Audit & Compliance Committee

October 2020

October 8, 2020

8:00 a.m.

Videoconference & Boardroom, McNamara Alumni Center
AUD - OCT 2020

1. External Audit Report
   Docket Item Summary - Page 3
   External Audit Report - Page 4

2. UReport Process and Investigation Overview
   Docket Item Summary - Page 9
   Presentation Materials - Page 11

3. Overview of Annual Financial Statement Review
   Docket Item Summary - Page 28
   Financial Statement Review - Page 29

4. Internal Audit Update
   Docket Item Summary - Page 31
   Internal Audit Update - Page 32
AGENDA ITEM: External Audit Report

☐ Review ☐ Review + Action ☐ Action ☒ Discussion

☐ This is a report required by Board policy.

PRESENTERS: Sue Paulson, Controller
Katie Knudtson, Partner, Deloitte & Touche LLP
Judi Dockendorf, Managing Director, Deloitte & Touche LLP

PURPOSE & KEY POINTS

The purpose of this item is to review the results and statuses for audit and audit-like services performed by Deloitte & Touche, LLP (Deloitte) July 2020 to present.

BACKGROUND INFORMATION

The Audit & Compliance Committee oversees external audit engagements on behalf of the Board of Regents. This report is presented in accordance with Board of Regents Policy: Board Operations and Agenda Guidelines.
Financial Statement Audit

Audit status

<table>
<thead>
<tr>
<th>Area</th>
<th>Status</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit documentation</td>
<td></td>
<td>Finalizing documentation and related reviews of working papers. Plan to be completed by October 16, 2020.</td>
</tr>
<tr>
<td>Litigation update</td>
<td></td>
<td>We will obtain the annual litigation letter and hold discussions with Internal Legal Counsel within 2 weeks of planned issuance.</td>
</tr>
<tr>
<td>Engagement quality control review</td>
<td></td>
<td>In process and plan to be completed by mid-October 2020.</td>
</tr>
<tr>
<td>Financial statement presentation</td>
<td></td>
<td>Testing of disclosure support in process. We expect to have received a complete first draft of the Annual Financial statements by late September.</td>
</tr>
<tr>
<td>Subsequent events update</td>
<td></td>
<td>Will be finalized at the time of our opinion issuance planned for late October 2020.</td>
</tr>
</tbody>
</table>

Fiscal 2020 Area of Focus

Management Override of Controls
Presumed Fraud Risk - In addition to testing of journal entries and evaluation of estimates for management bias, we are conducting fraud inquiries with members of management, accounting, and the Audit and Compliance Committee.

Valuation of Alternative Investments
Estimation and judgement involved in valuation of level 3 and NAV investments - We have received a majority of the confirmations from external investment fund managers and underlying audited financial statements to verify the underlying value of alternative investments.

COVID-19 Considerations
Assessing impacts to accounting estimates, going concern, and incremental financial statement disclosures. We are performing testing over incremental institutional awards received from the CARES Act and refunds to students.
## Compliance Audit Status

<table>
<thead>
<tr>
<th>Area</th>
<th>Status</th>
<th>Compliance Requirement</th>
<th>Comments</th>
</tr>
</thead>
</table>
| OHE Examination       |        | • Minnesota Office of Higher Education (OHE) Financial Aid Programs Audit Guide | • Completed campus visits virtually  
• In process of documenting year-end selections  
• Awaiting receipt of final Audit Guide from the State of Minnesota  
• Report issuance planned to be completed by November 13, 2020 |
| Single Audit          |        | • Title 2 U.S. Code of Federal Regulations Part 200 OMB Uniform Guidance | • Obtained draft schedule of expenditures of federal awards and finalized scope of programs to test  
• 6 major programs identified in the current year  
• Testing in progress  
• Final completion pending guidance on testing of dollars received under the CARES Act and related funding programs  
• Report issuance currently planned to be completed by December |
## Agreed-Upon Procedures Status

<table>
<thead>
<tr>
<th>Area</th>
<th>Status</th>
<th>Compliance Requirement</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regenerative Medicine agreed-upon procedures</td>
<td><img src="1" alt="Progress Circle" /></td>
<td>• Minnesota state legislation</td>
<td>• Procedures performed to assess compliance with state laws related to award expenditures for the Mayo Partnership in Regenerative Medicine</td>
</tr>
<tr>
<td>NCAA agreed-upon procedures – Twin Cities</td>
<td><img src="1/3" alt="Progress Circle" /></td>
<td>• NCAA Bylaws</td>
<td>• Procedures performed to assess compliance with NCAA bylaws established for Division I athletics related to revenue and expenses • Planning in progress, with majority of testing to be completed and reviewed in October. • Anticipated issuance of our report by November 20, 2020.</td>
</tr>
<tr>
<td>NCAA agreed-upon procedures – Crookston</td>
<td><img src="1/3" alt="Progress Circle" /></td>
<td>• NCAA Bylaws</td>
<td>• Procedures performed to assess compliance with NCAA bylaws established for Division II athletics related to revenue and expenses • Planning in progress, with majority of testing to be completed and reviewed in October. • Anticipated issuance of our report by November 20, 2020.</td>
</tr>
</tbody>
</table>
AGENDA ITEM:  UReport Process & Investigation Overview

☐ Review   ☐ Review + Action   ☐ Action   ☒ Discussion

☐ This is a report required by Board policy.

PRESENTERS:  Boyd Kumher, Chief Compliance Officer
Jennifer Gilbert, Compliance Program Coordinator

PURPOSE & KEY POINTS

The purpose of this item is an overview of the University's anonymous compliance hotline, UReport. The discussion will include the investigation process and an overview of the associated administrative policies.

BACKGROUND INFORMATION

The purpose of the University Administrative Policy: Reporting Concerns of Misconduct is as follows:

This policy implements Board of Regents Policy: Code of Conduct and supports the reporting requirements in Minnesota Statute Section 625.556 (Reporting Maltreatment of Minors.) The University community's commitment to ethical conduct is detailed in Board of Regents Policies: Code of Conduct and Student Conduct Code. Board of Regents Policy: Code of Conduct addresses the University’s responsibility to promote a culture of compliance which includes efforts to prevent, detect, and correct violations of law or policy, which may result from mistakes, lack of information, or, deliberate misconduct. A reporting system and protection against retaliation promotes compliance with law and policy and fair treatment of employees. This policy and the procedure attached to it support existing University policies and procedures for responding to reports of misconduct, and do not establish any additional rights beyond those already provided by law.

