 and 2003 Action Plans to Enhance Institutional Compliance*

In the development of the 2013 Annual Audit Plan, the Assurance Continuum Enterprise Risk Management Model (ERM) was used as the risk assessment methodology. The ERM risk assessment methodology was used in planning for audits in the Risk Based Tier One: Institutional Processes and Risk Based Tier Two: Auditable Areas categories.

The following describes our planning process to prepare the 2013 Audit Plan.

RISK ASSESSMENT METHODOLOGY

A Tier One (Institution-wide Risk Assessment) was performed using the following Processes (Auditable Units) applicable to academic institutions. The sub-processes included in each process are identified in *Attachment A*.

ACADEMIC INSTITUTION PROCESSES

1. Governance and Leadership
2. Instruction and Academic Support
3. Research and Development
4. Student Services
5. Human Resource Management
6. Financial Management
7. Asset and Risk Management
8. Purchasing and Warehousing
9. Information Technology
10. University Relations and Alumni Affairs
11. Plant Operation and Maintenance
12. Auxiliary and Service Departments
13. Environmental Health and Safety
14. Intercollegiate Athletics
15. Information Resources Use and Security
16. University Security and Police Department
17. Institutional Compliance Program

A Tier Two risk assessment is required for Research and Information Technology. The vertical axis of each Tier Two risk assessment includes the sub-processes listed in *Attachment A*.

The Tier One and Tier Two risk assessments were performed using the ERM model, and for each a Risk Footprint was developed. The vertical axis of the Tier One footprint is the applicable

The University of Texas at El Paso
2012-2013 Annual Audit Plan
Attachment A
Institutional Processes and Sub-Processes

business processes from the list above. The horizontal axis is the business risk identified and ranked for each process. All identified business risks for a process included consideration of financial, compliance and operational elements.

VALUATION OF IMPACT AND PROBABILITY

IMPACT The impact of a risk is the effect a single occurrence of that risk will have upon the achievement of the institution's goals and objectives. There are three values:

- **HIGH** – The effect will cause the component not to achieve its goals and objectives. It is a “show stopper.”
- **MEDIUM** – The effect will cause the institution to operate inefficiently and/or expend unplanned resources to meet goals and objectives.
- **LOW** – There will be no measurable effect upon the achievement of institutional goals and objectives.

PROBABILITY The probability that a risk will become reality also has three values:

- **HIGH** – An event is inevitable, or there is a great likelihood that an event will occur.
- **MEDIUM** – The risk is neither extremely likely nor highly unlikely. The probability of an event is similar to occurrences within the normal course of operations.
- **LOW** – The risk of an event is highly unlikely or would require a combination of multiple failures.

Past experience within the institution and within higher education was used in determining probability. Probability is assessed as if only Level 1 Controls (those in place or exercised at execution) exist.

ANNUAL AUDIT PLAN

The risk footprints were converted to the final product in the following manner:

- The **Tier One Risk Footprint** processes that did not have a Tier Two Risk Footprint were included in the Annual Audit Plan based upon the number of critical risks each contained. The sub-processes within each process which contained the identified critical risks are included in the audit plan.
- **The Tier Two Risk Footprints** are included in this area regardless of their position on the Tier One (Institution-wide) risk footprint. The sub-processes to be audited are those from each Tier Two risk footprint that have the highest ranked risk or the largest number of critical risks.

Follow-up Audits

The University of Texas at El Paso
2012-2013 Annual Audit Plan
Attachment A
Institutional Processes and Sub-Processes

In accordance with the Institute of Internal Auditors' *Performance Standard 2500 – Monitoring Progress*, a follow-up process is in place to monitor and ensure that management actions have been effectively implemented, or that senior management has accepted the risk of not taking action. Implementation dates of audit report recommendations are monitored and following those dates, the status of audit recommendations are determined and reported to management.

Change-in-Management Audits

The auditable universe was developed through inquiries with college deans, directors and vice-presidents. The goal of performing change-in-management audits is to provide a consulting service to new managers by reviewing existing internal controls and providing the information necessary for the development of an adequate internal control system, which will provide reasonable assurance of sound management. Selected colleges/departments with new Deans/Directors will be audited. Since most of the work is done on an as-requested basis, a risk assessment was not performed and audits are determined as management changes occur throughout the fiscal year.

Projects

The goal of performing special projects is to provide management with analyses, appraisals, recommendations, counsel, and information concerning the activities reviewed. Included in this category of audits are, internal and external quality assurance reviews, UT System requests and special requests and investigations. Much of the work is either done as mandated or on an as-requested basis; therefore, a risk assessment was not performed.

Carry forward Audits

Carry forward audits are those 2011-2012 Annual Audit Plan audits that are in progress at August 31, 2012.

2013 Risk Assessments

Process Risk assessments are located in *Appendices B through D*.

The University of Texas at El Paso
2012-2013 Annual Audit Plan
Attachment A
Institutional Processes and Sub-Processes

SCOPE OF AUDITS

The International Professional Practices Framework (IFPP) addresses the scope of work as follows:

"The scope of the engagement should include consideration of relevant systems, records, personnel, and physical properties, including those under control of third parties."

"In performing consulting engagements, internal auditors should ensure that the scope of the engagement is sufficient to address the agreed-upon objectives."

Internal auditors should:

- * Review the **reliability and integrity of financial and operating information** and the means used to identify, measure, classify, and report such information.
- * Review the systems established to ensure **compliance** with those policies, plans, procedures, laws, and regulations, which could have a significant impact on operations and reports, and should determine whether the organization is in compliance.
- * Review the means of **safeguarding assets** and, as appropriate, verify the existence of such assets.
- * Appraise the **economy and efficiency** with which resources are employed.
- * Review **operations or programs** to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.

The planned scope of each of the audits in the 2013 Annual Audit Plan is described in *Appendix A*.

BUDGET AND STAFFING

The budget for the Office of Auditing and Consulting Services was prepared in accordance with U.T. System Administration and UTEP guidelines and was approved by UTEP Administration and the Board of Regents.

Career development for the staff is a strategic goal of the Office of Auditing and Consulting Services. It is the Director's practice to create a working environment that facilitates career opportunities for the audit staff within and outside the office. The Office of Auditing and Consulting Services will continue its efforts toward developing staff to their highest potential through the performance of operational audits, exposure to high levels of management, and training targeted at non-traditional audit areas and achievement of professional credentialing.

The University of Texas at El Paso
2012-2013 Annual Audit Plan
Attachment A
Institutional Processes and Sub-Processes

CALCULATION OF FY 2013 AUDIT HOURS

The Calculation of Available Hours is included in *Appendix F*. Total direct hours assigned to audits and projects are reflected in *Appendix A*.

COMMENTARY ON VALUE ADDED OF AUDIT PLAN UPDATE

General:

The definition of "VALUE ADDED" can vary considerably from one audit department to the next but for OACS it describes audit work that will help management meet the University's goals and objectives in addition to verifying compliance with policies and procedures. Organizations are looking to internal auditing departments to add value, improve cost controls, and solve problems. Motivated by the universal mandate to curtail expenses and boost efficiencies, the auditing department will seek ways to add value.

General plan objectives:

- Plan audits according to the results of the risk-sensitive environment review.
- Execute audits emphasizing a cost-conscious culture.
- Focus on issue identification and seek improvement resolution and highlight attention to future performance by bringing insight, knowledge, judgment, and analytical skills to all audit and consulting engagements.
- Become aware of and articulate changes when perceptions of risk change throughout the year.
- Aggressively and constructively consider emerging technology risks and improvement opportunities.
- Evaluate opportunities to leverage computer aided audit technology to increase audit effectiveness and efficiency.

Objectives of the internal audit professional staff:

- Have the expertise to ask insightful questions.
- Establish a value-based culture through word and action.
- Keep constituents informed throughout the audit process.
- Differentiate and balance discussion, guidance, and directives.
- Continually assess management's plans to ensure future success.
- Measure performance against forward-looking measures such as benchmarking and best practices.
- Build and maintain relationships of mutual trust and respect, and engage in open dialogue and regular interaction.
- Maintain a core of experienced audit staff with in-depth knowledge of audit skills supported with continuous training.

The University of Texas at El Paso
2012-2013 Annual Audit Plan
Attachment A
Institutional Processes and Sub-Processes

I. Governance & Leadership

- A. Governance
- B. Organizational Structure
- C. Office of the President
- D. Internal Communications
- E. Legal Services
- F. Internal and External Auditing
 - 1. Single Audit Act
 - 2. Texas Internal Auditing Act, Article 6252-5d
 - 3. Institute of Internal Auditors Standards
 - 4. Generally Accepted Governmental Auditing Standards

II. Instruction & Academic Support

- A. Management of Departments & Programs of Study
 - 1. Educator Certification
- B. Accreditation/Institutional Effectiveness
 - 1. 170 Hour Rule
 - 2. 120 Hour Rule
 - 3. Integrated Post-secondary Educator Data Systems
 - 4. Legislative Budget Board Performance Measures
 - 5. Reports to the Texas Higher Education Coordinating Board
 - 6. Reports to UT System
- C. Program Development & Program Evaluation Process
 - 1. Official Inventory of Programs
- D. Faculty
 - 1. Recruitment & Tenure Policies
 - 2. Development
 - 3. Turnover
 - 4. Workloads & Productivity
 - 5. Degree Productivity (number granted vs. number of full-time faculty)
 - 6. Verification of Faculty Qualifications
 - 7. Rights and Responsibilities of Faculty
- E. Instructional & Academic Technology
- F. Special Programs
 - 1. Developmental Education
 - 2. Students with Disabilities
 - 3. Study Abroad
- G. Course Scheduling & Availability
 - 1. Undergraduate
 - 2. Graduate
 - 3. Distance Education
 - 4. Professional and Public Programs

The University of Texas at El Paso
2012-2013 Annual Audit Plan
Attachment A
Institutional Processes and Sub-Processes

- H. Deployment of Resources among Academic Programs
- I. Library
- J. Core Curriculum
 - 1. Fields of Study
- K. Texas Success Initiative
- L. Health Affairs
 - 1. Student Background Checks
 - 2. Licensing and Certification
 - 3. Program Accreditation
 - 4. Clinical Laboratories
- M. School of Nursing
 - 1. Student Background Checks
 - 2. Licensing
 - 3. Certification
 - 4. Hospital Based Teaching
 - 5. Attracting and Maintaining Faculty

III. Research & Development

- A. Financial Issues- Grants & Contracts Management
 - 1. Cost Transfers-Effort Reporting
 - 2. Cost Sharing
 - 3. Facilities & Administrative Cost Accounting
 - 4. Financial Reporting to Granting Agencies
 - 5. Cash Management
 - 6. Records Archiving C&G
 - 7. Sub-recipient Monitoring-Expenditure
 - 8. ARRA
- B. Animal Research
 - 1. Veterinarian Services
 - 2. Institutional Animal Care and Use Committee
 - 3. Preparation of certifications and assurances
- C. Human Subject Research
 - 1. Institutional Review Board (Protection of Subjects/participants)
 - 2. Protection of Researcher
 - 3. Protection of Research
 - 4. Preparation of certifications and assurances
- D. Sponsored Programs
 - 1. Effort Reporting
 - 2. Negotiation of Agreements
 - 3. Preparation of certifications & assurances
 - 4. Coordination of gifts and grants with Development office
 - 5. OGC Guidelines for contracts and sub-contracts

The University of Texas at El Paso
2012-2013 Annual Audit Plan
Attachment A
Institutional Processes and Sub-Processes

6. Back door awards
7. Export Control licensing/laws- International Traffic in Arms Regulations (ITAR)
8. Administration of Contracts, Grants & Cooperative Agreements
9. Research and Sponsored Projects Metrics
10. Sub-recipient monitoring-Programmatic
11. Digital Research Data
- E. Proposal Review
 1. Cost Estimates
 2. Proposal Compliance
 3. Eligibility for submitting proposals
- F. Research Ethics and Integrity
- G. Technology Transfer
 1. Invention Disclosure
 2. Intellectual Property Policy
 3. Equity positions in startup companies
 4. Royalty Audit
 5. Licensing and material transfer agreements
 6. Non-disclosure Agreements
- H. Training
- I. Other Agreements
 1. Processing Affiliation Agreements with Outside Agencies
 2. Memorandums of Understanding
 3. International Agreements
- J. Proposal Development
 1. Proposal Development Services
 2. Identification and Notification of Funding Opportunities
 3. Research Communication
- K. Conflict of Interest in Sponsored Research

IV. Student Services (Academic Institutions)

- A. Administration-Academic Services
- B. Recruitment Processing
- C. Admissions Processing
- D. Enrollment Management
 1. Title19
- E. Registration Processing
- F. Student Records
- G. Financial Aid
 1. Reporting
 2. Drawing Down
 3. Return of Funds
 4. Institutional / Program Eligibility
 5. Cash Management Rules

The University of Texas at El Paso
2012-2013 Annual Audit Plan
Attachment A
Institutional Processes and Sub-Processes

- 6. State Regulations and Reporting
 - 7. Recertification
 - 8. Completion on DOE Quarterly Report-Disbursements
 - 9. Student Eligibility
 - 10. Verification
 - H. Student Health Services
 - I. Counseling and Guidance Services
 - 1. Release of Mental Health Records
 - 2. Career Counseling Services
 - J. Student Organizations & Other Activities
 - K. Student Grievances
 - 1. Undergraduate
 - 2. Graduate
 - L. Student Government Association
 - M. Office of International Programs
 - 1. Tracking of International Students (SEVIS)
 - 2. PASE Program
 - 3. Passport Services
 - 4. J-1 Visas
 - N. Family Education Rights and Privacy Act (FERPA)
 - O. Outreach
 - 1. Renewal and Public Relations
 - 2. Programmatic
 - 3. Interaction of Adults and Minor Children
 - P. Administration-Student Services
 - Q. Student Conduct and Discipline
 - R. Career Center
 - S. Recreational Sports
 - T. Student Publications
 - U. Childcare Services
- V. Human Resource Management**
- A. Organizational & Staffing of Human Resources Function
 - 1. Personnel Records Administration
 - B. Classification and Salary Administration
 - 1. Fair Labor Standards Act
 - C. Appointment of Relatives
 - D. Leave Administration
 - E. Performance Appraisal System
 - F. Recruitment & Selection Process (non-faculty)
 - G. Hiring Practices (non-faculty)
 - 1. Veterans Preferences
 - H. Staff Development & Continuing Education

The University of Texas at El Paso
2012-2013 Annual Audit Plan
Attachment A
Institutional Processes and Sub-Processes

- I. Employee Relations & Grievance Process
 - 1. Discipline and Dismissal of Employees
- J. Staff Turnover
- K. Contracting for Human Resources-related Functions
- L. Criminal Background Checks
- M. Equal Opportunity and Affirmative Action
 - 1. Discrimination against Protected Classes
 - 2. Non-discrimination notification-Contract clause
 - 3. Affirmative Action Plan
 - 4. Employment Discrimination Prevention Training
- N. Reductions in Force
- O. Family Medical Leave Act (FMLA) of 1993
- P. Immigration Reform and Control Act of 1986
- Q. UT Flex, IRC 125
- R. Deferred Contribution Plan
- S. Annual ORP Participation Report
- T. Chapter 821, et seq., Texas Government Code
- U. Tax Shelter Annuity Programs (TSAP)
- V. Repository for faculty credential folders
- W. Faculty Visas

