

Internal Audit Update

University of Minnesota Regents Audit and Compliance Committee
February 9, 2023

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 October 2022
- SNAP Review Summary
- Recommendations with Remediation Plans that Involve PEAK

Details for any of the items in this report are available on request. Individual reports were sent to the President, SVP for Finance and Operations, Provost, UMTC Athletic Director, Vice Presidents, and Chancellors about the items in this report germane to their areas.

Audit Observations/Information

Status of Critical Measures

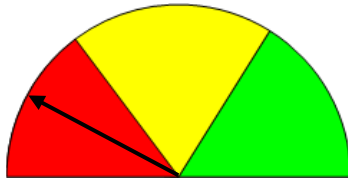
As part of our ongoing efforts to provide the Audit and Compliance Committee with critical information in as concise a format as possible, we have developed the following charts to present a quick overview of work performed by the Office of Internal Audit.

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 report.

The second chart, entitled “Progress on Audit Plan and Other Assurance Work” is our assessment of the amount of time we have been able to devote to planned audit work. This assessment includes our progress on completion of carryover audits from FY 2022, Tier 1 audits on the FY 2023 audit plan, and Tier 2 audits or their substitutes. Readings less than green could be influenced by a variety of factors (e.g., insufficient staff resources; or increased time spent on non-scheduled audits or investigations).

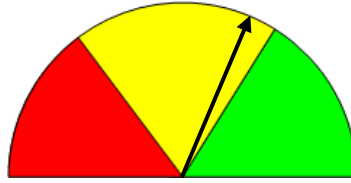
The final chart, “Time Spent on Non-Scheduled Audit Activities,” provides a status report on the amount of time consumed by investigative activities, special projects and other management requests. We estimate a budget for this type of work, and the chart will indicate whether we expect that budget to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

Essential Recommendation Implementation



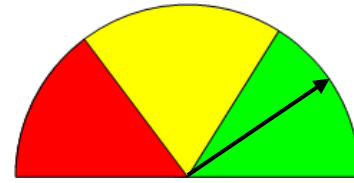
Implementation rates were 18% for the period; significantly lower than our expected rate of 40% and a drop from October's 46% rate.¹

Progress on Audit Plan & Other Assurance Work



Progress on audit plan and assurance audit work is slightly behind expectations due to ongoing staff openings.²

Time Spent on Non-Scheduled Audit Activities



Time spent on investigations, special projects and management requests is less than expected and budgeted for the year to date.

¹Over 60% of the outstanding items are from more recent audits receiving first time follow-up. In addition, most of the outstanding items are related to three large reports with some extenuating circumstances: Dentistry, Veterinary Medical Center and Energy Management. The first two units continue to work through administrative staffing constraints. Energy Management has extremely complex and unique technology systems, which require significant time to develop non-standard solutions to mitigate risks. Senior leadership is aware of this low implementation rate and continues to monitor and seek ways to expedite remediation efforts.

²As communicated at the June 2022 Audit & Compliance Committee (ACC) meeting, the FY 2023 audit plan was built on the expectation of hiring all but one financial auditor position by the end of December. We have successfully hired most open positions but continue to have two open positions including one of our two IT auditor positions. This directly impacts our ability to complete IT audit work as outlined in the section below.

Other items:

- FY 2023 Audit Plan Update - Some Tier 2 audits from the Audit Plan will be replaced or delayed to Fiscal Year 2024 due to timing of changes of key regulations and/or internal processes. The following audits are impacted: Central Cloud Platform, Minnesota Supercomputing Institute (MSI), Parking and Transportation Services (PTS), and potentially Gramm-Leach-Bliley Act (GLBA) Compliance. Central Cloud Platform and/or MSI may not be replaced with other audits this fiscal year depending on IT auditor staffing. PTS, and if necessary GLBA, will be replaced with other audits identified through ongoing risk assessments in alignment with commitments to the ACC on the handling of Tier 2 audits.
- Internal Audit Staffing Update - The Office of Internal Audit recently hired a financial auditor. We currently have two vacant positions, which includes one IT auditor and one financial auditor position. When fully staffed we have 16 auditors in addition to the Chief Auditor.

Status of Essential Recommendations

Current Period

Past Completion Rates

■ Past Due
 ■ On-Schedule
■ Complete

Total Recommendations **76** % Completed **18%**

June 2022 **29%**

Completed Recommendations **14** % of Open Recs Past Due **48%**

Oct 2022 **44%**

Report#	Audit Name	Open Recs - Past Due	Number of Essential Recs (Report)	Status (Follow-up Period)	
1919	UMD Fine Arts, School of FY19	1	7	Partially Implemented	■ 1
2106	University Health & Safety FY21	1	10	Partially Implemented	■ 1
2122	Telehealth Security & Compliance FY21	2	4	Partially Implemented	■ 2
2127	UMD HR FY21	0	4	Completed	■ 1
				Not Implemented	■ 2
2203	OIT Service Desk & Device Management FY22	0	7	Completed	■ 2
2205	Dentistry, School of FY22	10	27	Completed	■ 1
				Not Implemented	■ 1
				Partially Implemented	■ 9
2207	Canvas & Unizin FY22	3	5	Partially Implemented	■ 3
2212	SPH HPM FY22	0	1	Completed	■ 1
2219	Family Medicine & Community Health FY22	0	3	Completed	■ 1
2220	UMD Health Services FY22	3	10	Completed	■ 2
				Not Implemented	■ 1
				Partially Implemented	■ 3 ■ 1
2221	UMTC Housing & Residential Life FY22	0	2	Completed	■ 1
2301	Energy Management FY23	3	19	Completed	■ 2
				Not Implemented	■ 10
				Partially Implemented	■ 3 ■ 4
2302	Real Estate Office FY23	0	2	Partially Implemented	■ 2
2303	Systemwide Student Disability Resources FY23	0	1	Partially Implemented	■ 1
2305	Veterinary Medical Center FY23	6	12	Not Implemented	■ 3 ■ 5
				Partially Implemented	■ 3 ■ 1
2307	Research Animal Resources FY23	1	3	Partially Implemented	■ 1 ■ 2
2308	Genomics Center, University of Minnesota FY23	0	6	Completed	■ 3
				Not Implemented	■ 1
				Partially Implemented	■ 2