The policy sets the following expectation:

Community members or other individuals who have a good faith belief that there has been a violation of local, state, or federal law or University policy governing any University activity, or that red flag indicators of potential misconduct exist, should report their concerns in one of the following ways:
- (Faculty and staff) Report concerns to a unit leader or other appropriate contact person within their unit.
- Contact the Central Office(s) responsible for handling the subject area directly.
- Contact the Office of Institutional Compliance directly.
- Use the University's reporting service, UReport, either via the online reporting service or by calling toll-free at 1-866-294-8680. The UReport service allows for anonymous reporting.

The reporter need not know the details of a law or policy or be certain about a violation.

All employees, including student employees, and volunteers, are required to report if their concern involves the safety of a minor. See Administrative Policy: Safety of Minors.
UReport Process and Investigation Overview

Audit and Compliance Committee of the Board of Regents
October 8, 2020
Boyd Kumher, Chief Compliance Officer
Jennifer Gilbert, Compliance Program Coordinator
Objectives

• Provide an overview of the University Administrative Policy: *Reporting Suspected Misconduct.*
• Describe the UReport Management Process.
• Answer questions.
Reporting Suspected Misconduct

I think something’s wrong.

Report
- To your college, department or administrative unit*; or
- The central University office that would normally address the type of concern*; or
- To the Office of Institutional Compliance*; or
- File a report through UReport (may be anonymous).

Investigated if Needed

Investigation Concluded

- Concerns are substantiated – resolution identified
- OR
- Concerns are not substantiated

Resolution Implemented

Reporter Notified

Matter Closed

* If another University Unit should handle the particular issue, the matter will be referred as appropriate.
Administrative Policy: Reporting Suspected Misconduct

- Establishes behavior expectations:
  - “Preamble: All members of the University community are expected to conduct University-related business with honesty and integrity, and must comply with all governing rules, regulations and policies.”

- Establishes reporting expectations:
  - “Reporting Misconduct: Community members or other individuals who have a good faith belief that there has been a violation of local, state, or federal law or University policy governing any University activity, or that red flag indicators of potential misconduct exist, should report their concerns…[]”
Administrative Policy: Reporting Suspected Misconduct

- Provides options for reporting suspected misconduct:
  - (Faculty and staff) Report concerns to a unit leader or other appropriate contact person within their unit.
  - Contact the Central Office(s) responsible for handling the subject area directly.
  - Contact the Office of Institutional Compliance directly.
  - Use the University’s reporting service, UReport, either via the online reporting service or by calling toll-free at 1-866-294-8680. The UReport service allows for anonymous reporting.
Administrative Policy: Reporting Suspected Misconduct

• Defines who addresses reports of suspected non-compliance:
  – Investigating Concerns of Misconduct: Appropriate University administrators are responsible for addressing reported concerns or forwarding the matter to an appropriate central office; conducting investigations (where needed); communicating with the reporter; and escalating matters to the Chief Compliance Officer and General Counsel [as appropriate]
Administrative Policy: Reporting Suspected Misconduct

• Establishes requirement of employees to participate in investigation process:
  – “Participating in an Investigation: Employees are required to participate in investigations related to suspected misconduct so that the most complete information is available when determining if the claim of misconduct is substantiated.”
UReport Management Process

• UReport overview:
  – 24 reporting hotline that anyone can use to report known or suspected misconduct.
  – May be accessed through a phone call or through a website.
  – Maintained by 3rd party vendor located off-campus.
  – May be used anonymously while still providing a mechanism for communication with the reporter.
  – Provides safeguards to administrative abuse of the reporting system.
UReport Management Process

- Reporter submits a report using UReport.
- 3rd party vendor alerts University that a new report has been made by sending an email notification to the 3 parties within the Office of Intuitional Compliance (OIC).
  - If while filing the report the reporter answers yes to either of the 2 questions: “Is a vice president or a senior leader aware or involved?” or “Is a member of the Board of Regents, the President or a Chancellor aware or involved?” an additional notification is sent to the Chief Auditor.
- OIC will communicate to the reporter promptly (usually within 2 business days), acknowledging receipt of the report.
UReport Management Process

• OIC will review the report and consult with the UReport Consultative Team (UCT) to determine whether the reported matter could be a violation of law or University Policy.
  – If it is not a violation of law or University policy, OIC will document this conclusion in the UReport system and close the UReport.
  – If it is a violation of law or University Policy, or if additional follow-up is warranted, OIC will assign the matter to a University unit or individual to address the UReport. In this case, OIC will update the UReport with the assignment and contact information to whom the UReport was assigned.
UReport Management Process

• The UCT is comprised of the University’s Chief Auditor, Chief Compliance Officer, an Attorney from the Office of the General Counsel, and the Vice President for Human Resources.
UReport Management Process

• The assigned area(s) reviews the UReport and determines whether or not an investigation is warranted.
  – If not warranted the assigned area(s) work with OIC to respond to the reporter and close out the report. In addition the assigned area(s) determine if follow-up actions are warranted.
  – If warranted the assigned area(s) conduct an investigation using either their areas established investigatory procedures or by following the procedure and guidelines provided in University Administrative Policy: Reporting Concerns of Misconduct.
UReport Management Process

• If it is determined that there was a violation of law or policy, the investigator will:
  – consult with the employee’s appropriate University manager or administrator;
  – determine corrective measures to be taken (possibly in consultation with OHR, the Chief Compliance Officer, or others);
  – identify who will take the corrective measures and timeline
UReport Management Process

• The investigator completes the UReport Summary or their own, internal report summary and forwards the completed document to OIC.

• OIC will share the UReport Summary with the UCT
  – If the UCT agrees that due diligence has been met OIC will update the UReport system and close the UReport.
  – If the UCT believes additional investigation or actions are required OIC will follow up with the appropriate parties with additional instructions.
UReport Management Process

UReport Submitted

UReport Consultative Team (UCT)
Chief Auditor, Chief Compliance Officer, Attorney for Office of the General Counsel, Vice President for Human Resources

Is there enough information to proceed?