VI. Financial Management

- A. Organization & Management
- B. Budgeting & Planning
- C. Budget Monitoring & Review
- D. Accounts Payable
 - 1. Issuance of 1099 and 1042 Forms for Vendor Payments
 - 2. Prompt Payment
 - 3. Vendor Payments
- E. Payroll Management
 - 1. Mandatory Garnishments for Tax Levies, Bankruptcies, Child Support & Student Loans
 - 2. Child Support Enforcement Requirements
 - 3. Voluntary Salary Deductions (i.e. Savings Bonds, Annuities, UT Flex)
 - 4. Withholding of taxes from employee wages and timely deposits
 - 5. Non-resident Alien Taxation
 - 6. Federal Tax Reporting
 - 7. IRS Code 117, amended by Tax Reform Act & TMRA of 1988
 - 8. Retirement Contributions
 - 9. TRS Reporting and Transmittal of funds
 - 10. ORP-collection of funds, transmittal of funds and reporting
- F. Accounting Procedures & Internal Financial Controls
- G. Reporting (regulatory & management)

The University of Texas at El Paso
2012-2013 Annual Audit Plan
Attachment A
Institutional Processes and Sub-Processes

1. Reporting Requirements
2. Preparation of Quarterly State Auditor Full Time Employee Report
3. Annual Financial Report
4. SPA to AFR Reconciliation
5. Unclaimed Property Management and Reporting
6. Coding of Accounts
7. Control of Non-Standard or Non-Recurring Journal Entries
- H. Segregation of Duties and Reconciliation of Accounts
- I. Approval of Improper/Erroneous Disbursements by Processing Units
- J. Conflict of Interest and Financial Disclosure
- K. Liquor License
- L. Travel Management Services
- M. Emergency Loan Program management, funding and collection
- N. Travel Management Services
- O. Interest Allocation
- P. Student General Property Deposit
- Q. Red Flag Rules

VII. Asset & Risk Management

- A. Organization & Management
- B. Cash Management/Investment Management Strategies
- C. Endowments & Gifts
- D. Investment Management, Investment Strategies, and Public Funds Investment Act
- E. Fixed Asset Management, Tracking and Counting, Reporting & Surplus Property
- F. Insurance Coverage, Risk Management, Safety, and Workers Comp
- G. Bonded Indebtedness and Issuance
- H. Tuition and Fees Management
 1. Mgmt of Collection on Overdue Student Receivables & NSF Checks
 2. Accounts Receivable Tuition and Fees Collection Process
 3. Fees Allocation & Justification

VIII. Purchasing & Warehousing

- A. Organization & Staffing
- B. Policies & Procedures
- C. Bid and Contracting Processes
- D. Special Procedures Contracts
- E. Leases
- F. Best Value "Yellow Pages" Test
- G. Procurement Card
- H. Historically Underutilized Business Program
- I. Purchasing Ethics and Conflict of Interest
 1. Vendor Selection
- J. Procurement of Consulting Services/ Professional Services

The University of Texas at El Paso
2012-2013 Annual Audit Plan
Attachment A
Institutional Processes and Sub-Processes

- K. Procurement Plan Report
- L. University Records Retention and Destruction
- M. Contract Performance Monitoring – Contracts over \$100,000

IX. Information Technology (does not include end-user applications)

- A. Planning and Organization
 - 1. Strategic Planning and Technological Direction/Planning
 - 2. Organization (Communication, Relationships, Human Resources)
 - 3. Financial Management
 - 4. Compliance with External Requirements
 - 5. Project Management
 - 6. Quality Management
- B. Acquisition and Implementation
 - 1. Acquire and Maintain Application Software
 - 2. Acquire and Maintain Technology Infrastructure
- C. Delivery and Support
 - 1. Define and Manage Service Levels
 - 2. Manage Performance and Capacity
 - 3. Manage Facilities
 - 4. Manage Problems and Incidents
 - 5. Manage Data
- D. Monitoring
 - 1. Process Monitoring
- E. Security for IT Department
 - 1. System and Infrastructure Security (Security of Sensitive Data)
 - 2. Adequacy of Controls (Application Security)
- F. Offsite Back-up Restoration

X. University Relations & Alumni Affairs

- A. Community & Alumni Involvement
 - 1. Partnerships
 - 2. Development Office
 - 3. Alumni Relations Office
 - 4. Printed & Electronic Communications
- B. Public & Media Relations
- C. Public Service
 - 1. Relevance & Impact of Programs to State & Local Community
 - 2. Art Galleries
 - 3. Centennial Museum
- D. Governmental Relations

The University of Texas at El Paso
2012-2013 Annual Audit Plan
Attachment A
Institutional Processes and Sub-Processes

XI. Plant Operation & Maintenance

- A. Facility Planning (long & short range)
- B. Renovations and Repairs
- C. Space Usage Efficiency
- D. Maintenance Operations
- E. Custodial Services
- F. Transportation-Motor Pool
- G. Construction Program Management
- H. Landscaping and Grounds
- I. Utilities/Energy Management
- J. Warehouse Operations
- K. Facilities Management (Don Haskins & Sun Bowl)
- L. Contracted Outside Services

XII. Auxiliary and Service Departments

- A. Housing
 - 1. Availability
 - 2. Quality
 - 3. Cost & Services
 - 4. Facilities
 - 5. Health & Safety
 - 6. Administration/Fiscal
- B. Printing & Copying
- C. Mail Services
- D. Union Services
- E. Special Events
- F. Ticket Center

XIII. Environmental Health and Safety

- A. Laboratory Safety
- B. NFPA Life Safety Code (Fire Safety)
- C. EPA Resource Conservation Recovery Act (TNRCC Hazardous Waste Rules)
- D. Controlled Substances
- E. Precursor Chemicals Controlled Glassware
- F. Bureau of Radiation Control-Radioactive materials
- G. TDH/PCB Asbestos Rules Toxic Substance Control Act
- H. Bureau of Radiation Control-Laser Regulations
- I. Bureau of Radiation Control-Radiation Machines
- J. Clean Air Act (Air Emissions)
- K. TNRCC (Storm Water Runoff) Clean Water Act
- L. Select Agent Rule
- M. Texas Workers Compensation Act
- N. Hazardous Materials Shipping requirements (IATA, DOT, FAA)

The University of Texas at El Paso
2012-2013 Annual Audit Plan
Attachment A
Institutional Processes and Sub-Processes

- O. BSL3 Oversight
- P. DHS Antiterrorism Standards

XIV. Intercollegiate Athletics

- A. Institutional Control - Athletics
 - 1. Extra Benefits
 - 2. Financial Aid and Federal Financial Aid Regulations
 - 3. Playing and Practice Seasons
 - 4. Recruiting
 - 5. Education
 - 6. Infractions
 - 7. Summer Camps
 - 8. Amateurism
 - 9. Eligibility of Athletes
 - 10. Student Welfare
 - 11. Gender Equity
- B. Administration – Athletics
 - 1. Licensing and Trademark Laws/Ethics and system violation
 - 2. Athletic Department Certification
 - 3. Annual Conference Compliance Audit
 - 4. Employment Contracts and Conduct of Employees
 - 5. Department P&P Manual – Athletics
 - 6. Annual Financial Audit
 - 7. NCAA Home Football Attendance

XV. Information Resources Use and Security

- A. Administrative Management Controls
 - 1. Assignment of Responsibilities
 - 2. Periodic Review of Security Controls
 - 3. Incident Response Capability
 - 4. Security and Technical Training
 - 5. System Authorization and Reauthorization Procedures
 - 6. Access Authorization, Personal Clearance & Termination Procedures
 - 7. System or Application Security Plan (Data Criticality, Back up & Disaster Recovery)
- B. Operational Controls
 - 1. Physical Security (Access Controls & Contingency Operations)
 - 2. Environmental Controls
 - 3. Desktop Use and Security
 - 4. Documentation
- C. Technical Controls
 - 1. Identification
 - 2. Data Integrity

The University of Texas at El Paso
2012-2013 Annual Audit Plan
Attachment A
Institutional Processes and Sub-Processes

- D. TAC202
 - 1. Risk Management
 - 2. Password Management
 - 3. Separation of Duties
 - 4. Device and Data Media Access and Disposal
 - 5. Logical Access Controls
 - 6. Audit trails
 - 7. Intrusion detection
- E. UTS165
 - 1. Transmission Security
 - 2. Solicitation, Use and Maintenance of Social Security Numbers
 - 3. Decentralized Servers
- F. PCI Compliance
- G. Cloud Computing
- H. Digital Research Data

XVI. University Security and Police Department

- A. The Clery Act
- B. Emergency Response Plans

XVII. Institutional Compliance Program

- A. Compliance Program Components/Activities
- B. Specific Compliance High Risk Areas

The University of Texas at El Paso
Appendix A
\$417,609,972 FY13 INSTITUTIONAL BUDGETED EXPENDITURES
8.8 FY13 BUDGETED AUDITORS GROSS OF VACANCIES
Fiscal Year 2013 Audit Plan

FY 2013 Audit Plan Audit/Project	Budgeted Hours	% of Total	Description
Financial			
<u>UT System or Externally Required Audits</u>			
Annual Financial Report:			Required annual audit support under "Reporting (Regulatory & Management)
AFR 2012 Year-end	350		
AFR 2013 Interim	125		
PeopleSoft Implementation	800		Support to the PeopleSoft implementation team locally and system-wide
President's Travel and Entertainment Audit	125		UT System required annual audit
KTEP FM Radio Station	20		Support to external auditor
Joint Admission Medical Program (JAMP)	50		Required audit by JAMP
Year-end/Periodic Cash Counts	100		Recurring annual audit. May consider interim testing for selected accounts.
<u>Risk Based Tier One: Institutional Processes</u>			
PeopleSoft Readiness - Segregation of Duties and Reconciliation of Accounts	350		To ensure readiness for PeopleSoft implementation, sample and test to determine level of diligence and readiness
<u>Risk Based Tier Two: Auditable Areas</u>			
Payroll Management-Supplemental Payments	200		Limited to Supplemental Payments per discoveries on FY 2012 Payroll audit
<u>Management Requests - Financial</u>			
	150		Various periodic audits, reviews or projects as requested by management
<u>Carry-forwards:</u>			
Contracts & Grants Accounting	40		Contracts & Grants Accounting audit from FY 2012.
Procurement Card	25		Carry-forward from FY 2012. Will include follow-up.
Financial Subtotal	2335	21%	
Operational			
<u>UT System or Externally Required Audits</u>			
Management Travel/Entertainment	250		Establish on-going program to sample of Executive and Management travel reimbursements.
<u>Risk Based Tier One: Institutional Processes</u>			
Tech Transfers, Licensing & Equity	250		Include tech transfers, licensing, equity positions - ORSP
International Agreements	100		Assess processes, controls and monitoring of international agreements
Export Controls	150		Export Controls
Facilities Maintenance Operations (Safety)	200		Focus on safety protocols, training and safety record.
Student Health Services	300		Emphasis on quality controls, vaccines & refrigeration, etc.
Student Records	300		Validate controls sufficient to justify "Low" probability and review historical areas (grades, etc.)
Purchasing - Contract Performance over \$100K	200		Validate controls for projects > \$100,000 are sufficient to justify "Low" probability
Fees Management	300		Fees only. Emphasis on course, major fees and course fee surpluses.
Faculty Visas	250		Comprehensive review stimulated by historical/ongoing issues
<u>Risk Based Tier Two: Auditable Areas</u>			
Sub-recipient monitoring-Expenditures	300		Combined audit of Sub-recipient monitoring - programmatic and monitoring of expenditures
Effort Reporting	300		Limited to effort reporting by Principal Investigators
<u>Key Changes (CIM)</u>			
	350		Annual Change-In-Management audits may also include other "key" employees
<u>Management Requests-Operational</u>			
	100		Various periodic audits, reviews or projects as requested by management
<u>Carry-forwards:</u>			
Health Sciences	270		2nd tier focused on Program Accreditation (HM)
Utilities, Energy Management	50		Carry-forward from FY 2012. Will include follow-up.
Bio Safety Level 3 Lab Oversight	60		Carry-forward from FY 2012. Will include follow-up.
Operational Subtotal	3730	34%	

The University of Texas at El Paso
Appendix A
\$417,609,972 FY13 INSTITUTIONAL BUDGETED EXPENDITURES
8.8 FY13 BUDGETED FISCAL AUDITORS GROSS OF VACANCIES
Fiscal Year 2013 Audit Plan

FY 2013 Audit Plan Audit/Project	Budgeted Hours	% of Total	Description
<i>Compliance</i>			
<u>UT System or Externally Required Audits</u>			
Fed Portion of Statewide Single Audit (assistance to SAO)	20		Recurring annual support to State Auditor's Office
NCAA Football Attendance Audit	50		NCAA Football Attendance audit
Emergency Management (UTS 172)	300		Audit required by UTS 172-Emergency Management
<u>Risk Based Tier One: Institutional Processes</u>			
Conflicts of Interest - Business/ORSP	350		Address campus-wide policies and risk of non-disclosure.
Endowments & Gifts	200		Validation of controls over endowments and scholarship accounts. Emphasis on discretionary funds.
Financial Aid- Continuous Monitoring	400		Employ CAATS on 100% of population and assist with continuous monitoring set-up
Family Education Rights & Privacy Act (FERPA)	200		Emphasis on information collection outside of Registration and Records Office
Clery Act	150		Review of reporting accuracy and completeness including incidents from off-campus entities
International Student Workers	200		Audit of student employees' eligibility to work and visa requirements
<u>Management Requests-Compliance</u>	150		Various periodic audits, reviews or projects as requested by management
<u>Carry-forwards</u>			
THECB Facilities Audit	50		Carry-forward from FY 2012, related to THECB facilities audit.
Research Compliance	200		Multi-faceted review of research compliance as mandated by UT System
Faculty-authored Textbooks	50		Continuation of follow-up on implementation of recommendations
Compliance Subtotal	2320	21%	
<i>Information Technology</i>			
<u>UT System or Externally Required Audits</u>			
Laptop Encryption	250		Follow-up and validation of encryption project mandated by UT System
TAC 202 Information Security	400		Comprehensive, required audit
IT Inventory	200		Audit of inventory control processes and monitoring for fungible IT assets
<u>Risk Based Tier One: Institutional Processes</u>			
Offsite Back-up Restoration	300		Assess Policies & Procedures, readiness to respond and best practices
Continuous Monitoring	160		Pilot data-driven continuous monitoring program using best available data sources, tool & techniques
<u>Management Requests-IT</u>	100		Various periodic audits, reviews or projects as requested by management
<u>Carry-forward</u>			
Administration and Management Controls	25		Carry-forward from FY 2012 regarding shared decisions for select maintenance accounts
Information Technology Subtotal	1435	13%	
<i>Follow-up</i>			
	500		Normally occurring follow-up reviews as determined by prior recommendation implementation dates
Carry-forward Accounts Payable	25		Follow-up audit carry-forward from FY 2012
Follow-up Subtotal	525	5%	
<i>Projects</i>			
Annual Internal Audit Report	30		
Annual Reviews/Evaluations	40		
Annual Risk Assessment/Audit Plan	150		
Institutional Compliance Committee	10		
Internal Audit Committee	80		
Quality Assurance Review - Follow-up	40		
Quality Assurance Review- Other Audit Departments	50		
Training Provided by IA	40		
UT System Strategic Initiatives (three projects)	150		
Projects Subtotal	590	5%	
Total Hours	10935	100%	