Current Status of Recommendations Rated as "Essential" That Are Over Two Years Old and Are Not Fully Implemented

Audit/Report Date	Status- Partially Implemented or Not Implemented	Responsible Administrator	Summary of the Issue/Risk Involved	Current Comments From Management
UMN Duluth Fine Arts March 2019 # of Items: 1	Partially Implemented	Jeremy Youde	Tweed management should improve inventory and valuation records for its art collection. Specifically, Tweed should: <ul style="list-style-type: none"> · Complete the in-process physical inventory, including ensuring the records of art in the inventory database are accurate and complete. · Schedule and conduct periodic inventories and appraisals of the art collection. 	<p>The UMD College of Arts, Humanities, and Social Sciences (CAHSS) (i.e., the college formed from the merger of UMD School of Fine Arts and UMD College of Liberal Arts) efforts to complete a physical inventory of the Tweed Museum's collections were initially hindered by a lack of resources and the COVID-19 pandemic, which created limitations associated with in-person work on campus and impacted the Tweed's ability to conduct an inventory.</p> <p>In 2022, the President's Office offered support to assist CAHSS in remediating this recommendation. To this end, the CAHSS Dean's Office and the UMD Controller's Office are preparing a request for proposal (RFP) for completing the Tweed inventory with current valuations for its collections. To assist with the RFP, CAHSS and the UMD Controller's Office are working with an outside consultant to help ensure that the resulting RFP accurately reflects the scope, scale, and timeframe for the balance of the inventory necessary to be completed. CAHSS anticipates the RFP going out for bid soon.</p> <p>As mentioned in previous updates, the Tweed's ongoing staffing challenges continue to impact progress. Despite these staffing challenges, the CAHSS Dean's Office and UMD Controller's Office assert they are committed to completing this work as quickly as possible.</p>
University Health and Safety Sept 2020 # of Items: 1	Partially Implemented	Katharine Bonneson	UHS and University management should consider establishing UHS as the central authority for University safety training. The central health and safety training authority would be responsible for: <ul style="list-style-type: none"> · Ensuring an accurate and complete course listing. · Tracking course completion and follow-up centrally. · Reviewing and approving the University safety training program periodically to ensure sufficient coverage and oversight. 	<p>University Health and Safety (UHS) kicked off this project in November 2022 with support from the Project Management Office. Project scope has been defined as the current offering of general required safety courses provided by UHS with a goal of connecting those courses to University positions and developing a method to assign, track and monitor course completion by position.</p> <p>There is no change in the anticipated implementation date of 1 to 2 years. Obstacles that could prevent progress include UHS's reliance on support and collaboration from multiple departments, OIT, OHR and OVPR, etc. in order to successfully map and link positions to courses. Cost may also be a factor as UHS is paying for dedicated project management support in order to complete this work.</p>

Total: 2

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.

Identity and Access Management (IAM) Status Update:

This is the 8th status update to the Identity and Access Management collaborative assessment conducted by Internal Audit and The Office of Information Technology.

The IAM program has continued to evolve the strategy introduced during the October 2020 update and will continue to adapt our priorities to best serve the University's IT needs.

As discussed during the May 2021 audit committee update, staffing challenges will continue to slow progress on remediating issues identified in 17 of the 25 IAM components reviewed. Despite this challenge, the university-wide appetite for collaboration is increasing and progress was made in areas that were not previously addressed.

Since the October 2022 update and in addition to the previously mentioned accomplishments, the IAM team has collaborated with units across the University to decommission several legacy technologies to allow for our Identity Tool Replacement effort which will provide capabilities to the University. These capabilities include improved functionality around access provisioning, cloud, self-service, and automation. Once the legacy retirement is completed, IAM will have more capacity to shift its focus to delivering the new Identity Tool. Implementation of this new technology will represent the replacement of three distinct pieces of deeply embedded legacy technology, the elimination of specialized skill sets needed to maintain those systems, and the enablement of future OIT technology strategies.

Additionally, IAM has initiated a significant process improvement effort to increase the institution's capability of managing a broad range of technology. Once concluded, this effort will ensure technology access is driven by business needs and will provide a means for fiscal stewardship of technology licenses.

Below, we have provided a table that outlines 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 since the October 2022 update. The "Accomplishments" column in the table highlights some of the key steps we have taken related to the identified risk, and the bolded items are ones added since our last update.

Accomplishments:

Category	Accomplishments	Road Map Phase	Risk Level
IAM Strategy	<ul style="list-style-type: none"> -IAM Governance Committee was established as a decision-making body under the authority of EOCC -SAFe methodology successfully implemented to foster collaboration, and alignment and deliver consistent and predictable results -Finalized roadmap and dual-planning the remediation of risks in conjunction with other operational tasks -Refreshed IAM Roadmap updated to reflect emerging post-pandemic conditions -Defined migration strategy for creating a project team to deliver the Identity Replacement Tool -Communicating the vision of Identity Tool Replacement and new capabilities and features valuable for all areas of the University 	IAM Operations/ Onboarding	High
Accountability, Roles and Responsibilities	<ul style="list-style-type: none"> -Continued collaboration with EDMR to establish definitions and ownership for Person-Of-Interest accounts 	IAM Foundational Efforts	High
IAM Team Staffing	<ul style="list-style-type: none"> -Senior Director hired -Hiring freeze exception request approved for 3 open positions -Three open positions filled -Operations team needs/ask reviewed, 10 positions are still required. -Identified 17 Audit findings that are blocked by staffing needs -Center of Excellence model implemented to move service forward while staffing investments are resolved -Implemented strategic staffing initiative to redefine roles based on future needs and technology changes -Collaboration with HR to have IAM as an early adopter and leader in leveraging opportunities provided by PEAK 	IAM Foundational Efforts	High
IAM Policies and Procedures	<ul style="list-style-type: none"> -Completed security gap analysis for all IAM technologies -Plan to remediate all security gaps by the end of FY 22 	IAM Foundational Efforts	Medium
IAM System Classification	<ul style="list-style-type: none"> -SAFe methodology positioned to help create prioritization and visibility of in-progress work -IAM Security Gap Remediation effort in the process, will partially remediate finding 	IAM Foundational Efforts	High
IAM Metrics and Reporting	<ul style="list-style-type: none"> -IAM metrics routine has been instituted -Engaged OIT Site Reliability Engineering (SRE) team to identify key metrics in the IAM space for performance and system health monitoring. 	IAM Foundational Efforts	Low
Technology Sustainability	<ul style="list-style-type: none"> -Team prioritization shifted to eliminate technical debt and prepare for technology replacements. This is a prerequisite to achieving the resolution of many audit findings -Work to scale the Boynton BAA deprovisioning process to other BAA units is complete -Authentication stabilization -SSL certificate technology and process rehomeing complete -Analysis of directory use cases and best practices -Identity Tool Replacement finalist negotiations initiated -Technology automation efforts complete -Analysis of email account usage complete. Deprovisioning planning underway -Analysis of directory technologies to ensure servers and software are supported -Significant system-wide effort for the retirement of legacy technology to enable the start of the Identity Tool Replacement RFP effort -Updated network load-balancer to fortify network security and resiliency 	IAM Foundational Efforts	Low

Accomplishments (continued):

Category	Accomplishments	Road Map Phase	Risk Level
Criteria for de-provisioning	<ul style="list-style-type: none"> -Ongoing effort with OHR and the Provost's Office to standardize Emeritus definitions in PeopleSoft and the Identity Management system -Completed analysis of our account types -Analysis of sponsored accounts completed. Communications and change management plan underway -Implemented automated provisioning and de-provisioning of password management tool -Student and staff technology lifecycle definitions analysis in progress -Pilot of de-provisioning access to email and PHI for former healthcare students complete -Analysis of email account usage complete. Deprovisioning planning underway -Analysis of Employment and Enrollment status to de-provision email access when the business relationship ends -Enabled change management tool de-provisioning to remove manual efforts in managing the tool -Enabled features allowing for future storage quotas to manage technology costs 	Access Deprovisioning	High
IAM Risk Awareness	<ul style="list-style-type: none"> -Completed security gap analysis for all IAM technologies, actively working to remediate all security gaps by the end of FY 22 -Completed roadmap and dual-planning the remediation of risks in conjunction with other operational tasks -Sharing risk findings with IAM Governance to increase awareness and collaboration with business partners 	IAM Operations/ Onboarding	Low
Identity Source Upkeep	<ul style="list-style-type: none"> -Foundational effort to clearly define existing person and identity types to enable future work efforts in this space completed 	Modernized Account Types	Low
Access Request Approvals	<ul style="list-style-type: none"> -Access Request Approvers list capability present in all vendor software for the current finalists for the Identity Tool Replacement RFP 	Group Based Access Control	High
Unified Request Process	<ul style="list-style-type: none"> -Unified request process capability present in all vendor software for the current finalists for the Identity Tool Replacement RFP -Conversations with the PEAK office started to establish an IAM presence in the central HR request portal 	Group Based Access Control	High
Employee Transfer	<ul style="list-style-type: none"> -Implemented initial user re-provisioning (i.e., adding and removing access) process for transferred employees in the COE to ensure the right level of access is granted for their new duties and access associated with former duties has been removed in a timely manner. 	Access Deprovisioning	High
Role/Group Management	<ul style="list-style-type: none"> -Pilot activities for deprovisioning at the end of employment completed. Technology is now positioned for broader access deprovisioning across the University -Due to IAM Team Staffing Risk (see above), the team now provides access to these resources in a Center of Excellence model for units to leverage as a temporary first step, this launched in July and is now being communicated broadly. -Student enrollment changes production ready. Session-based access is now provisioned instead of course based -Advanced efforts to define standard and scalable service levels for Enterprise Roles and Group Management 	Group Based Access Control	High
Access Termination	<ul style="list-style-type: none"> -Pilot activities for deprovisioning at the end of employment completed. Technology is now positioned for broader access deprovisioning across the University -IAM is working to provide access to these resources in a Center of Excellence model for units to leverage as a temporary first step due to IAM Team Staffing Risk (see above) -New technology for Boynton BAA de-provisioning process automation implemented -Lingering access for terminated employees to be reduced is complete -Student and staff technology lifecycle definitions analysis in progress -Developed, implemented, and documented a new emergency termination deprovisioning process 	Access Deprovisioning	High

Accomplishments (continued):

Category	Accomplishments	Road Map Phase	Risk Level
Management of Non-standard and 3rd Party Accounts	<ul style="list-style-type: none"> -Proof of Concept for supplemental accounts process completed. Future work on this has been put on hold due to IAM Team Staffing Risk (see above). -New account type created non-human access as a first step towards enabling differentiation from human accounts as well as enabling future controls and review of these accounts -Delivered non-human account-type use cases 	Modernized Account Types	High
Periodic Account and Role/Group Certifications	<ul style="list-style-type: none"> -Periodic account review capability present in all vendor software for the current finalists for the Identity Tool Replacement RFP 	Access Deprovisioning	High
Shared Accounts	<ul style="list-style-type: none"> -New account type created non-human access as a first step towards enabling differentiation from human accounts as well as enabling future controls and review of these accounts -Continued analysis on enabling non-human account type use cases 	Modernized Account Types	High
<p><i>*The categories identified in this chart are the result of the collaborative effort between OIA and the IAM Team to review and identify areas of concern that need to be addressed in order to successfully implement a new IAM strategy at the University.</i></p>			
<p><i>**Items in bold are accomplishments since the last update</i></p>			

Strategic Direction:

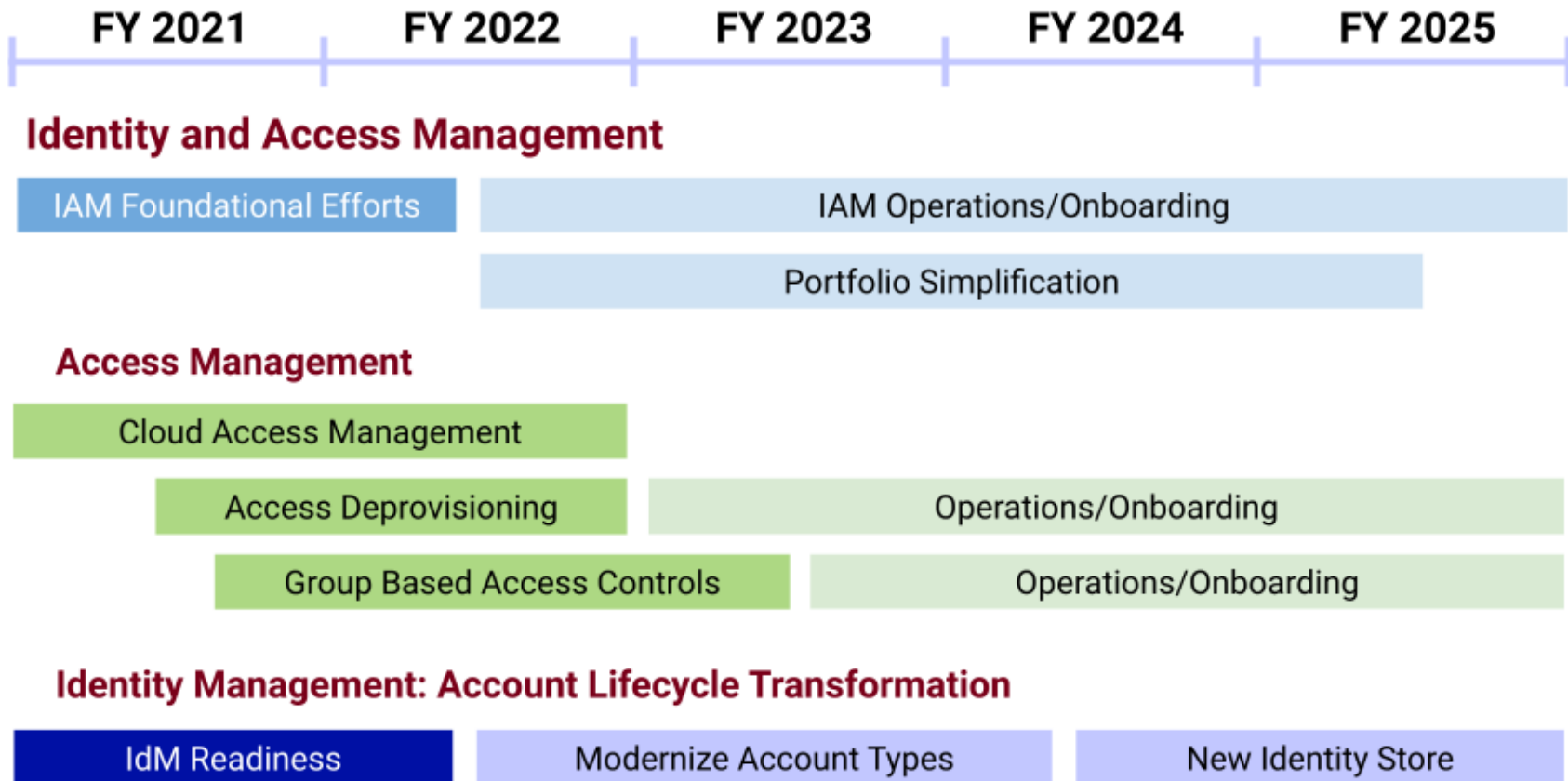
The strategic direction for OIT continues to evolve to address the current conditions of the University, but more importantly to plan for the future of needs and objectives that will allow the University to continue to deliver on its mission. Necessarily, the strategy developed prior to the June 2020 Collaborative Assessment has also been updated to prepare for opportunities and mitigate challenges anticipated by the IAM Program.

- 1. Reprioritize Our Work:** The Identity Tool Replacement RFP promises to modernize existing capabilities while providing the tools needed to establish new services that will simplify work, access, and accountability. These changes will allow staff to focus on their business objectives while ensuring technology access is seamless and appropriate. However, the breadth of work within the audit and in this migration is not sustainable with the current level of staff. The IAM Program will have to make strategic decisions about what work will be done during the migration and what efforts should be paused. By pausing some efforts, the IAM Program expects to create the work capacity needed to deliver on the Identity Tool Replacement and then resume that work with a superior tool that can streamline the resumed work.
- 2. Find and Communicate Value:** The work required by the audit and Identity Tool Replacement is a barrier for our partners and stakeholders. The IAM conversations need to shift towards understanding their business processes to identify opportunities and clearly articulate how this work can help them deliver on their objectives.
- 3. Support and Leverage OIT Strategies:** OIT strategies are being developed to reduce the complexity around technology and changes. The OIT cloud strategy can reduce the amount of operational work performed by University staff while allowing for the automation of technology delivery. The OIT data strategy can provide a standardized layer between the technologies so that the University will incur far less change management overhead which will allow for the University to be more responsive to the rapidly changing technology landscape. The IAM Program will be a critical component in both efforts by providing access controls and data to these systems. Additionally, these systems will benefit the IAM Program in the same way they benefit the University as a whole.
- 4. Simplify Work and Provide Self-Service:** To continue our efforts of creating capacity for growing our services, the IAM Program will investigate more opportunities for self-service and explore options to shift work commensurate to staff skill levels. Highly skilled members of the IAM staff should be focused on high-skill work. Proper technology selection and process creation will allow work to be shifted to staff with right-sized skill sets. In addition, the IAM team needs to focus on leveraging fewer tools with more capabilities so that the ratio of technology to staff is more appropriate. Finally, shifting our technology to the cloud will help reduce operational efforts that pull IAM staff away from audit and program objectives.