YES

Assign UReport based on allegation type

Academic
Athletics
EOAA
Employment & HR
Financial
Health & Safety
Privacy
Property & Facilities
Research
Student Concerns
Other

NO

Investigation conducted per procedures in the Investigating Reports of Misconduct Policy and summary report provided to OIC.

UCT reviews summary report and may recommend further actions if warranted.

OIC leaves feedback for the Reporter and closes the UReport.
Questions?
AGENDA ITEM: Overview of Annual Financial Statements Review

☐ Review  ☐ Review + Action  ☐ Action  ☑ Discussion

☐ This is a report required by Board policy.

PRESENTERS: Sue Paulson, Controller

PURPOSE & KEY POINTS

The purpose of this item is to provide the committee with an overview of the annual financial statements and audit review process. The discussion will prepare committee members for upcoming review of the FY 2020 audited financial statements, prior to final issuance.

BACKGROUND INFORMATION

Advance review of the financial statements is required under Board of Regents Policy: Board Operations and Agenda Guidelines, Section IV, Subd. 4, Audit & Compliance Committee Charter.

Specific duties of the Audit & Compliance Committee include the following:

(c) Review of Financial Statements. The Audit & Compliance Committee shall review, in advance of final issuance, the proposed formats and wordings of the annual financial report, including the management's discussion and analysis, financial statements, footnotes, statistics, and disclosures.
Background

As a result of the Sarbanes-Oxley Act of 2002, the Audit Committee received a series of briefings and presentations on the Sarbanes-Oxley Act of 2002 in fiscal years 2002 & 2003. A series of “best practices” were recommended and adopted by the Audit Committee including reading of the financial statements for inconsistencies with your own knowledge prior to issuance to the public.

Per the Board Operations and Agenda Guidelines, Section IV, Committees of the Board, Subd. 4, Audit & Compliance Committee Charter, Specific duties of the Audit & Compliance Committee including:

(c) Review of Financial Statements. The Audit & Compliance Committee shall review, in advance of final issuance, the proposed formats and wordings of the annual financial report, including the management's discussion and analysis, financial statements, footnotes, statistics, and disclosures.

Audit & Compliance Committee Member FY20 Annual Report Timeline

<table>
<thead>
<tr>
<th>Task</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Summary Letter</td>
<td>Thursday October 8, 2020</td>
</tr>
<tr>
<td>Draft Finalized Annual Report for review</td>
<td>Wednesday October 14, 2020</td>
</tr>
<tr>
<td>Meeting/call with Audit &amp; Compliance Committee Chair &amp;</td>
<td>Tuesday October 20, 2020</td>
</tr>
<tr>
<td>Vice Chair to field any outstanding questions or</td>
<td></td>
</tr>
<tr>
<td>comments</td>
<td></td>
</tr>
<tr>
<td>Audit Sign-off &amp; Report Issuance</td>
<td>Wednesday October 21, 2020</td>
</tr>
</tbody>
</table>

Summary Letter – serves as an advance summary of upcoming review and process.

Draft Finalized Annual Report for review – this review process is intended to support the Audit and Compliance Committee’s oversight responsibilities by providing an opportunity to ensure that all material information in the report is consistent with the information received and/or acted upon in your capacity as members of the Audit and Compliance Committee. Recommendations for targeted review will be provided and specific financial impacts highlighted.
The report is Draft – Subject to Audit Completion. Deloitte plans to sign off on the annual report by Wednesday, October 21, 2020. To ensure that the Audit & Compliance Committee review is completed within the audit deadlines, questions or comments about the report should be directed to Regent Rosha or the University Controller at any time prior to the meeting/call with the Audit & Compliance Committee Chair & Vice Chair.

There are three major report sections;
- Management’s Discussion and Analysis (MD&A) is typically about 15-20 pages in length. This is management’s opportunity to provide a narrative explanation of the financial statements that enables readers to understand the university mission and priorities via the financial statements and to provide the context within which financial information should be analyzed.
- The consolidated financial statements for the University (& RUMINCO) and significant component units (UMF & UMP) is typically 7-8 pages in length and include;
  - The Consolidated Statements of Net Position
  - The Consolidated Statements of Revenues, Expenses, and Changes in Net Position
  - The Consolidated Statement of Cash Flows
- Footnotes are typically 50-55 pages in length. There are 13 footnotes, all providing the reader detailed information about specific sections of the financial statements. What is required as content in the various footnotes is defined by Governmental Accounting Standards Board (GASB).

Meeting/call with Audit & Compliance Committee Chair & Vice Chair – limited to Chair & Vice Chair, discussion on any feedback received and confirmation that there are no concerns related to finalizing and issuing the report.

Audit Sign-off & Report Issuance – report is provided to the State of Minnesota and parts of the report are relied upon for other institutional reports (SEFA, NCAA Compliance). The report is released publically after the December Board meeting. The finalized annual report is typically provided to the full Board at the December Board meeting.
AGENDA ITEM: Internal Audit Update

☐ Review  ☐ Review + Action  ☐ Action  ☒ Discussion

This is a report required by Board policy.

PRESENTERS: Gail Klatt, Chief Auditor

PURPOSE & KEY POINTS

The purpose of this item is to discuss Internal Audit activities, results, and observations to help the committee fulfill its fiduciary responsibilities.

- Since the last follow-up, at the February 2020 meeting, 40% of the outstanding recommendations rated as “essential” were resolved by University departments. This is on target with the expected implementation rate of 40% and is significantly higher than last period's rate of 23%. All outstanding “essential” recommendations were resolved for 11 audits. Management elected to accept the risk associated with the last remaining recommendation for the Family Medical Leave Act (FMLA) audit.
- An updated control evaluation chart is included for each audit to show progress made on remediation of “essential” items.
- Seven audit reports containing 26 recommendations rated as “essential” were issued in the last four months.

Other summary information important to the oversight of the internal audit function is also included.

BACKGROUND INFORMATION

This report is prepared three times per year and is presented to the committee in conformance with Board of Regents Policy: Board Operations and Agenda Guidelines.
Internal Audit Update

University of Minnesota Regents Audit and Compliance Committee
October 8, 2020

This report includes:
- Audit Observations/Information/Status of Critical Measures/Other Items
- Status of “Essential” Recommendations & Bar Charts Showing Progress Made
- Audit Activity Report
- Audit Reports Issued Since June 2020
- SNAP Review Summary

Details for any of the items in this report are available on request. Individual reports were sent to the President, Provost, Vice Presidents, and Chancellors about these internal audit issues.