The University of Texas at El Paso
Appendix B
Fiscal Year 2013 Audit Plan
Institutional Risk Assessment

#	INSTITUTIONAL ACTIVITIES	RISKS										
		1	2	3	4	5	6	7	8	9	10	
11	Plant Operations & Maintenance	HM Maintenance Operations	HM Utilities/Energy Management	MM Construction Program Management	MM Contracted Outside Services	MM Custodial Services	MM Transportation-Motor Pool	ML Facilities Management (Don Haskins & Sun Bowl)	ML Facility Planning (long & short range)	ML Renovations and Repairs	ML Space Usage Efficiency	
2	Instruction & Academic Support	HM Export Control Licensing - International Traffic in Arms Regs. (ITAR)	HM Tuition and Fees Management	HL Health Sciences	MM Accreditation/Institutional Effectiveness	MM Core Curriculum	LM Course Scheduling & Availability	LL Academic Agreements	LL Faculty	LL Instructional & Academic Technology	LL Library	
4	Student Services	HH Student Health Services	HL Financial Aid	HL Family Educational Rights and Privacy Act (FERPA)	HL Student Records	HL Enrollment Management	MM Counseling Center	MM Student Grievances	ML Outreach	ML Registration Processing	ML SB1414-Student Camps	
5	Human Resource Management	HM Faculty Visas	MM Performance Appraisal System	MM Dependent Eligibility	MM Appointment of Relatives	MM Classification and Salary Administration	MM Criminal Background Verifications	MM Employee Relations & Grievance Process	MM Equal Opportunity	MM Hiring Practices (non-faculty)	MM Immigration Reform and Control Act of 1986	
14	Intercollegiate Athletics	HM Administration-Athletics	HM Institutional Control-Athletics	-	n/a	-	n/a	-	n/a	-	n/a	
15	Information Resources Use and Security	HM PCI Compliance	MM TAC 202	MM Administrative/Management Controls	Cloud Computing	MM Digital Research Data	MM Operational Controls	MM Technical Controls	MM UTS 165	-	n/a	
13	Environmental Health and Safety	HM BSL3 oversight	HL Laboratory Safety	MM Precursor Chemicals Controlled Glassware	ML Bureau of Radiation Control-Laser Regulations	ML Bureau of Radiation control-Radioactive materials	ML DHS Antiterrorism Standards	ML NFPA Life Safety Code (Fire Safety)	ML Select Agent Rule	LM EPA Resource Conservation Recovery Act (TNRC Hazardous Waste Rule)	LM Hazardous Materials Shipping requirements (ATA, DOT, FAA)	
8	Purchasing	HM Procurement Card	HL Contract Performance Monitoring over \$100,000	MM Purchasing Ethics and Conflict of Interest	ML Historically Underutilized Business Program	ML Leases	ML Procurement of Consulting and Professional Services	ML Review and Evaluation of Bid and Contracting Process	LL Best Value "Yellow Pages" Test	LL Miner Mail	LL Organization & Staffing	
6	Financial Management	HM Segregation of Duties and Reconciliation of Accounts	MM Accounts Payable	MM Accounting Procedures & Internal Financial Controls	MM Budget Monitoring & Review	MM Organization & Management-Financial Management	LM Payroll Management	LM Conflict of Interest and Financial Disclosure	LL Reporting (regulatory & management)	LL Approval of Improper/Erroneous Disbursements by Processing Units	LL Budgeting & Planning	
9	Information Technology	HM Offsite back-up restoration	MM Security for IT Department	ML Delivery and Support	LL Acquisition and Implementation	LL Information Technology Planning and Organization	LL Monitoring	-	n/a	-	n/a	
3	Research & Development	HL Animal Research	M Financial Issues	M Other Agreements	M Technology Transfers	M Sponsored Projects	M Human Subject Research	M Proposal Development	ML Conflict of Interest in Sponsored Research	ML Proposal Review	ML Research Ethics and Integrity	
1	Governance & Leadership	HL Office of the President	HL Legal Services	M Governance	ML Internal and External Auditing	ML Internal Communications	ML Organization Structure	-	n/a	-	n/a	
7	Asset & Risk Management	HL Endowments & Gifts	M Organization & Management-Asset & Risk Management	ML Insurance Coverage, Risk Management and Safety	LL Bonded Indebtedness and Issuance	LL Cash Management/Investment Management Strategies	LL Fixed Asset Management & Surplus Property	LL Tuition and Fees Management	-	n/a	-	n/a
16	University Security and Police Department	HL Emergency Response Plans	ML The Clery Act	-	n/a	-	n/a	-	n/a	-	n/a	
10	University Relations & Alumni Affairs	ML Community & Alumni Involvement	ML Public Service	LL Governmental Relations	LL Public & Media Relations	-	n/a	-	n/a	-	n/a	
12	Auxiliary and Service Departments	ML Union Services	LM Mail Services	LM Printing & Copying	LL Bookstore	LL Food Services	LL Hotel - Ground Lease	LL Housing	LL Special Events	LL Ticket Center	-	n/a

Legend:

- HH, HM = Extensive Risk Management & Considerable Risk Management (all Levels of Control* plus a traditional audit)
- HL, MH = Manage and Monitor (all Levels of Control but no traditional audit)
- MM, ML, LH = Monitor (only Execution Controls & Supervisory Controls)
- LM, LL = Accept (accept the risk and have no controls)
- Planned = Included in Fiscal 2013 Audit Plan
- Carry forward = Carried forward from Fiscal 2012

The University of Texas at El Paso
Appendix C
Fiscal Year 2013 Audit Plan
Research Risk Assessment

RESEARCH		RISKS								
#	ACTIVITIES	1	2	3	4	5	6	7	8	9
1	Financial Issues- Grants & Contracts Management	HH Sub-recipient monitoring- Expenditures	HM Financial Reporting to Granting Agencies	HM Grants-Accounts Receivable Billing	MM ARRA Reporting	MM Cost Sharing	MM Cost Transfers-Effort Reporting	MM Records Management C&G	LL Cash Management	LL Facilities & Administrative Cost Accounting
4	Sponsored Projects	HM Effort Reporting	MM Sub-recipient Monitoring- Programmatic	MM Coordination of gifts and grants with Development Office	MM Digital Research Data	MM Preparation of certifications & assurances	ML Back door awards	ML Negotiation of Agreements	LM Research and Sponsored Projects Metrics	LL OGC Guidelines for contracts and subcontract
3	Human Subject Research	HL Institutional Review Board (Protection of participants)	HL Preparation of certifications & assurances-IRB	HL Protection of Research	LL Protection of Researcher	- n/a	- n/a	- n/a	- n/a	- n/a
2	Animal Research	HL Preparation of certifications & assurances-IACUC	MM BSL3 Usage	MM Veterinarian Services	ML Institutional Animal Care and Use Committee	- n/a	- n/a	- n/a	- n/a	- n/a
9	Other Agreements	MM International Agreements- Research Related	MM Memorandums of Understanding- Research Related	MM Processing Affiliation Agreements with Outside Agencies	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
5	Proposal Review	MM Cost Estimates	ML Eligibility for submitting proposals	LL Proposal Compliance	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
10	Proposal Development	ML Identification and Notification of Funding Opportunities	ML Proposal Development Services	ML Research Communication	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
11	Conflict of Interest in Sponsored Research	ML Conflict of Interest in Sponsored Research	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
6	Research Ethics and Integrity	ML Research Ethics and Integrity	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
7	Technology Transfer	LM Equity positions in startup companies	LL Intellectual Property Policy	LL Invention Discloser	LL Licensing and material transfer agreements	LL Non-Disclosure Agreements	LL Royalty Auditing	- n/a	- n/a	- n/a
8	Training	LL Training	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a

Legend:

HH, HM = Extensive Risk Management & Considerable Risk Management (all Levels of Control* plus a traditional audit)

HL, MH = Manage and Monitor (all Levels of Control but no traditional audit)

MM, ML, LH = Monitor (only Execution Controls & Supervisory Controls)

LM, LL = Accept (accept the risk and have no controls)

Planned = Included in Fiscal 2013 Audit Plan

Carry forward = Carried forward from Fiscal 2012

The University of Texas at El Paso
Appendix D
Fiscal Year 2013 Audit Plan
IT Risk Assessment

IT		RISKS						
#	ACTIVITIES	1	2	3	4	5	6	7
11	XV UTS165	HM Transmission Security (Encryption and Data Integrity)	MM Decentralized Servers	MM Solicitation, Use and Maintenance of Social Security Numbers	- n/a	- n/a	- n/a	- n/a
6	IX Offsite back-up restoration	HM Offsite back-up restoration	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
12	XV PCI Compliance	HM PCI Compliance	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
7	XV Administrative/Management Controls	MM Access Authorization, Personnel Clearance & Termination Procedures	MM Assignment of Responsibilities	MM Periodic Review of Security Controls	MM Security and Technical Training	MM System Authorization and Reauthorization Procedures	MM System or Application Security Plan (Data Criticality, Back up, & Disaster Recovery)	ML Incident Response Capability
10	XV TAC 202	MM Audit Trails	MM Intrusion Detection	MM Logical Access Controls	MM Password Management	MM Risk Management	MM Separation of Duties	ML Device and Data Media Access and Disposal
8	XV Operational Controls	MM Desktop Use and Security	MM Documentation	MM Physical Security (Access Controls & Contingency Operations)	ML Environmental Controls	- n/a	- n/a	- n/a
3	IX Delivery and Support	MM Manage Performance and Capacity	ML Manage Data	ML Manage Problems and Incidents	LL Define and Manage Service Levels	LL Manage Facilities	- n/a	- n/a
1	IX Information Technology Planning and Organization	MM Project Management	ML Compliance with External Requirements	ML Financial Management	LL Organization (Communication, Relationships, Human Resources)	LL Strategic Planning and Technological Direction/Planning	- n/a	- n/a
9	XV Technical Controls	MM Data Integrity	MM Identification	- n/a	- n/a	- n/a	- n/a	- n/a
5	IX Security for IT Department	MM System and Infrastructure Security (Security of Sensitive Data)	ML Adequacy of Controls (Application Security)	- n/a	- n/a	- n/a	- n/a	- n/a
2	IX Acquisition and Implementation	ML Acquire and Maintain Application Software	ML Acquire and Maintain Technology Infrastructure	- n/a	- n/a	- n/a	- n/a	- n/a
13	XV Cloud Computing	M Cloud Computing	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
14	XV Digital Research Data	M Digital Research Data	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
4	IX Monitoring	LL Process Monitoring	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a

Legend:	
HH, HM	= Extensive Risk Management & Considerable Risk Management (all Levels of Control* plus a traditional audit)
HL, MH	= Manage and Monitor (all Levels of Control but no traditional audit)
MM, ML, LH	= Monitor (only Execution Controls & Supervisory Controls)
LM, LL	= Accept (accept the risk and have no controls)
Planned	= Included in Fiscal 2013 Audit Plan
Carry forward	= Carried forward from Fiscal 2012

The University of Texas at El Paso
Appendix E
Fiscal Year 2013 Audit Plan
High Risks Not Covered

Tier One and Tier Two - Red Risks NOT Covered in Audit Plan for FY 2013

Ranking	Risk	Explanation/Mitigation	Internal Audit Action
HM	Utilities/Energy Management	Audit in progress, carried forward to 2013	Complete audit
HM	BSL3 Oversight	Audit in progress, carried forward to 2013	Complete audit
HM	Procurement Card	Audit in progress, carried forward to 2013	Complete audit
HM	PCI Compliance	Weaknesses identified and being addressed by subject matter experts	Reassess in 2013
HM	Institutional Control - Athletics	Reliance on external auditors including UT System	Reassess in 2013
HM	Administration - Athletics	Reliance on external auditors including UT System	Audit NCAA Football attendance

The University of Texas at El Paso
Appendix F
Fiscal Year 2013 Audit Plan
Available Audit Hours

	Director	Managers & Supervisors	Staff	Total	%
Audit & Project	1,100	2,921	6,914	10,935	70%
General Administration	592	473	825	1,890	12%
Training/CPE	96	192	578	866	6%
Holidays	104	208	473	785	5%
Vacation & Sick Leave	188	366	674	1,228	8%
Total Hours	2,080	4,160	9,464	15,704	100%

Note: The total hours are based on 7.55 budgeted positions net of 1.25 estimated vacancies at the staff level.