Roadmap:

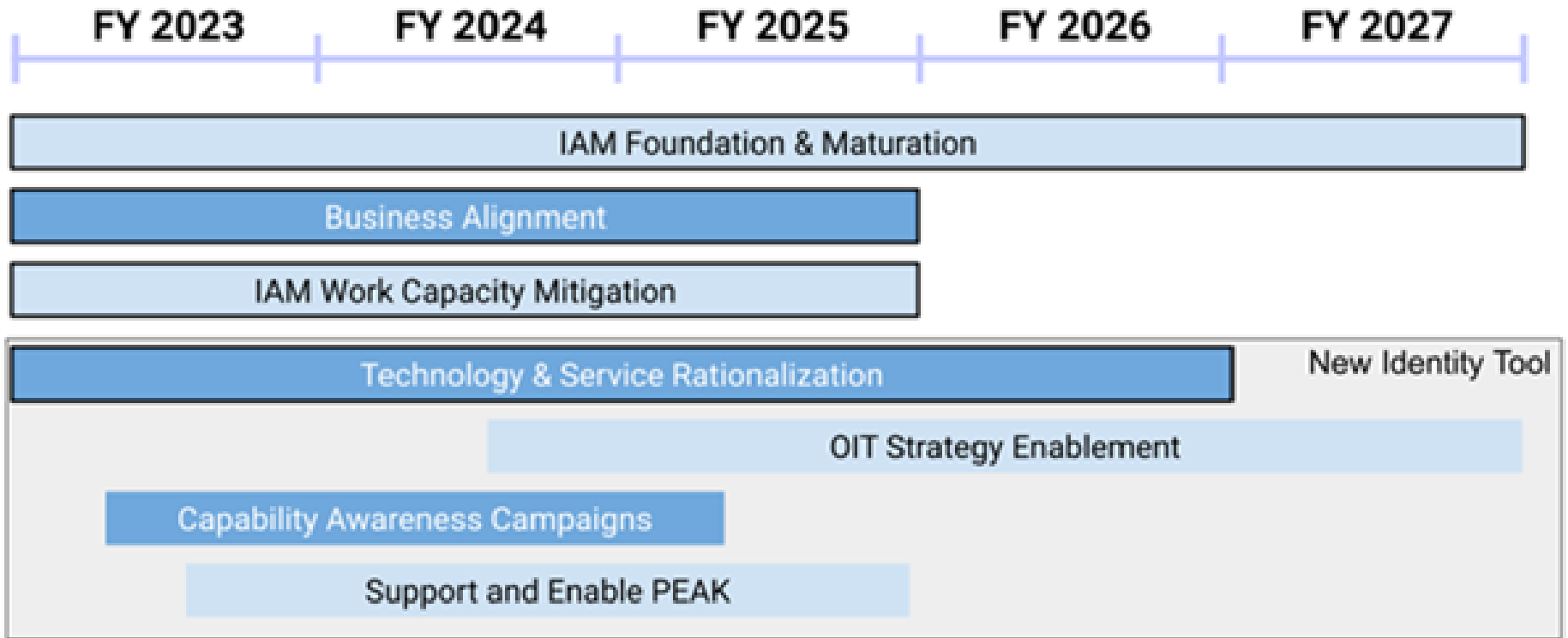
With the current staffing challenges, the IAM Roadmap presented in the June 2020 Collaborative Assessment needs to be refreshed. The plan was created prior to the pandemic with the assumptions that more investments would occur. Below is the original timeline followed by the timeline based on the resources available today, the strategy outlined in this update, and the evolution of the OIT strategy:

Original Timeline



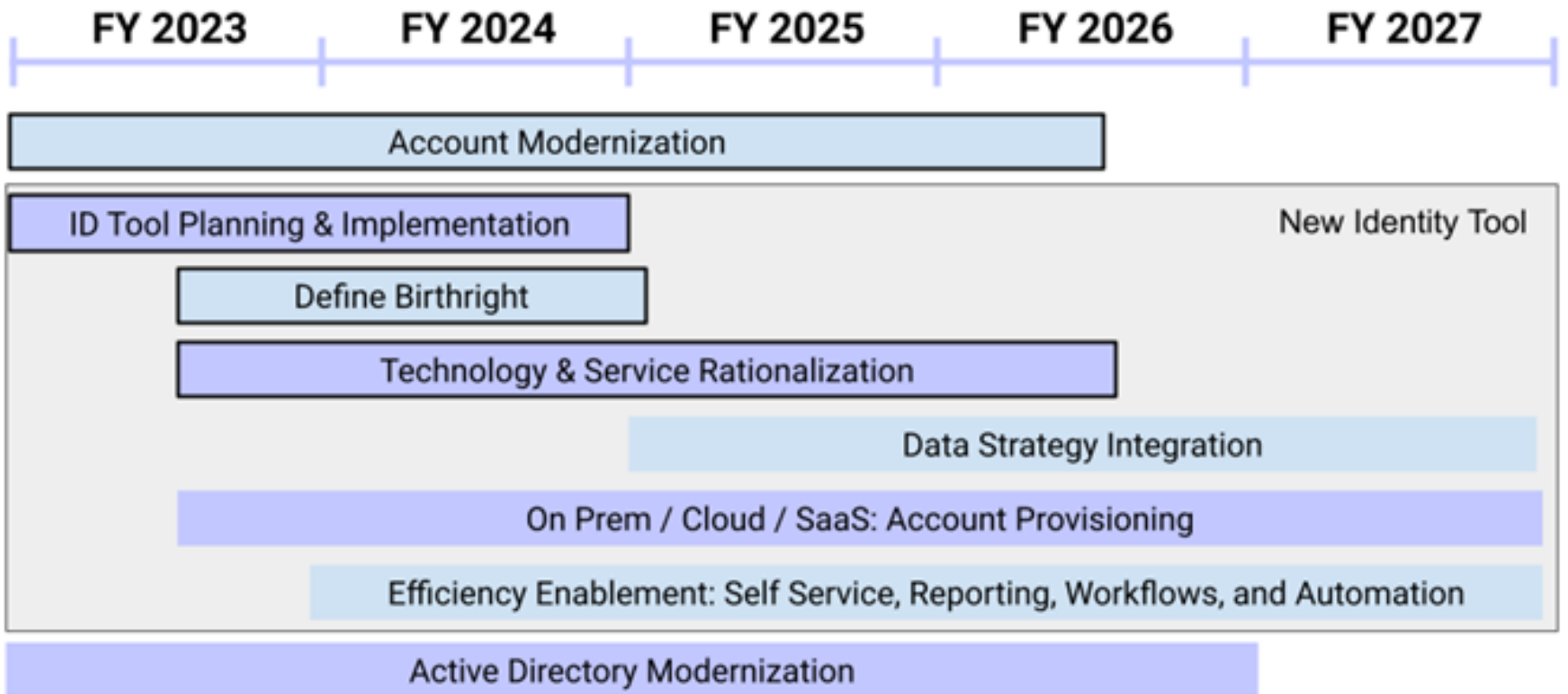
Roadmap (continued):