Audit Observations/Information

Status of Critical Measures

As part of our on-going efforts to provide the Audit and Compliance Committee with critical information in as concise a format as possible, we have developed the following charts to present a quick overview of work performed by the Office of Internal Audit.

The first chart, “Essential Recommendation Implementation,” provides our overall assessment of the success University departments had during the last period in implementing our essential recommendations. Readings in the yellow or red indicate implementation percentages less than, or significantly less than, our expected University-wide rate of 40%. Detailed information on this topic, both institution-wide and for each individual unit, is contained in the next section of this Update Report.

The second chart, entitled “Resources Spent on Planned Assurance Work,” is our assessment on the amount of time we have been able to devote to planned audit work. This assessment includes our progress on completion of audits on the proposed audit list presented to the Board at the September 2020 Audit and Compliance Committee meeting. This chart is different than previous reporting periods’, “Progress Towards Annual Audit Plan Completion,” as we did not complete a formal Audit Plan in FY 2021 due to the pandemic. Readings less than green could be influenced by a variety of factors (e.g., insufficient staff resources; increased time spent on non-scheduled audits or investigations).

The final chart, “Time Spent on Non-Scheduled Audit Activities,” provides a status report on the amount of time consumed by investigative activities, special projects and other management requests. We estimate a budget for this type of work, and the chart will indicate whether we expect that budget to be sufficient. Continued readings in the yellow or red may result in seeking Audit and Compliance Committee approval for modifying the Annual Audit Plan.
Other items:

- All Office of Internal Audit staff transitioned to working remotely in March due to the COVID-19 pandemic. Audit work continues relatively smoothly because of the ongoing prompt and helpful assistance of University personnel.
- Office of Internal Audit continues to have one Information Technology Auditor position open that cannot be rehired due to the ongoing hiring freeze; this directly impacts the amount of information technology audit work we can perform.
### Status of Essential Recommendations

<table>
<thead>
<tr>
<th>Report #</th>
<th>Audit Name</th>
<th>Number of Essential Recs (Report)</th>
<th>Total Implemented</th>
<th>Implementation % (Overall)</th>
<th>Year of Report</th>
<th>Status (Follow-up Period)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1719</td>
<td>Athletics IT</td>
<td>10</td>
<td>10</td>
<td>100%</td>
<td>2017</td>
<td>Completed</td>
</tr>
<tr>
<td>1821</td>
<td>University Information Security</td>
<td>8</td>
<td>8</td>
<td>100%</td>
<td>2018</td>
<td>Completed</td>
</tr>
<tr>
<td>1822*</td>
<td>Family Medical Leave Act Review</td>
<td>5</td>
<td>5</td>
<td>100%</td>
<td>2019</td>
<td>Completed</td>
</tr>
<tr>
<td>1911</td>
<td>AHC-IS</td>
<td>5</td>
<td>5</td>
<td>100%</td>
<td>2018</td>
<td>Completed</td>
</tr>
<tr>
<td>1912</td>
<td>Review of ROC &amp; REPA Processes</td>
<td>1</td>
<td>1</td>
<td>100%</td>
<td>2019</td>
<td>Completed</td>
</tr>
<tr>
<td>1913</td>
<td>Residency Determination</td>
<td>4</td>
<td>1</td>
<td>25%</td>
<td>2019</td>
<td>Not Implemented</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Partially Implemented</td>
</tr>
<tr>
<td>1916</td>
<td>Libraries</td>
<td>5</td>
<td>5</td>
<td>100%</td>
<td>2019</td>
<td>Completed</td>
</tr>
<tr>
<td>1918</td>
<td>UMC</td>
<td>26</td>
<td>25</td>
<td>96%</td>
<td>2019</td>
<td>Completed</td>
</tr>
<tr>
<td>1919</td>
<td>UMD Fine Arts, School</td>
<td>7</td>
<td>2</td>
<td>29%</td>
<td>2019</td>
<td>Completed</td>
</tr>
<tr>
<td>1924</td>
<td>Veterinary Medicine, College</td>
<td>4</td>
<td>2</td>
<td>50%</td>
<td>2019</td>
<td>Partially Implemented</td>
</tr>
<tr>
<td>1926</td>
<td>Weisman Art Museum</td>
<td>9</td>
<td>7</td>
<td>78%</td>
<td>2019</td>
<td>Completed</td>
</tr>
<tr>
<td>1927</td>
<td>Athletic Other Revenues</td>
<td>1</td>
<td>1</td>
<td>100%</td>
<td>2019</td>
<td>Completed</td>
</tr>
<tr>
<td>2001</td>
<td>Hospitality and Other Special Exp.</td>
<td>1</td>
<td>1</td>
<td>100%</td>
<td>2019</td>
<td>Completed</td>
</tr>
<tr>
<td>2003</td>
<td>UMD Stores</td>
<td>4</td>
<td>1</td>
<td>25%</td>
<td>2019</td>
<td>Completed</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Partially Implemented</td>
</tr>
<tr>
<td>2004</td>
<td>2019 Review of Select Advancing HRP</td>
<td>2</td>
<td>1</td>
<td>50%</td>
<td>2019</td>
<td>Completed</td>
</tr>
<tr>
<td>2007</td>
<td>Facilities Management District Operations</td>
<td>6</td>
<td>1</td>
<td>17%</td>
<td>2019</td>
<td>Completed</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Not Implemented</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Partially Implemented</td>
</tr>
<tr>
<td>2008</td>
<td>Plant Sciences/BBE</td>
<td>2</td>
<td>1</td>
<td>50%</td>
<td>2019</td>
<td>Partially Implemented</td>
</tr>
<tr>
<td>2009</td>
<td>Psychiatry &amp; Behavioral Sciences..</td>
<td>2</td>
<td>1</td>
<td>50%</td>
<td>2019</td>
<td>Not Implemented</td>
</tr>
<tr>
<td>2010</td>
<td>Disaster Recovery of Information Systems, FY20</td>
<td>9</td>
<td>0</td>
<td>0%</td>
<td>2019</td>
<td>Not Implemented</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Partially Implemented</td>
</tr>
<tr>
<td>2011</td>
<td>Emergency Management &amp; Continuity of Operations, FY20</td>
<td>6</td>
<td>1</td>
<td>17%</td>
<td>2019</td>
<td>Completed</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Not Implemented</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Partially Implemented</td>
</tr>
<tr>
<td>2012</td>
<td>Veterinary Diagnostic Laboratory FY20</td>
<td>8</td>
<td>5</td>
<td>63%</td>
<td>2020</td>
<td>Completed</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Partially Implemented</td>
</tr>
<tr>
<td>2013</td>
<td>Social Research &amp; Data Innovation..</td>
<td>2</td>
<td>2</td>
<td>100%</td>
<td>2020</td>
<td>Completed</td>
</tr>
<tr>
<td>2014</td>
<td>UMN Duluth Admissions, Office of FY20</td>
<td>3</td>
<td>0</td>
<td>0%</td>
<td>2020</td>
<td>Not Implemented</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>2016</td>
<td>Student Finance, Office Of</td>
<td>5</td>
<td>2</td>
<td>40%</td>
<td>2020</td>
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</tr>
<tr>
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<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>2018</td>
<td>Computer Science &amp; Engineering, ..</td>
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<td>3</td>
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<td>2020</td>
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</tr>
<tr>
<td>2019</td>
<td>Carlson School of Management, F..</td>
<td>1</td>
<td>1</td>
<td>100%</td>
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</tr>
<tr>
<td>2020</td>
<td>Public Safety IT, Dept of</td>
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</tr>
<tr>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td>Partially Implemented</td>
</tr>
<tr>
<td>2022</td>
<td>University Purchasing Contract Management, FY20</td>
<td>2</td>
<td>0</td>
<td>0%</td>
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</tr>
<tr>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Partially Implemented</td>
</tr>
<tr>
<td>2024</td>
<td>Aurora Center FY20</td>
<td>1</td>
<td>0</td>
<td>0%</td>
<td>2020</td>
<td>Partially Implemented</td>
</tr>
</tbody>
</table>