The University of Texas at El Paso
Appendix G
Fiscal Year 2013 Audit Plan
Available Audit Hours

Audits	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
<i>President</i>					
Intercollegiate Athletics	A/S	A/S	A/S	A/S	A/S
-Athletics Receivables					
-Athletics Summer Camps	A	A	A	A	A
-Athletics Business Plan					
President's Office	S	S	S	S	S
<i>Provost</i>					
Academic Affairs					
College of Business Administration					
-Accounting					
-Economics and Finance					
-Information and Decision Sciences					
-Marketing and Management					
-Dean's Office		F	S		
College of Education					
-Teacher Education			A	F	
-Educational Leadership		S			
-Educational Psychology					
-Dean's Office	A	F			
College of Engineering					
-Civil Engineering					
-Computer Science					
-Electrical and Computer Engineering					
-Engineering Programs					
-Mechanical and Industrial Engineering					
-Metallurgical and Materials Engineering					
-Dean's Office			A	F	
College of Health Sciences					
-Continuing Education in Nursing					
-Institute for Border Health					
-School of Allied Health					
-Kinesiology Department					
-School of Nursing			A	F	F
-Occupational Therapy					
-Physical Therapy					
-Student Health Center			A	F	
-Dean's Office		A	F		
College of Liberal Arts					
-African-American Studies					
-Art					
-Asian Studies					
-Chicano Studies					
-Communication					
-Criminal Justice					
-English					S
-History					
-KTEP-FM Radio Station	E	E	E	E	E
-Languages and Linguistics					
-Military Science					
-Music					
-Oral History					
-Philosophy					
-Political Science					
-Psychology					
-Religious Studies					
-Social Work					
-Sociology and Anthropology					
-Theatre Arts					
-Western Cultural Heritage					
-Women's Studies					
-Dean's Office					A
College of Science					
-Biological Sciences					
-Chemistry					
-Geological Sciences					
-Mathematical Sciences			A	F	F
-Physics					
-Dean's Office					
University College				S	
Graduate School		A		F	
Technology Planning and Distance Learning					
Center for Law and Border Studies				A	F
VPAA's Office					
Enrollment Services					
-Financial Aid	E	E	E		E
-Registrar's Office					F
-Undergraduate Admissions and Recruitment					
-Texas Success Initiative					
JAMP				A	

Legend: I-Inventory Audit
P-Hourly Payroll Audit
C-Internal Control Audit
F-Follow Up Audit
A-All Other Audits
S-Special Requests
E-External Audits

The University of Texas at El Paso
Appendix G
Fiscal Year 2013 Audit Plan
Available Audit Hours

Audits	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
VPRSP					
-Center for Environmental Resource Management					
-Center for Study of Western Hemispheric Trade					
-IM ² /Texas Center					
-MIE					
-NSF/USI					
Norman Hackerman ATP			A	F	A
-TAME					
-TMAC					
-Americorps					
-Socorro Mission Restoration					
-Human Subject Research		A			A
-Animal Research	F	A		F	
-Time & Effort Reporting	F		A	A/F	
-Contracts & Grants Accounting					A
-Cost Sharing		A			
Export Controls				A	F
-Sub-recipient Monitoring of Grants					
CTR for Defense Systems Research and Nat Ctr for Border Sec & Imm				A	
VPRSP's Office		F	A		
VPBA					
Annual Financial Report	A	A	A	A	A
-Accounts Receivable	E				
-Auxiliary Enterprise Fund					
-Gifts			A		
-Investments	E	E			
-Tuition and Fees		A			S
-Year End Inventory and Cash Counts	S/I	S	S	S	S
Auxiliary Services and Continuing Education					
-Food Services					
-Various Cash Counts					
-Inventory Count					
-Professional and Continuing Education		S			
-Special Events and Union Programs	S				
-University Bookstore					
-University Ticket Center	S	F			F/A
Facilities Services					
-Accounts Payable	E	A	F		
-Budgeting Office					
-Contracts and Grants Accounting					
-General Accounting					
-Payroll					A
-Conflict of Interest		A	A	F	
-Student Business Services					
ARRA				A	
Purchasing and Materials Management					
-Mail Services					
-Procurement Card		F	A		
-Print Shop					
Miner Mall					A
-Contract and Bid Processes	F				
VPBA's Office					
EVP					
Institutional Advancement					
-Alumni Relations		F			
-Scholarships					
-University Development					
-University Communications					
-University Relations					
-Conference Services					
Human Resource Services		S	A	A	F
-Faculty Visas		A	A		
Dependent Eligibility					A
Institutional Compliance					A
-Contracts and Grants					
-Financial Aid	E				
-Intercollegiate Athletics					
-WAC Review/CUSA Review					
-Segregation of Duties and Reconciliation of Accounts					
-Student FICA					
-Institutional Compliance Office				A	
-Fixed Assets					
Auditing and Consulting Services	A/E		A/E		
Environmental Health and Safety					
University Police		A			
Emergency Management Plan		A/S	F		
VPIA's Office		A	F		
Equal Opportunity/Affirmative Action Office (EO/AA)					

Legend: I-Inventory Audit
P-Hourly Payroll Audit
C-Internal Control Audit
F-Follow Up Audit
A-All Other Audits
S-Special Requests
E-External Audits

The University of Texas at El Paso
Appendix G
Fiscal Year 2013 Audit Plan
Available Audit Hours

Audits	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
VPSA					
Outreach Programs		A			
Student Development					
-Counseling Services					A
-Dean of Students Office					
-Student Publications					
-Housing System	S	F			
-International Programs		A			
-PASE Program	F				
-Study Abroad Program		S			
-Recreational Sports					
-Student Government Association					
-Student Development					
Union Services	S				
Student Support Services		A	E		F
VPSA's Office					
VPIRP					
-Digital Media Center					
Library		S			
-Library Copy Center					
Information Technology					
-CIO					
-Information Technology Services	A		A	F	
-Customer Technology Services					
-Networking and Telecommunication Services					
-General Controls			A	F	
-Goldmine (Student Information System)					
-IT Travel					
-IT Furniture					
-IT Change Management		A	A	F	
-IT Security	A	A	A	F	A
Payment Card Industry				A	F
Digital Research Data					
Server Inventory				S	
Center for Institutional Evaluation Research and Planning					

Legend: I-Inventory Audit
P-Hourly Payroll Audit
C-Internal Control Audit
F-Follow Up Audit
A-All Other Audits
S-Special Requests
E-External Audits

The University of Texas at El Paso
Office of Auditing and Consulting Services
Fiscal Year 2013 Internal Audit Annual Report
Approved Changes to the FY 2013 Audit Plan

The University of Texas at El Paso						
Office of Auditing and Consulting Services						
Modifications to Fiscal 2013 Audit Plan						
<u>Projects Not Started as of May 31, 2013</u>	Project		Carried In		Comments	
	Hours	Additions	Deferred	Forward	Progress	
Annual Financial Report (AFR) Audit	350	530				<i>Increased from 350 to 880</i>
PeopleSoft Implementation and Controls	800	740				<i>Increased from 800 to 1541</i>
All other audits	9,785	830				<i>8.48% net overruns</i>
Original Audit Plan	10,935	2,100				
I-9 Forms *	250	250				<i>Identified high risk area</i>
Financial Aid (Stipends) *	150	150				<i>Identified high risk area</i>
Part of Term *	250	250				<i>Identified high risk area</i>
Special Requests *	250	250				<i>Per leadership requests</i>
Other Additions	900	900				
Conflicts of Interest - Business/ORSP **	350		(350)			<i>New process under development</i>
Faculty-authored Textbooks **	50		(50)			<i>New process under development</i>
Facilities Maintenance Operations (Safety) **	200		(200)			<i>Deprioritized due to lower risk</i>
Student Health Services **	300		(300)			<i>Deprioritized due to lower risk</i>
Effort Reporting **	300		(300)			<i>Included in 2014 Plan</i>
Offsite Back-up Restoration **	300		(300)			<i>Included in 2014 Plan</i>
Payroll Management - Supplemental Payments **	200		(200)			<i>Included in 2014 Plan</i>
Key - Changes Museum ***	350			(250)	100	<i>Partially complete - in progress</i>
Student Records ***	300			(200)	100	<i>Partially complete - in progress</i>
Sub-recipient Monitoring - Expenditures ***	300			(200)	100	<i>Partially complete - in progress</i>
Tech Transfers, Licensing & Equity ***	250			(150)	100	<i>Partially complete - in progress</i>
Purchasing Contracts over \$100K ***	200			(150)	50	<i>Partially complete - in progress</i>
Endowments & Gifts ***	200			(150)	50	<i>Partially complete - in progress</i>
Export Controls ***	150			(50)	100	<i>Partially complete - in progress</i>
International Agreements ***	200			(50)	50	<i>Partially complete - in progress</i>
Follow-ups ***	100			(100)	-	<i>None are time-sensitive</i>
Other Adjustments	5,550	-	(1,700)	(1,300)	650	
Modifications to Plan (additions)		3,000				
Modifications to Plan (deferred or carried forward)			(1,700)	(1,300)		

* Approved by Internal Audit Committee April 9, 2013
 ** Approved by Internal Audit Committee July 9, 2013
 *** Normal carry forward activity at the discretion of CAE. Internal Audit Committee advised July 9, 2013

The University of Texas at El Paso
Office of Auditing and Consulting Services
Fiscal Year 2013 Internal Audit Annual Report

II. FY 2012-2013 – Consulting Services and Non-Audit Services Completed

Report No. & Date	Report name and High-Level Audit Objective(s)	Observations/Findings and Recommendations	Current Status (Fully Implemented, Substantially Implemented, Incomplete/Ongoing, or Not Implemented) with brief description if not yet implemented	Fiscal Impact/ Other Impact
12-11 05/02/2013	<u>College of health Sciences (Selected programs)</u> The focal points of this audit were to determine whether: <ul style="list-style-type: none"> • the programs tested had current program accreditations, • students met the program compliance requirements, • laboratory inspections are current, and • the laboratory facilities are properly secured and available only to authorized personnel. 	Our audit results indicated that all four selected programs were in compliance with applicable laws and policies.	Fully Implemented	Enhances continuous compliance with rules, regulations, policies and procedures.
12-23 09/18/2012	<u>2012 End-of-Fiscal-Year Cash Counts</u> The objective of the year-end cash count review is to verify the existence and accuracy of the authorized change funds reflected in BIS at August 31, 2012.	Voucher reconciliation at the Student Business Services should be performed in a timely manner.	Incomplete / Ongoing Discrepancies in cash counts are to be reviewed by management and resolved promptly	Reduces the risk of errors and possibly fraudulent activities.
13-14 07/09/2013	<u>Emergency Management Plan (EMP)</u> The objective of the EMP audit was to review the draft of the proposed plan to determine whether it contains the essential components to be compliant with The University of Texas System wide Policy 172 (UTS 172).	UTEP must incorporate all remaining elements of National Incident Management System into the UTEP EMP to remain compliant with UTS 172.	Incomplete / Ongoing There currently is a University Training proposal being finalized. Personnel at each department need to complete the assigned training.	Enhances compliance with the proposed EMP.

The University of Texas at El Paso
Office of Auditing and Consulting Services
Fiscal Year 2013 Internal Audit Annual Report

<p>13-17 03-19-2013</p>	<p><u>Professional Nursing Shortage Reduction program (PNSP)</u> The objectives of this audit was to determine if the Program is in compliance with University policies procedures and the THECB allowable cost guidelines.</p>	<p>The PNSP at UTEP is in overall compliance with policies and procedures and THECB guidelines.</p>	<p>Fully implemented</p>	<p>Institution is in compliance with rules, regulations, policies and procedures.</p>
<p>Special Request 02/14/2013</p>	<p><u>Review of sales of USB or Flash Drives by University Writing Center</u> The objective of this project was to determine whether sales of USB drives were occurring, and if so, to determine whether those sales are in compliance with applicable policies and procedures for on-campus sales.</p>	<p>The sale of USB Drives by the University Writing Center was not in compliance with allowable on-campus solicitation requirements.</p>	<p>Fully implemented</p>	<p>Institution and departments are in compliance with rules, regulations, policies and procedures.</p>
<p>Special Request 04/2013 to 08/2013</p>	<p><u>PeopleSoft Process Mapping (Various Departments)</u> The objective of this project was to help each participant department to:</p> <ul style="list-style-type: none"> • Identify the cross-functional process manager(s) • Identify the cross functional/cross organizational team • Map the flow of key departmental operations to aid management in recognizing and understanding risks/deficiencies • Find controls to mitigate risks and to enhance operational efficiency and effectiveness. 	<p>Risks and inefficiencies have been identify by management.</p>	<p>Incomplete / Ongoing Management started to implement controls to mitigate risks in preparation for the full implementation of PeopleSoft.</p>	<p>Enhances operational and fiscal effectiveness, reduces inefficiencies and mitigates risks.</p>

III. External Quality Assurance Review

EXECUTIVE SUMMARY

In accordance with *The IIA International Standards for the Professional Practice of Internal Auditing (Standards)*, the *University Internal Auditing Charter* and as directed by the Director of Auditing and Consulting Services, we conducted a quality self-assessment of the internal audit activity of the University of Texas at El Paso (UTEP) Office of Auditing and Consulting Services (OACS) in preparation for validation by an independent assessor. Our conclusion is that the OACS Internal Audit function generally conforms with *The IIA Standards for the Professional Practice of Internal Auditing (Standards)*, the U.S. Government Accountability Office's *Government Auditing Standards*, the IIA Code of Ethics, and the Texas Internal Auditing Act. Our conclusion is based on completion of a self-assessment using the Master Peer Review Program developed by the Texas State Agency Internal Audit Forum (SAIAF), guidance set forth in the *IIA Quality Assessment Manual for the Internal Audit Activity*, 6th edition, and the review of four sets of working papers using the SAIAF Working Paper Review Tool. The Independent Validators concur with our conclusion, as noted in the attached Independent Validators Statement. The period reviewed for the self-assessment was September 1, 2010 through March 31, 2011. As part of our commitment to continuous improvement, during the self-assessment we identified opportunities to enhance our processes and documentation, and have identified them in the final section of this report entitled "Opportunities for Improvement."

The *IIA 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 IA 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 IA activity from performing its responsibilities in an acceptable manner. "Does Not Conform" means deficiencies in practice are judged to be so significant as to seriously impair or preclude the IA activity from performing adequately in all or in significant areas of its responsibilities.

OPPORTUNITIES FOR IMPROVEMENT

Our self-assessment helped identify the following areas where practices and/or documentation could be enhanced:

Timeliness of Director Workpaper Final Approvals:

During the course of the self-assessment, it was noted that after the project lead had completed the detailed review of a project, the director final approvals of the projects were not completed on a timely basis. For the four specific projects reviewed, the planning, fieldwork, and reporting sections were not formally approved in TeamMate until after the report was issued.

Management Response:

Staff and management are making concerted efforts to timely communicate dates and availability of sections ready for management reviews. In the future, quality assurance and final reviews by the Director will be performed on a more timely basis and prior to report issuance.

Audit Cycle Time:

Four projects were reviewed during the self-assessment. Based on the work performed, it was noted that the length of time between when the engagement notification was sent and the report published averaged four months or more.

Management Response:

A new internal policy was adopted on June 30, 2010 which provides recommended timelines to complete various sections of an audit project. The overall objective is to complete audit projects from planning through the issuance of the audit report within a ten week period. Exceptions to the timeline would be in cases where the client has requested the audit be deferred/ suspended to accommodate unique circumstances such as electronic system implementation or enhancement, changes in personnel or other priority activities required of the client by senior management in which the audit process would interfere with other client activities. Management will increase monitoring efforts to more closely meet timely completion goals.

Communicating Results:

Based on the projects reviewed, three of the four final reports were not distributed to the appropriate external parties on a timely basis. The fourth report reviewed was a follow-up report, which is not distributed outside the university. We recommend that a procedure be added to TeamMate in the Reporting section requiring the lead auditor to obtain and attach documentation verifying the actual distribution of the report to external parties.

Management Response:

We agree and a new procedural step is being created in TeamMate to ensure reports are disseminated to all appropriate external parties upon release of the report to management. The procedure will require signoff by the assigned senior auditor confirming copies have been distributed.

Documentation of Consulting and Special Investigations:

We do not have formal procedures for documenting consulting/special request projects. During the follow-up review of the 2008 self-assessment, a project template was suggested as a documentation tool. The current review indicated the template had not been implemented. We recommend that a standardized process for consulting/special request projects be made a priority.

Management Response:

We agree that a standardized process for consulting and special projects should be developed and implemented. We will develop a template for use in TeamMate which will formalize the process. However, we will continue to perform investigations outside of the normal audit and special project environment, and specifically exclude them from TeamMate.