Updated Program Timeline



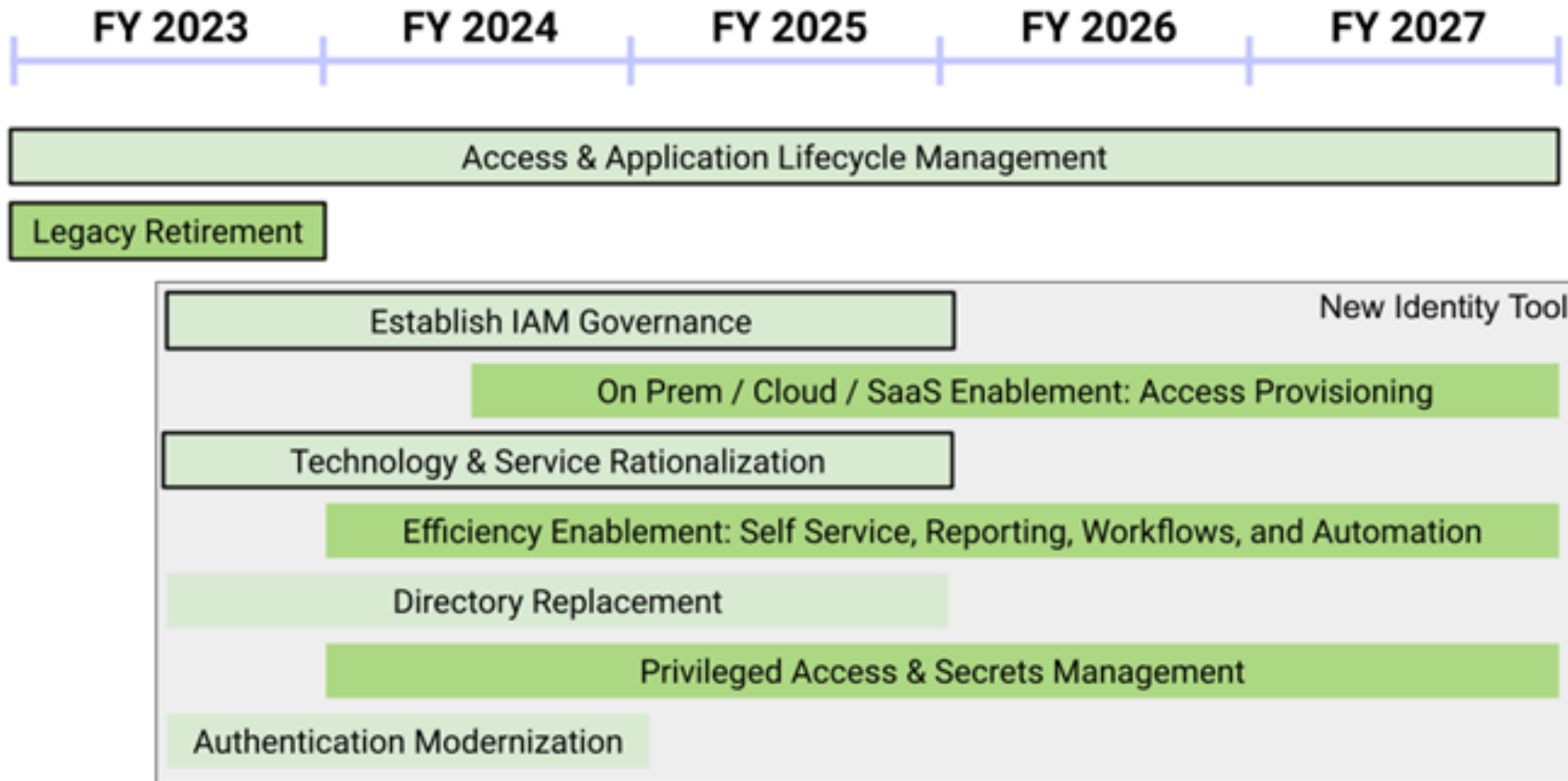
Roadmap (continued):

Updated Identity Timeline



Roadmap (continued):