*Not all the issues related to FMLA reporting have been resolved and the Vice President of Human Resources is accepting the associated residual risks. VP Horstman’s memo follows.
MEMORANDUM

September 22, 2020

To: Rachel Flenner, Audit Manager, OIA

From: Ken Horstman, Interim Vice President  KEH

Subject: Audit Response Update to Report No: 1823, Family Medical Leave Act Review FY18, September 2020 Board of Regents Docket

There remains one open essential finding, item 7, which is related to central monitoring of FMLA compliance by OHR. A robust central monitoring program was implemented in July 2019 and is conducted on a quarterly basis by the OHR Workforce Data Management team. This monitoring includes the following components:

- Identifying employees in the HR units who have employees with more FMLA hours than allowed
- Random sampling of employees on FML and requesting the HR unit to provide evidence of the timing of when Forms UM1516 and UM1700 were sent as compared to when the HR unit was notified of the need for an FML
- Monitoring of absence time for those employees using an accrual of time in the system and
- A review of intermittent tracking sheets managed in the HR units with a comparison of these hours verified against the established tracking method in the HR unit

OHR believes the central training, communications, website materials and monitoring meet the needs identified by the Office of Internal Audit (OIA). What remains challenging is the decentralized processing of FML and associated paid leaves in the HR campus, academic and administrative units. From a central perspective, there is not visibility to when employees are notifying their management of the need for a FML leave, submitting their required forms, using time based on being out of the office for FML reasons and coming and going during their work day, therefore making it impossible to know if the data entered into the system is accurate based on individual employee circumstances.

There is an opportunity to address FMLA and leave management through the implementation of a streamlined leave management approach as part of the President’s broader human resources initiative. OHR is currently working with KPMG to review HR practices at the University and identify such opportunities at the President’s direction. The project to hub or centralize leave management at the University is one example of an improvement which will result in consistent and error free administration. We will continue to provide updates as this work develops.

cc: Joan T.A. Gabel, President  
    Gail Klatt, Chief Auditor, OIA  
    Amy Kucera, Senior Director, OHR  
    Mary Rohman Kuhl, Interim Director, OHR  
    Brandon Sullivan, Senior Director, OHR
Collaborative Assessment Status Update

Below is an update provided by OIT management on steps taken to address risks identified in the June 2020 Identity and Access Management Collaborative Assessment. As discussed at the June Committee meeting, the Office of Internal Audit will confirm and evaluate remediation efforts as part of a future audit of Identity and Access Management.

Identity and Access Management Status Update:

This is the 1st status update to the Identity and Access Management collaborative assessment conducted by Internal Audit and The Office of Information Technology and presented to the Board of Regents Audit Committee in June 2020.

During the June presentation, we provided the Board with the results of the collaborative assessment and the jointly developed mitigation plan. Due to our current operating conditions, several of the plans and timelines we intended to implement for our IAM program are being altered as we adapt our priorities to best serve the University’s IT needs. Below, we have outlined several of the accomplishments made on our mitigation plan, as well as a high-level update on our current strategic direction for the IAM program.
### Accomplishments:

<table>
<thead>
<tr>
<th>Category</th>
<th>Accomplishments as of September 25th, 2020</th>
<th>Road Map Phase</th>
<th>Decisions</th>
<th>Process/ Education</th>
<th>Technology</th>
<th>Risk Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>IAM Strategy</td>
<td>- Governance Committee structure in progress</td>
<td>IAM Operations/ Onboarding</td>
<td>✔</td>
<td></td>
<td></td>
<td>High</td>
</tr>
<tr>
<td></td>
<td>- SAFe methodology positioned to help foster collaboration, alignment, and delivery</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IAM Team Staffing</td>
<td>- Senior Director hired</td>
<td>IAM Foundational Efforts</td>
<td>✔</td>
<td></td>
<td></td>
<td>High</td>
</tr>
<tr>
<td></td>
<td>- Hiring freeze exception request approved for 3 open positions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Operations team need/ask is currently being formulated</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IAM System Classification</td>
<td>- SAFe methodology positioned to help create prioritization and visibility of in progress work</td>
<td>IAM Foundational Efforts</td>
<td>✔</td>
<td></td>
<td></td>
<td>High</td>
</tr>
<tr>
<td>IAM Metrics and Reporting</td>
<td>IAM Metrics Routine has been instituted.</td>
<td>IAM Foundational Efforts</td>
<td>✔</td>
<td></td>
<td></td>
<td>Low</td>
</tr>
<tr>
<td>Technology Sustainability</td>
<td>- New technology in progress for Boynton process automation set to go live this calendar year.</td>
<td>IAM Foundational Efforts</td>
<td>✔</td>
<td></td>
<td>✔</td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td>- Team prioritization shifted to eliminating technical debt and preparing for technology replacements. While this is not listed as “high” in the audit, it is a prerequisite in achieving the resolution to many of the audit findings.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Criteria for de-provisioning</td>
<td>Progress has been made on establishing a standardized Emeritus definition.</td>
<td>Access De-provisioning</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td>High</td>
</tr>
<tr>
<td>Access Termination</td>
<td>Pilot activities for de-provisioning access at the end of employment have been completed. Technology is now positioned for broader access de-provisioning across the University.</td>
<td>Access De-provisioning</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>High</td>
</tr>
<tr>
<td>Management of Non-standard and 3rd Party Accounts</td>
<td>Supplemental accounts process in development for our directory system. This addresses the separation of privileges and tracking of privileged accounts.</td>
<td>Modernized Account Types</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>High</td>
</tr>
</tbody>
</table>
Strategic direction:
The IAM Program is focused on value to the University by optimizing the IAM team’s capabilities during the current pandemic conditions, which are projected to continue.

Reduce technology: The most critical part of the IAM transformation is the retirement of several legacy systems. Eliminating legacy systems early means we are reducing risk, freeing up resources tied to those systems, and is work that can be done with minimal work load impact to other areas of the University.

Reduce Program Footprint (Core IAM): The IAM Program must also be managed with precision. There are many problems that the IAM Program is charged with resolving, but some work is more valuable than other work. For instance, making sure we have effective deprovisioning of access can help the University better manage costly licenses when students, faculty and staff decide to end their relationship with the University.

Well Managed Workloads: The IAM Program cannot be improved unless it can be measured. To make the IAM Program measurable, it will be adopting the Scaled Agile Framework (SAFe) methodology. The IAM team will also transition to routing all operational and support work through our change management system. These two changes will not only create two measurable channels of work, but it will also create transparency for the IAM team’s work and the prioritization of that work.
The bar charts shown below are presented to provide pictorial displays of the progress units are making on implementing audit recommendations rated as "essential." The bar chart included in the original report is shown in the left column, along with updated bar charts showing the previous quarter and the current status of the "essential" recommendations only (those bars that have red segments). The chart in the center column displays the status as of February 2020, while the chart on the right represents the current status. Charts are not presented for investigations. Charts for those units having implemented all "essential" recommendations during the current quarter are shown at the end of this report.
Original Report Evaluation

Control Environment
Monitoring
Information & Communication
Risk Assessment
Administration
Revenue/Cash Receipts
Disbursements/Purchasing
Payroll
Sponsored Projects
Safety of Minors

Previous Quarter Evaluation

Control Environment
Monitoring
Information & Communication
Risk Assessment
Administration
Revenue/Cash Receipts
Disbursements/Purchasing
Payroll
Sponsored Projects
Safety of Minors

Current Quarter Evaluation

Control Environment
Monitoring
Information & Communication
Risk Assessment
Administration
Revenue/Cash Receipts
Disbursements/Purchasing
Payroll
Sponsored Projects
Safety of Minors

College of Veterinary Medicine (May 2019)

Control Environment
Monitoring
Information & Communication
Risk Assessment
Administration
Revenue/Cash Receipts
Disbursements/Purchasing
Payroll
Sponsored Projects
Safety of Minors

Weisman Art Museum (Jun 2019)

Control Environment
Monitoring
Information & Communication
Risk Assessment
Administration
Inventory Processes
Accession/Deaccession
Cash Receipts, ISO/ESO
Disbursements/Purchasing
Payroll

NO PREVIOUS CONTROL EVALUATION CHART

Adequate Control  Significant Control Issue(s)  Essential Control Issue(s)
UMD Stores (Including Print Shop and U Card Office) (Aug 2019)

Original Report Evaluation

Previous Quarter Evaluation

Current Quarter Evaluation

2019 Review of Select Advancing HRP (Sept 2019)
Facilities Management District Operations (Sept 2019)

CFANS - Plant Sciences/BBE (Sept 2019)
UMN Duluth Office of Admissions (Feb 2020)

No Previous Control Evaluation Chart

Office of Student Finance (Mar 2020)

No Previous Control Evaluation Chart

Adequate Control  Significant Control Issue(s)  Essential Control Issue(s)
Dept of Public Safety IT (May 2020)

No Previous Control Evaluation Chart

University Purchasing Contract Management (May 2020)

No Previous Control Evaluation Chart
Aurora Center for Advocacy and Education (May 2020)

Control Environment
Monitoring
Information & Communication
Risk Assessment
Administration
Volunteer Program
Reporting & Compliance
Information Systems

**NO PREVIOUS CONTROL EVALUATION CHART**

- Adequate Control
- Significant Control Issue(s)
- Essential Control Issue(s)
Units with Charts that Fully Implemented their "Essential" Recommendations During the Past Quarter

Original Report Evaluation

Previous Quarter Evaluation

Current Quarter Evaluation

Athletics IT (May 2017)

Control Environment
Monitoring
Information & Communication
Risk Assessment
IT Governance
Logical Access
Application Management
Incident, Device & Video Display...

Control Environment
Monitoring
Information & Communication
Risk Assessment
IT Governance
Logical Access
Application Management
Incident, Device & Video Display...

Control Environment
Monitoring
Information & Communication
Risk Assessment
IT Governance
Logical Access
Application Management
Incident, Device & Video Display...