Organizational Independence and Objectivity:

Based on the previous QAR and subsequent follow-up review, the current practice is for the Audit Director to report functionally to the President and administratively to the Executive Vice

President. In reviewing the current organizational charts, it was noted that the Director has a functional reporting line (solid line) to the Executive Vice President. This should be changed to a dotted line to indicate administrative reporting. Additionally, the Human Resources Management System (HRMS) shows the Director as a primary report to the Executive Vice President, with no secondary report. This should be revised to show the President as the primary report and the Executive Vice President as the secondary report.

Management Response:

Efforts to make the organization chart and HRMS corrections will be immediately initiated.

Assessment of Fraud Risk in the Planning Stage:

Government Accounting Standard (GAS) 7.30 states that “In planning the audit, auditors should assess risks of fraud occurring that is significant within the context of the audit objectives.”

Since we don’t currently document this in the planning stage, it is recommended that specific questions regarding fraud be added to our current ICQ form to indicate our consideration of fraud risk for each project.

Management Response:

We agree and will incorporate into the ICQ specific references and questions relating to client specific knowledge of fraudulent activity and determining the extent of client recognition of the red flags of fraud.

Definition of Internal Auditing:

Standard 1010 requires the definition of Internal Auditing to be recognized in the charter and it suggests that the chief audit executive should discuss the definition of Internal Auditing with senior management. The current charter does not contain the definition of Internal Auditing. We recommend that the charter be modified to include the definition of internal auditing and that the Director discuss the definition with the Audit Committee at least annually.

Management Response:

The charter will be modified to include the definition of Internal Audit.

Code of Ethics:

There is currently not a process in place to require the audit staff to affirm their responsibilities to conform to the IIA Code of Ethics. We recommend that the audit project objectivity statement be modified to include this affirmation or that an annual acknowledgement statement be required of all IA professional staff to acknowledge their responsibilities to conform to the IIA Code of Ethics.

Management Response:

An acknowledgement statement affirming each staff member's responsibility to conform to the IIA Code of Ethics will be added to the process and included with the annual Conflict of Interest Statement acknowledged by each staff member.

Follow-up Activity:

Implement a mechanism to ensure follow up procedures are performed in a timelier manner.
This can be accomplished by issuing quarterly follow up status reports covering multiple engagements.

Management Response:


Changes have been made to the exceptions tracking data base to ensure that follow-ups are entered and responsibility has been assigned to more timely identify audits ready for follow-up.

OVERALL CONCLUSION

The UTEP Office of Auditing and Consulting Services is committed to continuous improvement. The self-assessment allowed us the opportunity to revisit and improve our practices and related documentation.

Auditors Assigned to the Audit:

The audit work was conducted by the following members of the Office of Auditing and Consulting Services staff:



Lori Wertz
Project Manager



Courtney Rios
Lead Auditor

ATTACHMENT INDEPENDENT VALIDATORS STATEMENT


The validators were engaged to conduct an independent validation of the University of Texas at El Paso internal audit (IA) activity's self-assessment. The primary objective of the validation was to verify the assertions made in the attached quality self-assessment report concerning adequate fulfillment of the organization's basic expectations of the IA activity and its conformity to The Institute of Internal Auditors' (The IIA's) *International Standards for the Professional Practice of Internal Auditing (Standards)*, the U.S. Government Accountability Office's *Government Auditing Standards*, the IIA Code of Ethics, and the Texas Internal Auditing Act. Other matters that might have been covered in a full independent assessment, such as an in-depth analysis of successful practices, governance, consulting services, and use of advanced technology, were excluded from the scope of this independent validation by agreement with the Director of Auditing and Consulting Services (Director).

In acting as validators, we are fully independent of the organization and have the necessary knowledge and skills to undertake this engagement. The validation, conducted during the period of June 7-9, 2011, consisted primarily of a review and testing of the procedures and results of the self assessment. In addition, interviews were conducted with the President, the Senior Executive Vice President, the Vice President for Research, and the Vice President for Business Affairs, as well as the management and staff of the IA activity. We also conducted an anonymous survey of the audit staff and reviewed the auditor customer surveys compiled by the University of Texas System Internal Audit Director.

We concur fully with the IA activity's conclusions in the self-assessment report attached. Note that recommendations related to the definition of Internal Audit, the Code of Ethics, and Follow up Activity in the report, which are considered successful professional practices, were recommended by the validators and accepted by the Director for inclusion in the final report.


Implementation of all the recommendations contained in the self-assessment report will improve the effectiveness and enhance the value of the IA activity and ensure its full conformity to the *Standards*, the U.S. Government Accountability Office's *Government Auditing Standards*, the IIA Code of Ethics, and the Texas Internal Auditing Act.

Independent Validators



Don Guyton, Chief Audit Executive
University of Houston System

Date June 29, 2011



Paige Buchley, Assistant Director
University of Texas System Audit Office

Date June 29, 2011

THE UNIVERSITY OF TEXAS AT EL PASO

Office of Auditing and Consulting Services



2014 Audit Plan

*Approved by Internal Audit Committee
July 9, 2013*

The University of Texas at El Paso
Office of Auditing and Consulting Services
FY 2013-2014 Annual Audit Plan

TABLE OF CONTENTS

OVERVIEW.....	1
IDENTIFICATION OF THE AUDIT UNIVERSE AND RISK ASSESSMENT.....	1
SCOPE OF AUDITS	6
BUDGET AND STAFFING	6
CALCULATION OF FY 2013 AUDIT HOURS.....	7
COMMENTARY ON VALUE ADDED.....	7
INSTITUTIONAL PROCESSES AND RELATED SUB-PROCESSES	8
FISCAL YEAR 2014 AUDIT PLAN.....	APPENDIX A
INSTITUTION PROCESSES TIER I.....	APPENDIX B
RESEARCH AND DEVELOPMENT TIER II.....	APPENDIX C
INFORMATION TECHNOLOGY TIER II.....	APPENDIX D
ATHLETICS TIER II.....	APPENDIX E
TIER I RISKS NOT COVERED IN AUDIT PLAN.....	APPENDIX F
AUDIT HOURS	APPENDIX G
FIVE YEAR HISTORY	APPENDIX H

The University of Texas at El Paso
Office of Auditing and Consulting Services
FY 2013-2014 Annual Audit Plan

OVERVIEW

In accordance with the Texas Internal Auditing Act (Article 6252-5d, Vernon's Texas Civil Statutes), The University of Texas System Administration Policy UTS129 – Internal Audit Activities, and The Institute of Internal Auditors' International Professional Practices Framework (IPPF) *Performance Standard 2010 Planning and 2210 – Planning Considerations*, we have prepared an audit plan for fiscal year 2014. The 2014 Audit Plan is a description of the internal audit activities that will be performed by the Office of Auditing and Consulting Services in fiscal year 2014.

The process of preparing the 2014 Audit Plan included identifying those areas that are considered the most important and ensuring that activities with the greatest risk are audited. The Internal Audit Committee reviewed and approved the 2014 Audit Plan. Members of the Internal Audit Committee provided input, as did Deans and Department Directors/Chairs, where appropriate. The Internal Audit Committee is comprised of the following members:

- Dr. Diana Natalicio, President and Chair of the Internal Audit Committee
- Dr. Junius Gonzales, Provost, Vice President for Academic Affairs
- Ms. Cynthia Villa, Vice President for Business Affairs
- Dr. Stephen Riter, Vice President for Information Resources and Planning
- Dr. Gary Edens, Vice President for Student Affairs
- Dr. Howard Daudistel, Senior Executive Vice President
- Dr. Roberto Osegueda, Vice President for Research
- Mr. Richard Aauto III, Executive Vice President
- Ms. Carolyn Mora, External Member

Input was also received from; Mr. Jerry Cochrane, Chief Information Security Officer; Mr. Jesse Manciaz, Interim Director Human Resource Services; Ms. Sandra Vasquez, Director Institutional Compliance; Mr. Bob Stull, Athletic Director; Dr. Catie McCorry-Andalis, Associate Vice President Office of Student Life; Dr. Jorge Villalobos, Director Facilities Services; Mr. Juan Gonzales, Director Student Business Services; Mr. Steve Shults, Director Intercollegiate Athletics; and Ms. Teresa Almengor, Senior Research Administrator. The Internal Audit Committee members, these individuals, and selected members of their staffs, provided information relative to their specific areas of responsibility, plus insight into other areas in which they interacted, had knowledge and/or opinions.

IDENTIFICATION OF THE AUDIT UNIVERSE AND RISK ASSESSMENT

The Institute of Internal Auditors' International Professional Practices Framework (IPPF) requires that internal auditors develop an audit plan based on the assignment of risk to the audit universe. The audit universe is a subjective assessment of auditable areas at the University of Texas at El Paso (UTEP). To identify the audit universe, we reviewed prior audit plans, the annual financial report (AFR), the budget; various risk assessments, and a five-year history of audit activity (Appendix H). The audit plan was broken down into seven major categories and sub categories (Appendix A):

The University of Texas at El Paso
Office of Auditing and Consulting Services
FY 2013-2014 Annual Audit Plan

1. Financial
2. Operational
3. Compliance
4. Information Technology

Within each of the above, sub categories of:

- UT System or Externally Required
 - Risk Based Tier One: Institutional Processes
 - Risk Based Tier Two: Auditable Areas
5. Follow-up Audits
 6. Projects
 7. Reserve

Consideration of the following was given in developing the 2014 Audit Plan:

- Management input
- Various risk assessments
- Economical and efficient use of internal audit resources
- Required activities (i.e., KTEP FM Radio audit, Annual Financial Reporting, NCAA Compliance, etc.)
- Requirements of the following action plans:
 - *1994 Action Plan to Enhance Internal Controls through Awareness, Accountability, and Audit Committees*
 - *1996 Action Plan to Enhance Internal Controls*
 - *1998 and 2003 Action Plans to Enhance Institutional Compliance*

In the development of the 2014 Annual Audit Plan, the Assurance Continuum Enterprise Risk Management Model (ERM) was used as the risk assessment methodology. The ERM risk assessment methodology was used in planning for audits in the Risk Based: Tier One: Institutional Processes and Risk Based: Tier Two: Auditable Areas categories.

The following describes our planning process to prepare the 2014 Audit Plan.

RISK ASSESSMENT METHODOLOGY

A Tier One (Institution-wide Risk Assessment) was performed using the following Processes (Auditable Units) applicable to academic institutions: The sub-processes included in each process are identified in *Appendix A*.

ACADEMIC INSTITUTION PROCESSES

1. Governance and Leadership

The University of Texas at El Paso
Office of Auditing and Consulting Services
FY 2013-2014 Annual Audit Plan

2. Instruction and Academic Support
3. Research and Development
4. Student Services
5. Human Resource Management
6. Financial Management
7. Asset and Risk Management
8. Purchasing and Warehousing
9. Information Technology
10. University Relations and Alumni Affairs
11. Plant Operation and Maintenance
12. Auxiliary and Service Departments
13. Environmental Health and Safety
14. Intercollegiate Athletics
15. Information Resources Use and Safety
16. University Security and Police Department

A Tier Two risk assessment is required for Research, Information Technology, and Athletics. The vertical axis of each Tier Two risk assessment includes the sub-processes listed in *Appendix A*:

The Tier One and Tier Two risk assessments were performed using the ERM model, and for each a Risk Footprint was developed. The vertical axis of the Tier One footprint is the applicable business processes from the list above. The horizontal axis is the business risk identified and ranked for each process. All identified business risk for a process included financial, compliance and operational.

VALUATION OF IMPACT AND PROBABILITY

IMPACT The impact of a risk is the effect a single occurrence of that risk will have upon the achievement of the institution's goals and objectives. There are three values:

- **HIGH** – The effect will cause the component not to achieve its goals and objectives: it is a “show stopper”
- **MEDIUM** – The effect will cause the institution to operate inefficiently and/or expend unplanned resources to meet goals and objectives
- **LOW** – There will be no measurable effect upon the achievement of institutional goals and objectives

The following factors were presented for consideration during the assessment of IMPACT for each element in the risk population:

- Human Health and Safety
- Societal/Environmental
- Monetary(financial, economic or casualty)
- Business/Operations
- Information Technology (and security)
- Public Relations

The University of Texas at El Paso
Office of Auditing and Consulting Services
FY 2013-2014 Annual Audit Plan

- Reporting and Disclosure
- Strategic
- Compliance

PROBABILITY The probability that a risk will become reality also has three values:

- HIGH – An event is inevitable, or there is a great likelihood that an event will occur.
- MEDIUM – The risk is neither extremely likely nor highly unlikely. The probability of an event is similar to occurrences within the normal course of operations.
- LOW – The risk of an event is highly unlikely or would require a combination of multiple failures.

Past experience within the institution and within higher education was used in deciding probability. Probability is assessed as if only Level 1 Controls (those in place or exercised at execution) exist.

The following factors were presented for consideration during the assessment of PROBABILITY for each element in the risk population:

- History
- Conflicts of Interest
- Susceptibility to Fraud or Theft
- Changes in Key Leadership or Personnel
- Known Weakness in Control Activities
- Policies and Procedures in Need of Update
- Complexity of Unit or Process

ANNUAL AUDIT PLAN

The risk footprints were converted to the final product in the following manner:

- The **Tier One Risk Footprint** processes that did not have a Tier Two Risk Footprint were included in the Annual Audit Plan based upon the number of critical risks each contained. The sub-processes within each process which contained the identified critical risks are included in the audit plan.
- **The Tier Two Risk Footprints** are included in this area regardless of their position on the Tier One (Institution-wide) risk footprint. The sub-processes to be audited are those from each Tier Two risk footprint that have the highest ranked risk or the largest number of critical risks.

Follow-up Audits

In accordance with the Institute of Internal Auditors' *Performance Standard 2500 – Monitoring Progress*, a follow-up process is in place to monitor and ensure that management actions have been effectively implemented, or that senior management has accepted the risk of not taking action. Implementation dates of audit report recommendations are monitored and following those dates, the status of audit recommendations are determined and reported to management.

Change-in-Management Audits

The auditable universe was developed through inquiries with college deans, directors and vice-presidents. The goal of performing change-in-management audits is to provide a consulting service to new managers by reviewing existing internal controls and providing the information necessary for the development of an adequate internal control system, which will provide reasonable assurance of sound management. Selected colleges/departments with new Deans/Directors will be audited. Since most of the work is done on an as-requested basis, a risk assessment was not performed and audits are determined as management changes occur throughout the fiscal year.

Projects

The goal of performing special projects is to provide management with analyses, appraisals, recommendations, counsel, and information concerning the activities reviewed. Included in this category of audits are, internal and external quality assurance reviews, UT System requests and special requests and investigations. Much of the work is either done as mandated or on an as-requested basis; therefore, a risk assessment was not performed.

Reserves

Hours are reserved for engagements (special requests, investigations and consulting) that are not identified or known at the time the plan is established, but from past experience will be required and assigned during the year. As the fiscal year progresses and engagements become known, these hours will be reallocated to the appropriate categories designated in the plan.