Updated Access / Onboarding Timeline



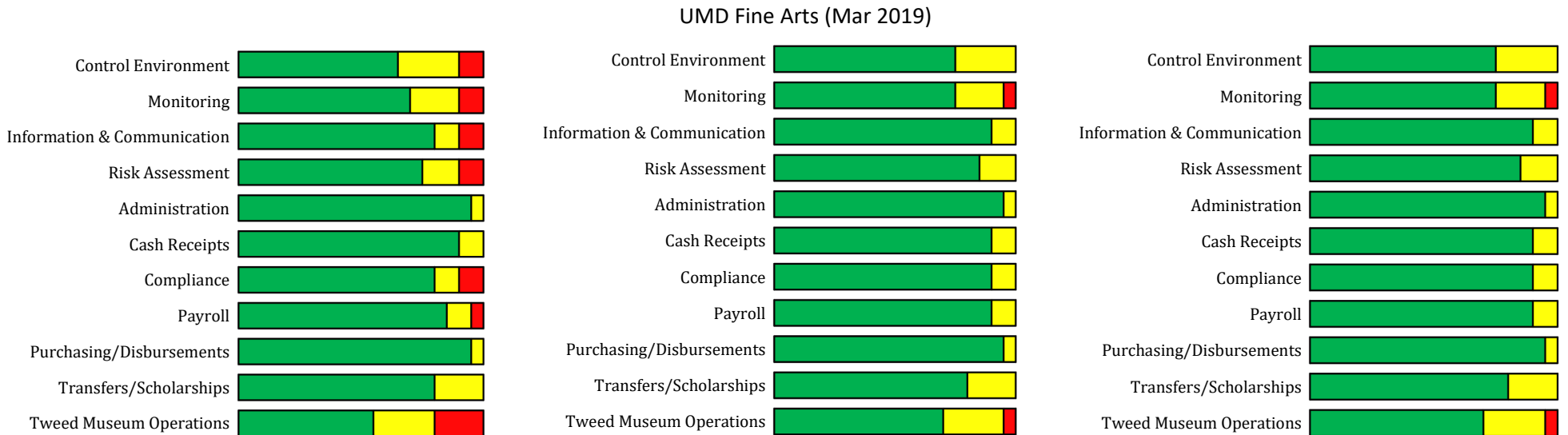
Progress on Implementation of Audit Recommendations

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 audit period 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 October 2022, 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 audit period are shown at the end of this report.

Original Report Evaluation

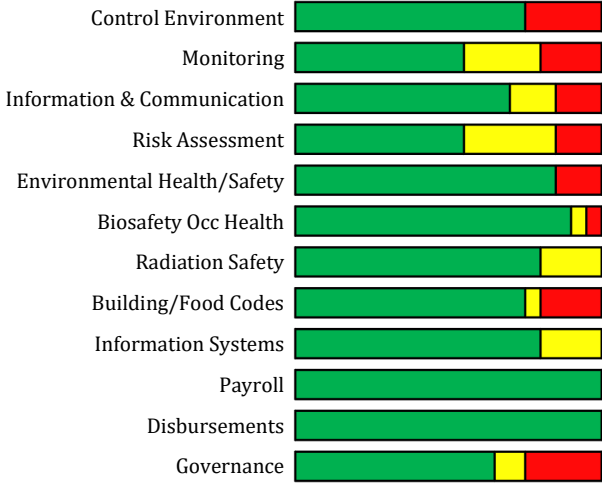
Previous Audit Period Evaluation

Current Audit Period Evaluation

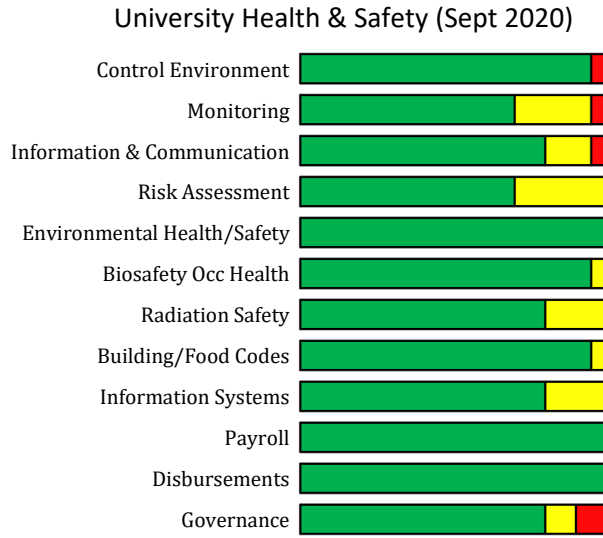


■ Adequate Control
 ■ Significant Control Issue(s)
 ■ Essential Control Issue(s)

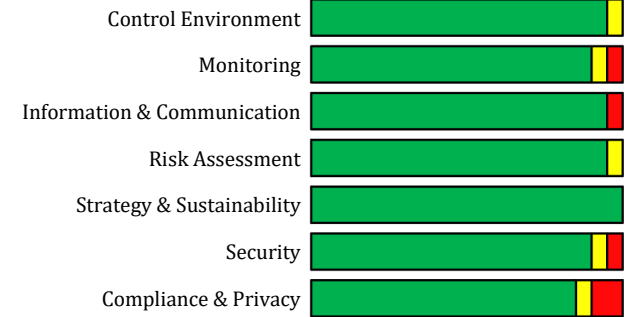
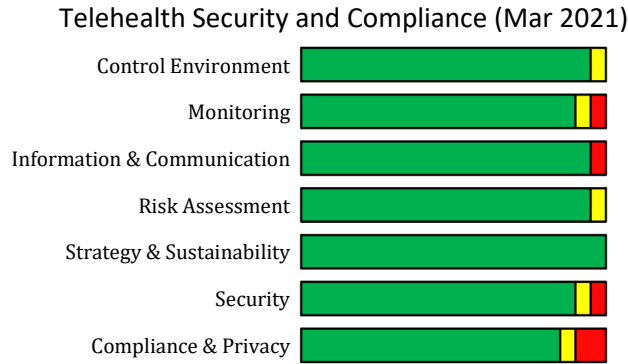
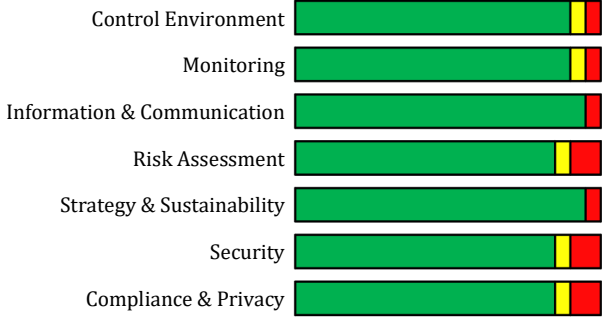
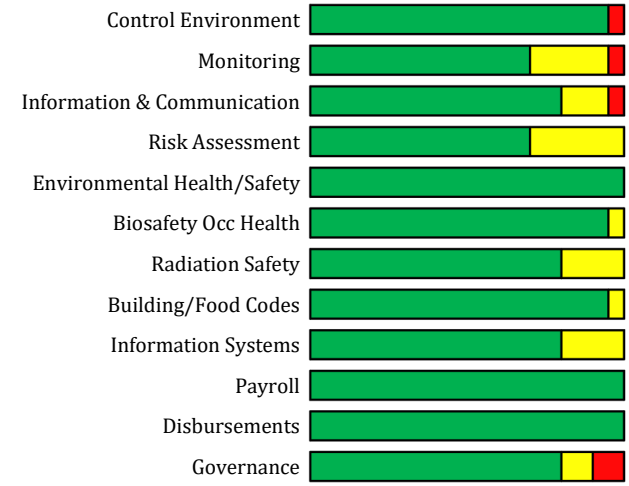
Original Report Evaluation