Family Medical Leave Act Review (May 2018)*

Control Environment
Monitoring
Information & Communication
Risk Assessment
Administration
Eligibility Notification
Designation Notification

Control Environment
Monitoring
Information & Communication
Risk Assessment
Administration
Eligibility Notification
Designation Notification

Control Environment
Monitoring
Information & Communication
Risk Assessment
Administration
Eligibility Notification
Designation Notification

*Not all the issues related to FMLA reporting have been resolved and the Vice President of Human Resources is accepting the associated residual risks.
Original Report Evaluation

Previous Quarter Evaluation

Current Quarter Evaluation

ROC and REPA Processes (Jan 2019)

Athletics Other Revenue (Jun 2019)

Control Environment
Monitoring
Information & Communication
Risk Assessment
ROC Submissions Testing
REPA Monitoring
REPA and ROC Forms Review
EGMS System Review

Control Environment
Monitoring
Information & Communication
Risk Assessment
ROC Submissions Testing
REPA Monitoring
REPA and ROC Forms Review
EGMS System Review

Control Environment
Monitoring
Information & Communication
Risk Assessment
ROC Submissions Testing
REPA Monitoring
REPA and ROC Forms Review
EGMS System Review

Control Environment
Monitoring
Information & Communication
Risk Assessment
ROC Submissions Testing
REPA Monitoring
REPA and ROC Forms Review
EGMS System Review

Control Environment
Monitoring
Information & Communication
Risk Assessment
ROC Submissions Testing
REPA Monitoring
REPA and ROC Forms Review
EGMS System Review

Control Environment
Monitoring
Information & Communication
Risk Assessment
ROC Submissions Testing
REPA Monitoring
REPA and ROC Forms Review
EGMS System Review

Athletics Other Revenue (Jun 2019)

Control Environment
Monitoring
Information & Communication
Risk Assessment
Administration
Rental-Athletic Events
Rental-Special Events
Championships Bowl
Championships NCAA

Control Environment
Monitoring
Information & Communication
Risk Assessment
Administration
Rental-Athletic Events
Rental-Special Events
Championships Bowl
Championships NCAA

Control Environment
Monitoring
Information & Communication
Risk Assessment
Administration
Rental-Athletic Events
Rental-Special Events
Championships Bowl
Championships NCAA

Control Environment
Monitoring
Information & Communication
Risk Assessment
Administration
Rental-Athletic Events
Rental-Special Events
Championships Bowl
Championships NCAA

Control Environment
Monitoring
Information & Communication
Risk Assessment
Administration
Rental-Athletic Events
Rental-Special Events
Championships Bowl
Championships NCAA

NO PREVIOUS CONTROL EVALUATION CHART

Adequate Control  Significant Control Issue(s)  Essential Control Issue(s)
Hospitality and Other Special Expenses (Jul 2019)

A control evaluation chart was not developed for this report; however, there was one essential recommendation. As of this follow up period, it has been implemented.

Institute for Social Research and Data Innovation (Jan 2020)

NO PREVIOUS CONTROL EVALUATION CHART
Audit Activity Report

Scheduled Audits

Completed Audits Of:
- Laboratory Medicine & Pathology
- Central Job Scheduling
- UMN Duluth Student Life Administration
- International Scholars
- Executive and Dean Expenses
- Department of Pharmacology
- University Health and Safety

Began/Continued Audits Of:
- Anatomy Bequest Program
- Prepaid Debit Cards
- University Health and Safety
- U Market
- CFANS Southern Research and Outreach Center (Waseca)
- Softball and Baseball Compliance and Operations
- UMN Duluth Labovitz School of Business and Economics (LSBE)
- OIT Application Change Management
- Transition Review – CEHD Dean
- Transition Review – Sr. VP for Finance and Operations
- Retirement Plan Transition
- Telehealth Security and Compliance

- Continued a collaborative review of University Mental Health services with the Provost’s Office.
- Continued a review of the Enterprise Access Management (EAM) implementation project management to confirm ongoing oversight of budget, timelines, and deliverables.
- Completed five “SNAP Reviews” on the following topics: Social Security numbers in HR data; Social Security numbers in student data; Civil Service/Labor Represented furlough hours; 27th pay period recalculation; and faculty and P&A pay reduction.

Investigations

- Performed investigative work on two issues in accordance with the University Policy on Reporting and Addressing Concerns of Misconduct.

Special Projects

- Provided consulting services related to University payroll exception testing.
- Completed a review of the University process to enroll new employees in the Preventing and Responding to Sexual Misconduct Training (PRSM) training course and the tracking of completion of this training.
- Provided technology consulting in several areas including: HIPAA security, system logging and monitoring, IT service ticketing solution migration, and account management.
- Continued preliminary assessment of processes associated with the distribution of funds to students provided from the CARES act.
Other Audit Activities

Participated in the following:

- President’s Cabinet
- Senior Leadership Group
- President’s Policy Committee
- Policy Advisory Committee
- Board of Regents Policy Committee
- Executive Compliance Oversight Committee
- Institutional Conflict of Interest Committee
- University of Minnesota Foundation Audit Committee
- Fairview Health Systems Audit Committee
- IT Leadership Committees
- HRPP Advisory Committee
- Research Compliance Committee
- P & A Senate
- Data Center Co-Location Initiative
- Data Storage Council
- Metropolitan Council Audit Committee
Laboratory Medicine and Pathology (LMP) has both strong basic and clinical research components. It has consistently been ranked among the top pathology departments in the United States in National Institutes of Health (NIH) grant funding. The Advanced Research and Diagnostic Laboratory (ARDL) is developing COVID antibody testing to help serve the state of Minnesota, while another group in LMP helped create a new assay that greatly increases both speed and capacity for testing. From the results of the audit work performed, we believe LMP has developed a control environment and a system of internal control that addresses its major risks. However, improvements could be made involving logging and monitoring, implementing patient record view monitoring, improving its user administration processes, implementing two-factor authentication for all users for high security systems, and consistently completing I-9 and background checks in accordance with federal requirements and University standards.