The University of Texas at El Paso
Office of Auditing and Consulting Services
FY 2013-2014 Annual Audit Plan

Carry forward Audits

Carry forward audits are those 2012-2013 Annual Audit Plan audits that are in progress at August 31, 2013.

2014 Risk Assessments

Process Risk assessments are located in *Appendices B through E*.

SCOPE OF AUDITS

The International Professional Practices Framework (IPPF) addresses the scope of work as follows:

"The scope of the engagement should include consideration of relevant systems, records, personnel, and physical properties, including those under control of third parties."

"In performing consulting engagements, internal auditors should ensure that the scope of the engagement is sufficient to address the agreed-upon objectives."

Internal auditors should:

- * Review the **reliability and integrity of financial and operating information** and the means used to identify, measure, classify, and report such information.
- * Review the systems established to ensure **compliance** with those policies, plans, procedures, laws, and regulations, which could have a significant impact on operations and reports, and should determine whether the organization is in compliance.
- * Review the means of **safeguarding assets** and, as appropriate, verify the existence of such assets.
- * Appraise the **economy and efficiency** with which resources are employed.
- * Review **operations or programs** to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.

The planned scope of each of the audits in the 2014 Annual Audit Plan is described in *Appendix A*.

BUDGET AND STAFFING

The budget for the Office of Auditing and Consulting Services was prepared in accordance with U.T. System Administration and UTEP guidelines and was approved by UTEP Administration and the Board of Regents.

Career development for the staff is a strategic goal of the Office of Auditing and Consulting Services. It is the Director's practice to create a working environment that facilitates career opportunities for the audit staff within and outside the office. The Office of Auditing and Consulting Services will continue its efforts toward developing staff to their highest potential through the performance of operational audits, exposure to high levels of management, and training targeted at non-traditional audit areas and achievement of professional credentialing.

CALCULATION OF FY 2014 AUDIT HOURS

The Calculation of Available Hours is included in *Appendix G* and total direct hours assigned to audits and projects are reflected in *Appendix A*.

COMMENTARY ON VALUE ADDED OF AUDIT PLAN UPDATE

General:

The definition of "VALUE ADDED" can vary considerably from one audit department to the next but for OACS it describes audit work that will help management meet the University's goals and objectives in addition to verifying compliance with policies and procedures. Organizations are looking to internal auditing departments to add value, improve cost controls, and solve problems. Motivated by the universal mandate to curtail expenses and boost efficiencies, the auditing department will seek ways to add value.

General plan objectives:

- Plan audits according to the results of the risk-sensitive environment review.
- Execute audits emphasizing a cost-conscious culture.
- Focus on issue identification and seek improvement resolution and highlight attention to future performance by bringing insight, knowledge, judgment, and analytical skills to all audit and consulting engagements.
- Become aware and articulate changes when perceptions of risk change throughout the year.
- Aggressively and constructively consider emerging technology risks and improvement opportunities.

The University of Texas at El Paso
Office of Auditing and Consulting Services
FY 2013-2014 Annual Audit Plan

Objectives of the internal audit professional staff:

- Have the expertise to ask insightful questions.
- Establish a value-based culture through word and action.
- Keep constituents knowledgeable throughout the audit process.
- Differentiate and balance discussion, guidance, and directives.
- Continually assess management's plans to ensure future success.
- Measure performance against forward-looking measures such as benchmarking and practices.
- Build and maintain relationships of mutual trust and respect and engage in open dialogue and regular interaction.
- Maintain a core of experienced audit staff with in-depth knowledge of audit skills supported with continuous training.

The University of Texas at El Paso
FY 2013-2014 Audit Plan
Attachment A
Institutional Processes and Sub-Processes

I. Governance & Leadership

- A. Governance
- B. Organizational Structure
- C. Office of the President
- D. Internal Communications
- E. Legal Services
- F. Internal and External Auditing
 - 1. Single Audit Act
 - 2. Texas Internal Auditing Act, Article 6252-5d
 - 3. Institute of Internal Auditors Standards
 - 4. Generally Accepted Governmental Auditing Standards

II. Instruction & Academic Support

- A. Management of Departments & Programs of Study
 - 1. Educator Certification
- B. Accreditation/Institutional Effectiveness
 - 1. 170 Hour Rule
 - 2. 120 Hour Rule
 - 3. Integrated Post-secondary Educator Data Systems
 - 4. Legislative Budget Board Performance Measures
 - 5. Reports to the Texas Higher Education Coordinating Board
 - 6. Reports to UT System
- C. Program Development & Program Evaluation Process
 - 1. Official Inventory of Programs
- D. Faculty
 - 1. Recruitment & Tenure Policies
 - 2. Development
 - 3. Turnover
 - 4. Workloads & Productivity
 - 5. Degree Productivity (number granted vs. number of full-time faculty)
 - 6. Verification of Faculty Qualifications
 - 7. Rights and Responsibilities of Faculty
- E. Instructional & Academic Technology
- F. Special Programs
 - 1. Developmental Education
 - 2. Students with Disabilities
 - 3. Study Abroad
- G. Course Scheduling & Availability
 - 1. Undergraduate
 - 2. Graduate
 - 3. Distance Education
 - 4. Professional and Public Programs
- H. Deployment of Resources among Academic Programs

The University of Texas at El Paso
FY 2013-2014 Audit Plan
Attachment A
Institutional Processes and Sub-Processes

- I. Library
- J. Core Curriculum
 - 1. Fields of Study
- K. Texas Success Initiative
- L. Health Affairs
 - 1. Student Background Checks
 - 2. Licensing and Certification
 - 3. Program Accreditation
 - 4. Clinical Laboratories
- M. School of Nursing
 - 1. Student Background Checks
 - 2. Licensing
 - 3. Certification
 - 4. Hospital Based Teaching
 - 5. Attracting and Maintaining Faculty

III. Research & Development

- A. Financial Issues- Grants & Contracts Management
 - 1. Cost Transfers-Effort Reporting
 - 2. Cost Sharing
 - 3. Facilities & Administrative Cost Accounting
 - 4. Financial Reporting to Granting Agencies
 - 5. Cash Management
 - 6. Records Archiving C&G
 - 7. Sub-recipient Monitoring-Expenditure
 - 8. ARRA
- B. Animal Research
 - 1. Veterinarian Services
 - 2. Institutional Animal Care and Use Committee
 - 3. Preparation of certifications and assurances
- C. Human Subject Research
 - 1. Institutional Review Board (Protection of Subjects/participants)
 - 2. Protection of Researcher
 - 3. Protection of Research
 - 4. Preparation of certifications and assurances
- D. Sponsored Programs
 - 1. Effort Reporting
 - 2. Negotiation of Agreements
 - 3. Preparation of certifications & assurances
 - 4. Coordination of gifts and grants with Development office
 - 5. OGC Guidelines for contracts and sub-contracts
 - 6. Back door awards
 - 7. Export Control licensing/laws- International Traffic in Arms Regulations (ITAR)
 - 8. Administration of Contracts, Grants & Cooperative Agreements

The University of Texas at El Paso
FY 2013-2014 Audit Plan
Attachment A
Institutional Processes and Sub-Processes

- 9. Research and Sponsored Projects Metrics
- 10. Sub-recipient monitoring-Programmatic
- 11. Digital Research Data
- E. Proposal Review
 - 1. Cost Estimates
 - 2. Proposal Compliance
 - 3. Eligibility for submitting proposals
- F. Research Ethics and Integrity
- G. Technology Transfer
 - 1. Invention Disclosure
 - 2. Intellectual Property Policy
 - 3. Equity positions in startup companies
 - 4. Royalty Audit
 - 5. Licensing and material transfer agreements
 - 6. Non-disclosure Agreements
- H. Training
- I. Other Agreements
 - 1. Processing Affiliation Agreements with Outside Agencies
 - 2. Memorandums of Understanding
 - 3. International Agreements
- J. Proposal Development
 - 1. Proposal Development Services
 - 2. Identification and Notification of Funding Opportunities
 - 3. Research Communication
- K. Conflict of Interest in Sponsored Research

IV. Student Services (Academic Institutions)

- A. Administration-Academic Services
- B. Recruitment Processing
- C. Admissions Processing
- D. Enrollment Management
 - 1. Title19
- E. Registration Processing
- F. Student Records
- G. Financial Aid
 - 1. Reporting
 - 2. Drawing Down
 - 3. Return of Funds
 - 4. Institutional / Program Eligibility
 - 5. Cash Management Rules
 - 6. State Regulations and Reporting
 - 7. Recertification
 - 8. Completion on DOE Quarterly Report-Disbursements
 - 9. Student Eligibility
 - 10. Verification

The University of Texas at El Paso
FY 2013-2014 Audit Plan
Attachment A
Institutional Processes and Sub-Processes

- H. Student Health Services
- I. Counseling and Guidance Services
 - 1. Release of Mental Health Records
 - 2. Career Counseling Services
- J. Student Organizations & Other Activities
- K. Student Grievances
 - 1. Undergraduate
 - 2. Graduate
- L. Student Government Association
- M. Office of International Programs
 - 1. Tracking of International Students (SEVIS)
 - 2. PASE Program
 - 3. Passport Services
 - 4. J-1 Visas
- N. Family Education Rights and Privacy Act (FERPA)
- O. Outreach
 - 1. Renewal and Public Relations
 - 2. Programmatic
 - 3. Interaction of Adults and Minor Children
- P. Administration-Student Services
- Q. Student Conduct and Discipline
- R. Career Center
- S. Recreational Sports
- T. Student Publications
- U. Childcare Services

V. Human Resource Management

- A. Organizational & Staffing of Human Resources Function
 - 1. Personnel Records Administration
- B. Classification and Salary Administration
 - 1. Fair Labor Standards Act
- C. Appointment of Relatives
- D. Leave Administration
- E. Performance Appraisal System
- F. Recruitment & Selection Process (non-faculty)
- G. Hiring Practices (non-faculty)
 - 1. Veterans Preferences
- H. Staff Development & Continuing Education
- I. Employee Relations & Grievance Process
 - 1. Discipline and Dismissal of Employees
- J. Staff Turnover
- K. Contracting for Human Resources-related Functions
- L. Criminal Background Checks
- M. Equal Opportunity and Affirmative Action

The University of Texas at El Paso
FY 2013-2014 Audit Plan
Attachment A
Institutional Processes and Sub-Processes

1. Discrimination against Protected Classes
 2. Non-discrimination notification-Contract clause
 3. Affirmative Action Plan
 4. Employment Discrimination Prevention Training
- N. Reductions in Force
- O. Family Medical Leave Act (FMLA) of 1993
- P. Immigration Reform and Control Act of 1986
- Q. UT Flex, IRC 125
- R. Deferred Contribution Plan
- S. Annual ORP Participation Report
- T. Chapter 821, et seq., Texas Government Code
- U. Tax Shelter Annuity Programs (TSAP)
- V. Repository for faculty credential folders
- W. Faculty Visas

VI. Financial Management

- A. Organization & Management
- B. Budgeting & Planning
- C. Budget Monitoring & Review
- D. Accounts Payable
 1. Issuance of 1099 and 1042 Forms for Vendor Payments
 2. Prompt Payment
 3. Vendor Payments
- E. Payroll Management
 1. Mandatory Garnishments for Tax Levies, Bankruptcies, Child Support & Student Loans
 2. Child Support Enforcement Requirements
 3. Voluntary Salary Deductions (i.e. Savings Bonds, Annuities, UT Flex)
 4. Withholding of taxes from employee wages and timely deposits
 5. Non-resident Alien Taxation
 6. Federal Tax Reporting
 7. IRS Code 117, amended by Tax Reform Act & TMRA of 1988
 8. Retirement Contributions
 9. TRS Reporting and Transmittal of funds
 10. ORP-collection of funds, transmittal of funds and reporting
- F. Accounting Procedures & Internal Financial Controls
- G. Reporting (regulatory & management)
 1. Reporting Requirements
 2. Preparation of Quarterly State Auditor Full Time Employee Report
 3. Annual Financial Report
 4. SPA to AFR Reconciliation
 5. Unclaimed Property Management and Reporting
 6. Coding of Accounts

The University of Texas at El Paso
FY 2013-2014 Audit Plan
Attachment A
Institutional Processes and Sub-Processes

- 7. Control of Non-Standard or Non-Recurring Journal Entries
- H. Segregation of Duties and Reconciliation of Accounts
- I. Approval of Improper/Erroneous Disbursements by Processing Units
- J. Conflict of Interest and Financial Disclosure
- K. Liquor License
- L. Travel Management Services
- M. Emergency Loan Program management, funding and collection
- N. Travel Management Services
- O. Interest Allocation
- P. Student General Property Deposit
- Q. Red Flag Rules

VII. Asset & Risk Management

- A. Organization & Management
- B. Cash Management/Investment Management Strategies
- C. Endowments & Gifts
- D. Investment Management, Investment Strategies, and Public Funds Investment Act
- E. Fixed Asset Management, Tracking and Counting, Reporting & Surplus Property
- F. Insurance Coverage, Risk Management, Safety, and Workers Comp
- G. Bonded Indebtedness and Issuance
- H. Tuition and Fees Management
 - 1. Mgmt of Collection on Overdue Student Receivables & NSF Checks
 - 2. Accounts Receivable Tuition and Fees Collection Process
 - 3. Fees Allocation & Justification

VIII. Purchasing & Warehousing

- A. Organization & Staffing
- B. Policies & Procedures
- C. Bid and Contracting Processes
- D. Special Procedures Contracts
- E. Leases
- F. Best Value "Yellow Pages" Test
- G. Procurement Card
- H. Historically Underutilized Business Program
- I. Purchasing Ethics and Conflict of Interest
 - 1. Vendor Selection
- J. Procurement of Consulting Services/ Professional Services
- K. Procurement Plan Report
- L. University Records Retention and Destruction
- M. Contract Performance Monitoring – Contracts over \$100,000

IX. Information Technology (does not include end-user applications)

- G. Planning and Organization

The University of Texas at El Paso
FY 2013-2014 Audit Plan
Attachment A
Institutional Processes and Sub-Processes

1. Strategic Planning and Technological Direction/Planning
 2. Organization (Communication, Relationships, Human Resources)
 3. Financial Management
 4. Compliance with External Requirements
 5. Project Management
 6. Quality Management
- H. Acquisition and Implementation
1. Acquire and Maintain Application Software
 2. Acquire and Maintain Technology Infrastructure
- I. Delivery and Support
6. Define and Manage Service Levels
 7. Manage Performance and Capacity
 8. Manage Facilities
 9. Manage Problems and Incidents
 10. Manage Data
- J. Monitoring
2. Process Monitoring
- K. Security for IT Department
3. System and Infrastructure Security (Security of Sensitive Data)
 4. Adequacy of Controls (Application Security)
- L. Offsite Back-up Restoration

X. University Relations & Alumni Affairs

- A. Community & Alumni Involvement
1. Partnerships
 2. Development Office
 3. Alumni Relations Office
 4. Printed & Electronic Communications
- B. Public & Media Relations
- C. Public Service
1. Relevance & Impact of Programs to State & Local Community
 2. Art Galleries
 3. Centennial Museum
- D. Governmental Relations

XI. Plant Operation & Maintenance

- A. Facility Planning (long & short range)
- B. Renovations and Repairs
- C. Space Usage Efficiency
- D. Maintenance Operations
- E. Custodial Services
- F. Transportation-Motor Pool
- G. Construction Program Management

The University of Texas at El Paso
FY 2013-2014 Audit Plan
Attachment A
Institutional Processes and Sub-Processes

- H. Landscaping and Grounds
- I. Utilities/Energy Management
- J. Warehouse Operations
- K. Facilities Management (Don Haskins & Sun Bowl)
- L. Contracted Outside Services

XII. Auxiliary and Service Departments

- A. Housing
 - 1. Availability
 - 2. Quality
 - 3. Cost & Services
 - 4. Facilities
 - 5. Health & Safety
 - 6. Administration/Fiscal
- B. Printing & Copying
- C. Mail Services
- D. Union Services
- E. Special Events
- F. Ticket Center

XIII. Environmental Health and Safety

- A. Laboratory Safety
- B. NFPA Life Safety Code (Fire Safety)
- C. EPA Resource Conservation Recovery Act (TNRCC Hazardous Waste Rules)
- D. Controlled Substances
- E. Precursor Chemicals Controlled Glassware
- F. Bureau of Radiation Control-Radioactive materials
- G. TDH/PCB Asbestos Rules Toxic Substance Control Act
- H. Bureau of Radiation Control-Laser Regulations
- I. Bureau of Radiation Control-Radiation Machines
- J. Clean Air Act (Air Emissions)
- K. TNRCC (Storm Water Runoff) Clean Water Act
- L. Select Agent Rule
- M. Texas Workers Compensation Act
- N. Hazardous Materials Shipping requirements (IATA, DOT, FAA)
- O. BSL3 Oversight
- P. DHS Antiterrorism Standards

XIV. Intercollegiate Athletics

- A. Institutional Control - Athletics
 - 1. Extra Benefits
 - 2. Financial Aid and Federal Financial Aid Regulations
 - 3. Playing and Practice Seasons
 - 4. Recruiting

The University of Texas at El Paso
FY 2013-2014 Audit Plan
Attachment A
Institutional Processes and Sub-Processes

5. Education
 6. Infractions
 7. Summer Camps
 8. Amateurism
 9. Eligibility of Athletes
 10. Student Welfare
 11. Gender Equity
- B. Administration – Athletics
1. Licensing and Trademark Laws/Ethics and system violation
 2. Athletic Department Certification
 3. Annual Conference Compliance Audit
 4. Employment Contracts and Conduct of Employees
 5. Department P&P Manual – Athletics
 6. Annual Financial Audit
 7. NCAA Home Football Attendance

XV. Information Resources Use and Security

- A. Administrative Management Controls
1. Assignment of Responsibilities
 2. Periodic Review of Security Controls
 3. Incident Response Capability
 4. Security and Technical Training
 5. System Authorization and Reauthorization Procedures
 6. Access Authorization, Personal Clearance & Termination Procedures
 7. System or Application Security Plan (Data Criticality, Back up & Disaster Recovery)
- B. Operational Controls
1. Physical Security (Access Controls & Contingency Operations)
 2. Environmental Controls
 3. Desktop Use and Security
 4. Documentation
- C. Technical Controls
1. Identification
 2. Data Integrity
- D. TAC202
1. Risk Management
 2. Password Management
 3. Separation of Duties
 4. Device and Data Media Access and Disposal
 5. Logical Access Controls
 6. Audit trails
 7. Intrusion detection
- E. UTS165
1. Transmission Security
 2. Solicitation, Use and Maintenance of Social Security Numbers
 3. Decentralized Servers

The University of Texas at El Paso
FY 2013-2014 Audit Plan
Attachment A
Institutional Processes and Sub-Processes

- F. PCI Compliance
- G. Cloud Computing
- H. Digital Research Data

XVI. University Security and Police Department

- A. The Clery Act
- B. Emergency Response Plans

The University of Texas at El Paso
Appendix A
\$418,233,135 FY 14 INSTITUTIONAL BUDGETED EXPENDITURES
FY14 8 BUDGETED AUDITORS GROSS OF VACANCIES
Fiscal Year 2014 Audit Plan

FY 2014 Audit Plan Audit/Project	Budgeted Hours	% of Total	Description
Financial			
<u>UT System or Externally Required Audits</u>			
Financial Statement Audit (AFR)			Required annual audit support under "Reporting (Regulatory & Management)
AFR 2013 Year-end	500		
AFR 2014 Interim	TBD		
President's Travel, Entertainment and University Residence Maintenance Expense Audit	10		Provide support to the UT System auditors performing the audit.
PeopleSoft Implementation	1700		Support to the PeopleSoft implementation team locally and system-wide
KTEP FM Radio Station	20		Support to external auditor
Year-end/Periodic Cash Counts	100		Recurring annual audit. May consider interim testing for selected accounts.
<u>Risk Based Tier One: Institutional Processes</u>			
Tuition and Fees Management	350		Emphasis on tuition, course, major fees and course fee surpluses.
Payroll Management - Supplemental Payments	250		Limited to Supplemental Payments per discoveries on FY 2012 Payroll audit
<u>Risk Based Tier Two: Auditable Areas</u>			
<u>Carryforward Audits</u>			
Financial Subtotal	2930	25%	
Operational			
<u>UT System or Externally Required Audits</u>			
Executives' Travel and Entertainment Expense Audit	300		On-going program to sample Executive and Management travel reimbursements.
<u>Risk Based Tier One: Institutional Processes</u>			
Student Health Services	300		Emphasis on quality controls, vaccines & refrigeration, etc.
Visa compliance (Staff Visas)	300		Review of compliance with foreign worker employment regulations with a focus on staff visas.
Procurement Card	250		Limited review of policies and procedures and status of continuous monitoring.
Conflict of Interest	350		Coordinate with OIC to review proposed new processes. Audit process in Q4 or as implementation allows.
<u>Risk Based Tier Two: Auditable Areas</u>			
Recording of gifts and grants within Development Office	300		Review process for reporting and recording gifts received by Institutional Advancement.
Athletics - Employment Contracts and Conduct of Employees	250		Review of coaches contracts and compliance with NCAA rules
CIM efficiency review for Registration Processing	300		Review of the registration process for efficiencies and to ensure internal controls are in place.
<u>Change in Management Audits</u>	400		Annual Change-In-Management audits may also include other "key" employees
<u>Carryforward Audits</u>			
Endowments and Gifts	150		Validation of controls over endowments and scholarship accounts. Emphasis on discretionary funds.
Student Records	200		Validate controls sufficient to justify "Low" probability and review historical areas (grades, etc.)
Museum Gift Shop evaluation and recommendations for efficiency and staffing	150		Limited review of operations for change in management focused primarily on proposed changes in the gift shop
Operational Subtotal	3250	28%	

The University of Texas at El Paso
Appendix A
\$418,233,135 FY 14 INSTITUTIONAL BUDGETED EXPENDITURES
FY14 8 BUDGETED AUDITORS GROSS OF VACANCIES
Fiscal Year 2014 Audit Plan

FY 2014 Audit Plan Audit/Project	Budgeted Hours	% of Total	Description
Compliance			
<u>UT System or Externally Required Audits</u>			
NCAA Football Attendance Audit	60		NCAA Football Attendance audit
Fed Portion of Statewide Single Audit (assistance to SAO)	60		Recurring annual support to State Auditor's Office
<u>Risk Based Tier One: Institutional Processes</u>			
<u>Risk Based Tier Two: Auditable Areas</u>			
Effort Reporting	300		Limited to effort reporting by Primary Investigators
Student Welfare - Athletics	200		Review athletics programs to insure safety, academic success and overall well being of athletes
<u>Carryforward Audits</u>			
Tech Transfers, Licensing & Equity	150		Review of processes for technology transfer and related licenses and agreements
Purchasing Contracts over \$100K	150		Review of other than construction contracts over \$100K
Sub-recipient Monitoring	200		Audit sub-recipient agreements and review monitoring of third party compliance
International Agreements	100		Review of agreements for clarity and completeness
Export Controls	100		Review of export control processes for compliance with federal and state requirements
Information Technology	1320	11%	
Information Technology			
<u>UT System or Externally Required Audits</u>			
TAC 202 Information Security	300		Audit criteria grouped to cover parts each year on a continuous basis.
<u>Risk Based Tier Two: Auditable Areas</u>			
Transmission Security (Encryption and Data Integrity)	250		Review procedures for ensuring transmission encryption for sensitive and confidential information
Access Authorization, Personnel Clearance & Termination Procedures	300		Determine adequacy of procedures for removing access to clearing or terminated employees
<u>Carryforward Audits</u>			
Information Technology Subtotal	850	7%	
Follow-up			
	500		Normally occurring follow-up reviews as determined by prior recommendation implementation dates
Follow-up Subtotal	500	4%	
Projects			
External Quality Assessment	120		Preparatory self -assessment and assistance for the external assessment
Internal Quality Assurance and Improvement Program (three initiatives)	150		Workgroup initiatives and implementation of new procedures
Annual Audit Plan Development (including risk assessment)	150		
Annual Internal Audit Report	30		
Annual Reviews/Evaluations	40		
UT System, SAO Hotline requested reviews	50		
TeamMate, Idea, Website Development and Maintenance	30		
Internal Audit Committee Preparation and Participation	80		
Executive Compliance Committee Participation	10		
Institutional Committee Meetings	40		
Professional Organization/Association Participation	60		
Training Provided by Internal Audit	120		
Projects Subtotal	880	8%	
Reserve			
Consulting/Management Requests	700		
Investigations	558		
Reserve for Audit of Emerging Risks	700		
Reserve Subtotal	1958	17%	
Total Hours	11688	100%	

The University of Texas at El Paso
Appendix B
Fiscal Year 2014 Audit Plan
Institutional Risk Assessment

#	ACTIVITIES	RISKS									
		1	2	3	4	5	6	7	8	9	10
4	Student Services	Student Health Services	Counseling Center	Family Educational Rights and Privacy Act (FERPA)	Financial Aid	Registration Processing	Student Records	SB1414-Student Camps	Student Grievances	Administration-Academic Services	Administration-Student Services
5	Human Resource Management	Staffing of Human Resources Function	Immigration Reform and Control Act of 1986	Equal Opportunity	Faculty Visas	Leave Administration	Staff Development & Continuing Education	Classification and Salary Administration	Contracting for Human Resources-related Functions	Criminal Background Verifications	Employee Relations & Grievance Process
3	Research & Development	Animal Research	Human Subject Research	Financial Issues- Grants & Contracts Management	Proposal Review	Sponsored Projects	Training	Research Ethics and Integrity	Conflict of Interest in Sponsored Research	Other Agreements	Proposal Development
6	Financial Management	Payroll Management	Budget Monitoring & Review	Budgeting & Planning	Accounts Payable	Accounting Procedures & Internal Financial Controls	Conflict of Interest and Financial Disclosure	Organization & Management- Financial Management	Reporting (regulatory & management) & Close Out Process	Red Flag Rules	Segregation of Duties and Reconciliation of Accounts
8	Purchasing	Procurement Card	Contract Performance Review & Monitoring over \$100K	Purchasing Ethics and Conflict of Interest	Historically Underutilized Business Program	Leases	Procurement of Consulting and Professional Services	Review and Evaluation of Bid and Contracting Process	Best Value "Yellow Pages" Test	Miner Mail	Organization & Staffing
2	Instruction & Academic Support	Tuition and Fees Management	School of Nursing	Accreditation/Institutional Effectiveness	Export Cntrl licensing/laws- Intl Traffic in Arms Regs (ITAR)	Academic Agreements	Course Scheduling & Availability	Health Sciences	Core Curriculum	Faculty	Instructional & Academic Technology
11	Plant Operations & Maintenance	Maintenance Operations	Utilities/Energy Management	Contracted Outside Services	Transportation- Motor Pool	Construction Program Management	Custodial Services	Facility Plan (long & short range)	Landscape and Grounds	Renovations and Repairs	Space Usage Efficiency
15	Information Resources Use and Security	Administrative/Management Controls	Cloud Computing	Digital Research Data	Operational Controls	PCI Compliance	TAC 202	Technical Controls	UTS 165	-	n/a
1	Governance & Leadership	Legal Services	Office of the President	Governance	Internal and External Auditing	Internal Communications	Organizational Structure	-	n/a	-	n/a
7	Asset & Risk Management	Endowments & Gifts	Organization & Management-Asset & Risk Management	Tuition and Fees Management	Bonded Indebtedness and Issuance	Cash Management/Investment Management Strategies	Contract Performance Review & Monitoring over \$100K	Fixed Asset Management & Surplus Property	Insurance Coverage, Risk Management and Safety	-	n/a
13	Environmental Health and Safety	BSL3 oversight	Precursor Chemicals Controlled Glassware	Bureau of Radiation control-Radioactive materials	Laboratory Safety	Select Agent Rule	EPA Res Conserv Recovery Act (TNRCC Hazardous Waste Rules)	Haz Mat Shipping requirements (IATA, DOT, FAA)	NFPA Life Safety Code (Fire Safety)	TDH/PCB Asbestos Rules Toxic Substances Control Act	Bureau of Radiation Control-Laser Regulations
9	Information Technology	Offsite back-up restoration	Security for IT Department	Acquisition and Implementation	Delivery and Support	Information Technology Planning and Organization	Monitoring	-	n/a	-	n/a
16	University Security and Police Department	Emergency Response Plans	The Clery Act	-	n/a	-	n/a	-	n/a	-	n/a
14	Intercollegiate Athletics	Administration-Athletics	Institutional Control-Athletics	-	n/a	-	n/a	-	n/a	-	n/a
10	University Relations & Alumni Affairs	Community & Alumni Involvement	Governmental Relations	Public Service	Public & Media Relations	-	n/a	-	n/a	-	n/a
12	Auxiliary and Service Departments	Housing	Union Services	Bookstore	Food Services	Hotel - Ground Lease	Mail Services	Printing & Copying	Special Events	Ticket Center	-
		HH, HM = Extensive Risk Management & Considerable Risk Management (all Levels of Control* plus a traditional audit) HL, MH = Manage and Monitor (all Levels of Control but no traditional audit) MM, ML, LH = Monitor (only Execution Controls & Supervisory Controls) LM, LL = Accept (accept the risk and have no controls)									

The University of Texas at El Paso
Appendix C
Fiscal Year 2014 Audit Plan
Research Risk Assessment