Central Job Scheduling

OIT Production Services supports the systematic management of jobs that perform routine tasks (e.g., processing checks) and move data between many key University systems. Production Services in partnership with functional groups effectively manages the critical central job scheduling related processes for the University and continues to implement many well-designed control processes to address risks. Despite these positive aspects, improvements are still needed to enhance central job scheduling governance and control environment. Governance improvements are needed to better coordinate the diverse number of functional groups; each of whom have their own unique environment and processes. A formal framework to coordinate activities between Production Services and functional groups currently does not exist, and this likely creates inefficiencies and contributed to the other control issues identified in this report. These control issues include insufficient: log monitoring, management of job schedule changes, and management of user access.
UMN Duluth Student Life Administration

Control Environment
Monitoring
Information & Communication
Risk Assessment
Disbursements/Purchasing
Payroll/HR
Governance

<table>
<thead>
<tr>
<th>Report #</th>
<th>Issue Date</th>
<th># of Essential Recs.</th>
<th>Total # of Recs.</th>
<th>Overall Assessment Adequacy of MAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2102</td>
<td>Jul-20</td>
<td>1</td>
<td>11</td>
<td>Good Satisfactory</td>
</tr>
</tbody>
</table>

UMN Duluth Student Life has developed a control environment and a system of internal control that sufficiently addresses most major business and compliance risks. However, there is a large variation in who supports the various administrative functions throughout the Student Life departments and additional consistency could improve efficiency and reduce risk. The specific finance functions provided either independently or by different finance support groups varies from department to department. For example, some finance functions such as approving purchase orders is handled by all three support groups, or independently, depending on department. Similar inconsistencies were found in payroll and human resource processes between OBP and departmental management. One essential item was identified related to the management of contracts involving liability insurance.

International Scholars

Control Environment
Monitoring
Information & Communication
Risk Assessment
Institutional Governance

<table>
<thead>
<tr>
<th>Report #</th>
<th>Issue Date</th>
<th># of Essential Recs.</th>
<th>Total # of Recs.</th>
<th>Overall Assessment Adequacy of MAP</th>
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</thead>
<tbody>
<tr>
<td>2103</td>
<td>Jul-20</td>
<td>1</td>
<td>3</td>
<td>Good Satisfactory</td>
</tr>
</tbody>
</table>

International scholars, otherwise known as J-1 Visa Exchange Visitors, are non-immigrant visa holders approved to participate in exchange visitor programs. The University hosts an estimated one thousand J-1 international scholars per year. There are four unique areas at the University that process and/or monitor J-1 visa exchange visitors: International Student and Scholar Services (ISSS), MAST International in the College of Food, Agricultural and Natural Resource Sciences, The Hormel Institute, and the Medical School's Graduate Medical Education office. The largest is the International Student and Scholar Services (ISSS) office, serving about 700 to 800 J-1 scholars at any given time. Our audit noted one essential issue on improving reporting of international scholars who are in the United States due to their acceptance into a University of Minnesota program, whether located on or off campus and regardless of which of the four offices are hosting/monitoring the scholars. Two significant issues with recommendations that should be considered include: improving University-wide monitoring and tracking of compliance with requirements; and improving knowledge and understanding of requirements by developing a University-wide comprehensive policy, and/or guidelines, around international scholars.
Executive and Dean Expenses

Due to the audit not resulting in any issues considered either "essential" or "significant" a control evaluation chart was not developed for this report.

<table>
<thead>
<tr>
<th>Report #</th>
<th>Issue Date</th>
<th># of Essential Recs.</th>
<th>Total # of Recs.</th>
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</thead>
<tbody>
<tr>
<td>2104</td>
<td>Sep-20</td>
<td>0</td>
<td>0</td>
<td>Good NA</td>
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</table>

Our audit assessed compliance with appropriate University policies and processes, including allowability, reasonableness, and appropriate approvals for executive and dean expenses. The audit also included a review of vice chancellors on the Duluth system campus since they report directly to the chancellor. Expenses tested include: 367 expense reimbursement reports totaling $316,133 (38% of the total number of expense reports and 55% of the total dollar amount of expense reports for individuals reviewed during our audit period), and 68 transactions (totaling $31,031) from purchasing cards used for executive officer and dean expenses. From the results of the audit work performed, we believe the expenses of the executive officers, chancellors, vice chancellors and deans are generally in compliance with University policies and procedures. The audit did not identify any issues considered "essential" or "significant" to minimizing existing operational risks.

Department of Pharmacology

The Department of Pharmacology research labs are engaged in research and discovery efforts focused on medical problems including cancer, addiction, and infectious disease. Currently, one of Pharmacology's faculty is involved in a research team working on a vaccine that could protect against variants of COVID-19, or SARS-CoV-2 (the current novel coronavirus). We believe the Department of Pharmacology has developed a control environment and a system of internal control that addresses its major business and compliance risks. The audit resulted in two issues considered "essential" to minimizing existing operational and compliance risks. Pharmacology should establish a process to ensure background checks are completed, and establish a process to ensure all faculty and staff who will host minors in their labs follow all applicable policy requirements before the minor's visit.
University Health & Safety

University Health & Safety (UHS), a critical operating unit, consists of six units which include: Department of Environmental Health & Safety, Biosafety & Occupational Health Department, Department of Radiation Safety, Building Codes Department, Department of Emergency Management, and Health Emergency Response Office. Due to other recent audits and COVID related demands on these units, the Department of Emergency Management and the Health Emergency Response Office were scoped out of this audit. UHS demonstrates a strong commitment to maintaining the safety and security of the University community. However, given the high-risk nature of the operations they support, there are opportunities to strengthen UHS’s control environment. UHS has many well documented procedures but establishment of University authority and ownership over three key functions (University safety training, University lab inspection oversight, and OSHA safety compliance) is not clearly defined. Internal controls over verifying complete documentation and/or centrally accessible records are lacking in the following areas: research lab repository, biosafety lab repository, lab inspection failure follow-ups, safety training course offerings and completion records, Workplace Safety inspections and follow-ups, food safety inspections and follow-ups, and UHS’s safety reporting hotline.
SNAP Review Summary

SNAP reviews are highly focused reviews conducted on a single University process or activity. These reviews are designed to be completed quickly, and often leverage data analytics to minimize unit disruptions. They are intended to provide prompt results to business process owners so that potential problems can be addressed prior to formal audit reviews. The following is a summary of the SNAP reviews we conducted this reporting period.

Social Security Numbers in HR Data
We reviewed social security numbers in HRMS to ensure accuracy and completeness.

Social Security Numbers in Student Data
We reviewed social security numbers in Campus Solutions to ensure accuracy and completeness.

Civil Service/Labor Represented Furlough Hours
We reviewed the assignment of furlough hours to Civil Service and Labor Represented employees to ensure all eligible employees received the correct number of hours.

27th Pay Period Recalculation
We recalculated the 27th pay period calculation to ensure all faculty and P&A employees paid over 12 months had their salary correctly allocated over 27 pay periods.

Faculty and P&A Pay Reduction
We reviewed the salary reductions assigned to faculty and P&A employees to ensure all eligible employees received the correct percentage reduction.