#	ACTIVITIES	RISKS															
		1	2	3	4	5	6	7	8								
4	Sponsored Projects	HH	Coordination of gifts and grants with Development Office	HH	Effort Reporting	MM	Digital Research Data	MM	OGC Guidelines for contracts and subcontract	ML	Back door awards	LM	Negotiation of Agreements	LL	Preparation of certifications & assurances	LL	Research and Sponsored Projects Metrics
1	Financial Issues-Grants & Contracts Management	HM	Sub-recipient monitoring	MM	Cost Sharing	MM	Financial Reporting to Granting Agencies	MM	Grants-Accounts Receivable Billing	ML	Cost Transfers-Effort Reporting	LL	Facilities & Administrative Cost Accounting	LL	Records Management C&G	-	n/a
2	Animal Research	ML	BSL3 Usage	ML	Institutional Animal Care and Use Committee	ML	Veterinarian Services	LL	Preparation of certifications & assurances-IACUC	-	n/a	-	n/a	-	n/a	-	n/a
3	Human Subject Research	ML	Institutional Review Board (Protection of participants)	ML	Preparation of certifications & assurances-IRB	ML	Protection of Researcher	LL	Protection of Research	-	n/a	-	n/a	-	n/a	-	n/a
5	Proposal Review	MH	Cost Estimates	ML	Eligibility for submitting proposals	LL	Proposal Compliance	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
9	Other Agreements	MM	International Agreements-Research Related	LM	Memorandums of Understanding-Research Related	LL	Processing Affiliation Agreements with Outside Agencies	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
8	Training	MM	Training	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
10	Proposal Development	ML	Identification and Notification of Funding Opportunities	LM	Proposal Development Services	LL	Research Communication	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
6	Research Ethics and Integrity	ML	Research Ethics and Integrity	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
7	Technology Transfer	LM	Equity positions in startup companies	LL	Intellectual Property Policy	LL	Invention Discloser	LL	Licensing and material transfer agreements	LL	Non-Disclosure Agreements	LL	Royalty Auditing	-	n/a	-	n/a
11	Conflict of Interest in Sponsored Research	LL	Conflict of Interest in Sponsored Research	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a

HH, HM	Extensive Risk Management & Considerable Risk Management (all Levels of Control* plus a traditional audit)
HL, MH	Manage and Monitor (all Levels of Control but no traditional audit)
MM, ML, LH	Monitor (only Execution Controls & Supervisory Controls)
LM, LL	Accept (accept the risk and have no controls)

The University of Texas at El Paso
Appendix D
Fiscal Year 2014 Audit Plan
IT Risk Assessment

#	ACTIVITIES	RISKS													
		1	2	3	4	5	6	7							
11	XV UTS165	HH	Transmission Security (Encryption and Data Integrity)	MM	Decentralized Servers	MM	Solicitation, Use and Maintenance of Social Security Numbers	-	n/a	-	n/a	-	n/a		
7	XV Administrative/Management Controls	MM	Access Authorization, Personnel Clearance & Termination Procedures	MM	Assignment of Responsibilities	MM	Incident Response Capability	MM	Periodic Review of Security Controls	MM	Security and Technical Training	MM	System Authorization and Reauthorization Procedures	MM	System or Application Security Plan (Data Criticality, Back up, & Disaster Recovery)
10	XV TAC 202	MM	Audit Trails	MM	Intrusion Detection	MM	Logical Access Controls	MM	Password Management	MM	Risk Management	MM	Separation of Duties	ML	Device and Data Media Access and Disposal
8	XV Operational Controls	MM	Desktop Use and Security	MM	Documentation	MM	Environmental Controls	MM	Physical Security (Access Controls & Contingency Operations)	-	n/a	-	n/a	-	n/a
5	IX Security for IT Department	HL	Adequacy of Controls (Application Security)	MM	System and Infrastructure Security (Security of Sensitive Data)	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
6	IX Offsite back-up restoration	HL	Offsite back-up restoration	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
9	XV Technical Controls	MM	Data Integrity	MM	Identification	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
13	XV Cloud Computing	MM	Cloud Computing	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
14	XV Digital Research Data	MM	Digital Research Data	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
12	XV PCI Compliance	MM	PCI Compliance	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
1	IX Information Technology Planning and Organization	ML	Financial Management	LM	Compliance with External Requirements	LL	Organization (Communication, Relationships, Human Resources)	LL	Project Management	LL	Strategic Planning and Technological Direction/Planning	-	n/a	-	n/a
3	IX Delivery and Support	ML	Manage Problems and Incidents	LL	Define and Manage Service Levels	LL	Manage Data	LL	Manage Facilities	LL	Manage Performance and Capacity	-	n/a	-	n/a
2	IX Acquisition and Implementation	ML	Acquire and Maintain Technology Infrastructure	LL	Acquire and Maintain Application Software	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
4	IX Monitoring	LL	Process Monitoring	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a

HH, HM = Extensive Risk Management & Considerable Risk Management (all Levels of Control* plus a traditional audit)

HL, MH = Manage and Monitor (all Levels of Control but no traditional audit)

MM, ML, LH = Monitor (only Execution Controls & Supervisory Controls)

LM, LL = Accept (accept the risk and have no controls)

The University of Texas at El Paso
Appendix E
Fiscal Year 2014 Audit Plan
Athletics Risk Assessment

		RISKS																	
#	ACTIVITIES	1	2	3	4	5	6	7	8	9									
1	Institutional Control - Athletics	HM	Student Welfare	MH	Infractions	MH	Recruiting	MM	Amateurism	MM	Extra Benefits	MM	Financial Aid and FedFin Aid Regs	MM	Playing and Practice Seasons	MM	Summer Camps	LL	Eligibility of Athletes
2	Administration Athletics	HM	Employment Contract and Conduct of Employees	MM	Annual Financial Audit	MM	Education	MM	Gender Equity	ML	NCAA Home Football Attendance	LL	Athletic Dept Certification	LL	Dept P & P Manual - Athletics	LL	NCAA Reporting Academic Performance and Graduation Rates	-	n/a
		HH, HM	= Extensive Risk Management & Considerable Risk Management (all Levels of Control* plus a traditional audit)																
		HL, MH	= Manage and Monitor (all Levels of Control but no traditional audit)																
		MM, ML, LH	= Monitor (only Execution Controls & Supervisory Controls)																
		LM, LL	= Accept (accept the risk and have no controls)																

The University of Texas at El Paso
Appendix F
Fiscal Year 2014 Audit Plan
High Risks Not Covered

Tier One and Tier Two - Red Risks NOT Covered in Audit Plan for FY 2014			
Ranking	Risk	Explanation/Mitigation	Internal Audit Action
HM	Counseling Center	Audited in 2012, follow-up in 2013	Reassess in 2014
HM	Human Subject Research	Audited 2012 no findings	Reassess in 2014
HM	Immigration Reform and Control Act of 1986	Audited I-9 Compliance 2013	Follow-up 2014

The University of Texas at El Paso
Appendix G
Fiscal Year 2014 Audit Plan
Five Year History

Calculation of Available Hours					
	Director	Managers & Supervisors	Staff	Total	%
Audit & Project	1,046	2,996	7,646	11,688	70%
General Administration	592	441	839	1,872	11%
Training/CPE	96	192	506	794	5%
Holidays	104	208	520	832	5%
Vacation & Sick Leave	242	323	889	1,454	9%
Total Hours	2,080	4,160	10,400	16,640	100%
Note:	The total hours are based on <u>8</u> budgeted positions net of <u>1</u> estimated vacancy at the staff level.				

The University of Texas at El Paso
Appendix H
Fiscal Year 2014 Audit Plan
Five Year History

Audits	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013		
President						Legend:	
Intercollegiate Athletics	A/S	A/S	A/S	A/S	A/S		-Inventory Audit
-Athletics Receivables							P-Hourly Payroll Audit
-Athletics Summer Camps	A	A	A	A	A		C-Internal Control Audit
-Athletics Business Plan							F-Follow Up Audit
President's Office	S	S	S	S	S		A-All Other Audits
							S-Special Requests
							E-External Audits
Provost							
Academic Affairs							
College of Business Administration							
-Accounting							
-Economics and Finance							
-Information and Decision Sciences							
-Marketing and Management							
-Dean's Office	F	S					
College of Education							
-Teacher Education		A	F				
-Educational Leadership	S						
-Educational Psychology							
-Dean's Office	F						
College of Engineering							
-Civil Engineering							
-Computer Science							
-Electrical and Computer Engineering							
-Engineering Programs							
-Mechanical and Industrial Engineering							
-Metallurgical and Materials Engineering							
-Dean's Office		A	F				
College of Health Sciences					A		
-Continuing Education in Nursing							
-Institute for Border Health							
-School of Allied Health							
-Kinesiology Department							
-School of Nursing		A	F	F			
-Occupational Therapy							
-Physical Therapy							
-Student Health Center		A	F				
-Dean's Office	A	F					
College of Liberal Arts							
-African-American Studies							
-Art							
-Asian Studies							
-Chicano Studies							
-Communication							
-Criminal Justice							
-English				S			
-History							
-KTEP-FM Radio Station	E	E	E	E	E		
-Languages and Linguistics							
-Military Science							
-Music							
-Oral History							
-Philosophy							
-Political Science							
-Psychology							
-Religious Studies							
-Social Work							
-Sociology and Anthropology							
-Theatre Arts							
-Western Cultural Heritage							
-Women's Studies							
-Dean's Office				A			
College of Science							
-Biological Sciences							
-Chemistry							
-Geological Sciences							
-Mathematical Sciences		A	F	F			
-Physics							
-Dean's Office							
University College			S				
Graduate School	A		F				
Technology Planning and Distance Learning							
Center for Law and Border Studies			A	F			
VPAA's Office							
Family Education and Privacy Act (FERPA)					A		
Enrollment Services							
-Financial Aid	E	E		E	E		
-Registrar's Office				F			
-Undergraduate Admissions and Recruitment							
-Texas Success Initiative							
JAMP			A		A		

The University of Texas at El Paso
Appendix H
Fiscal Year 2014 Audit Plan
Five Year History

Audits	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
VPRSP					
-Center for Environmental Resource Management					
-Center for Study of Western Hemispheric Trade					
-IM ² /Texas Center					
-MIE					
-NSF/USI					
Norman Hackerman ATP		A	F	A	
-TAME					
-TMAC					
-Americorps					
-Socorro Mission Restoration					
-Human Subject Research	A			A	
-Animal Research	A		F		
-Time & Effort Reporting		A	A/F		
-Contracts & Grants Accounting				A	
-Cost Sharing	A				
Export Controls			A	F	
-Research Compliance					A
-BSL3 Lab					A
-Sub-recipient Monitoring of Grants					
Ctr for Defense Systems Research and Nat Ctr for Border Sec & Imm			A		
VPRSP's Office	F	A			
VPBA					
Annual Financial Report	A	A	A	A	A
-Accounts Receivable					
-Auxiliary Enterprise Fund		A			
-Gifts					
-Investments	E			S	A
-Tuition and Fees	A			S	A
-Year End Inventory and Cash Counts	S	S	S	S	S
Auxiliary Services and Continuing Education					
-Food Services					
-Various Cash Counts					
-Inventory Count					
-Professional and Continuing Education	S				
-Special Events and Union Programs					
-University Bookstore					
-University Ticket Center	F				
Facilities Services					
-Accounts Payable	A	F		F/A	
-Budgeting Office					
-Contracts and Grants Accounting					A
-General Accounting					
-Payroll				A	
-Conflict of Interest	A	A	F		
-Student Business Services					
-Utilities, Energy Management					A
ARRA			A		
Purchasing and Materials Management					
-Mail Services					
-Procurement Card	F	A			A
-Print Shop					
Miner Mall				A	
-Contract and Bid Processes					
VPBA's Office					
EVP					
Institutional Advancement					
-Alumni Relations	F				
-Scholarships					
-University Development					
-University Communications					
-University Relations					
-Conference Services					
Human Resource Services					
-Faculty Visas	A	A	A	F	A
Dependent Eligibility				A	
Institutional Compliance					
-Contracts and Grants				A	
-Financial Aid					
-Intercollegiate Athletics					
-WAC Review/CUSA Review					
-Segregation of Duties and Reconciliation of Accounts					
-Student FICA					
-Institutional Compliance Office			A		
-Fixed Assets					
Auditing and Consulting Services					
Environmental Health and Safety	A	A/E			
University Police	A/S	F			A
Emergency Management Plan	A	F			A
VPBA's Office					
Equal Opportunity/Affirmative Action Office (EO/AA)					

Legend:
I-Inventory Audit
P-Hourly Payroll Audit
C-Internal Control Audit
F-Follow Up Audit
A-All Other Audits
S-Special Requests
E-External Audits

The University of Texas at El Paso
Appendix H
Fiscal Year 2014 Audit Plan
Five Year History

Audits	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013			
VPSA								
Outreach Programs	A							
Student Development								
-Counseling Services				A				
-Dean of Students Office								
-Student Publications								
-Housing System	F							
-International Programs	A				A			
-PASE Program								
-Study Abroad Program	S							
-Recreational Sports								
-Student Government Association								
-Student Development								
Union Services								
Student Support Services	A	E		F				
VPSA's Office								
VPIRP								
-Digital Media Center								
Library								
-Library Copy Center	S							
Information Technology								
-CIO								
-Information Technology Services		A	F					
-Customer Technology Services								
-Networking and Telecommunication Services								
-General Controls		A	F					
-Goldmine (Student Information System)								
-IT Travel								
-IT Furniture								
-IT Change Management	A	A	F					
-IT Security	A	A	F	A	A			
Payment Card Industry			A	F				
Digital Research Data								
Laptop Encryption							A	
IT Inventory							A	
Server Inventory			S					
Center for Institutional Evaluation Research and Planning								
PeopleSoft Implementation								S

Legend:
I-Inventory Audit
P-Hourly Payroll Audit
C-Internal Control Audit
F-Follow Up Audit
A-All Other Audits
S-Special Requests
E-External Audits

V. External Audit Services

The firm of Stockton, Scurry & Smith, P.C., was engaged to perform the audit for fiscal year 2013 of the KTEP FM radio station located on the UTEP campus. The audit was required by The Corporation for Public Broadcasting to enable UTEP to continue receiving grant funding from that organization.

VI. Reporting Suspected Fraud and Abuse

The University of Texas at El Paso has independent organizations that implement the requirements of Section 7.09, Fraud Reporting, General Appropriations Act (83rd. Legislature, Conference Committee Report) Article IX and Texas Government Code, Section 321.022. Office of Auditing and Consulting Services and the Office of Institutional Compliance jointly and separately provide various monitoring and reporting activities to detect and prevent fraud and abuse.

Actions were taken to implement the requirements of the following:

- **Fraud Reporting.** Section 7.09, Fraud Reporting, General Appropriations Act (83rd. Legislature, Conference Committee Report) Article IX: The University has a Hotline link on the home page website as a direct link to the State Auditor's web page for reporting fraud, waste and abuse in Texas. In addition there is a Hotline web site compliance module that may be accessed by all faculty staff and student employees that outline the process for reporting and provides information to access the SAO fraud reporting site.
- **Texas Government Code, Section 321.022.** There have been no instances in which there is cause to believe that money received from the state may have been lost, misappropriated or misused, or that other fraudulent or unlawful conduct has occurred. Therefore, no reporting to the State Auditor's Office was required.