Previous Audit Period Evaluation



Current Audit Period Evaluation



■ Adequate Control
 ■ Significant Control Issue(s)
 ■ Essential Control Issue(s)

Original Report Evaluation

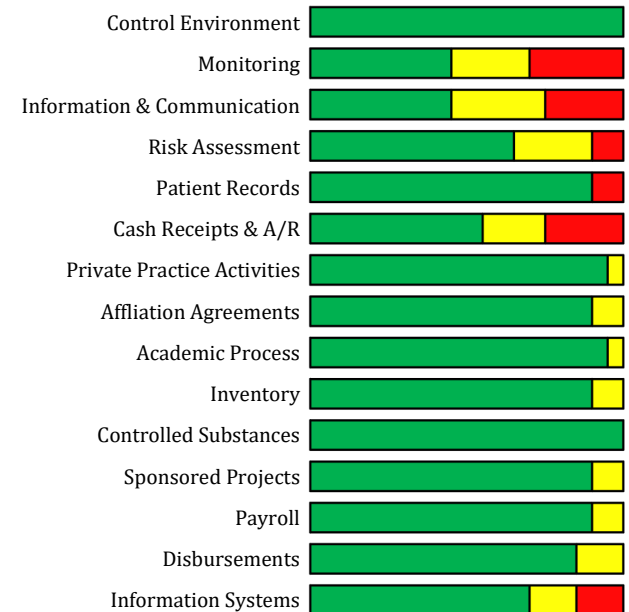
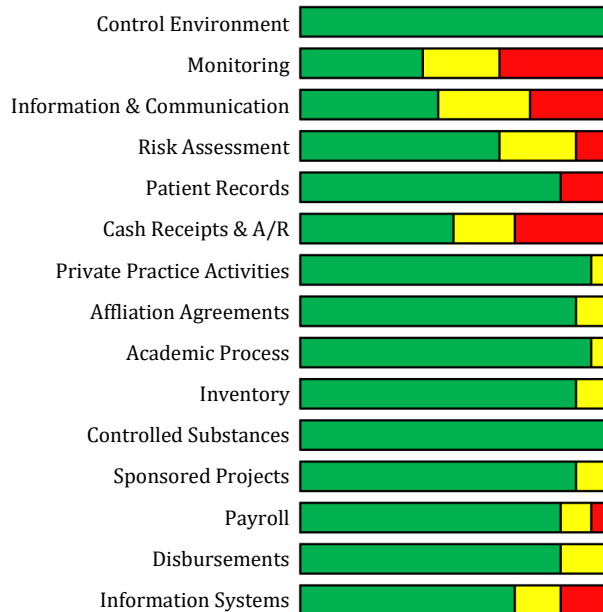
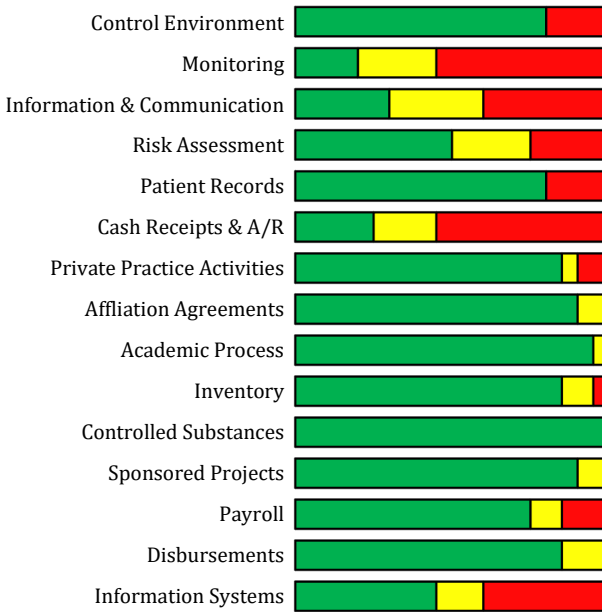
Previous Audit Period Evaluation

Current Audit Period Evaluation

UMN Duluth Department of Human Resources (Aug 2021)

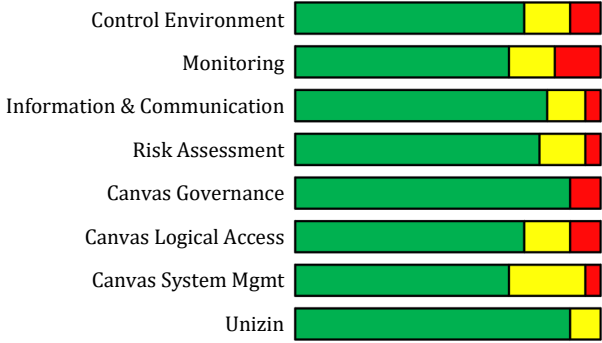


School of Dentistry (Sept 2021)

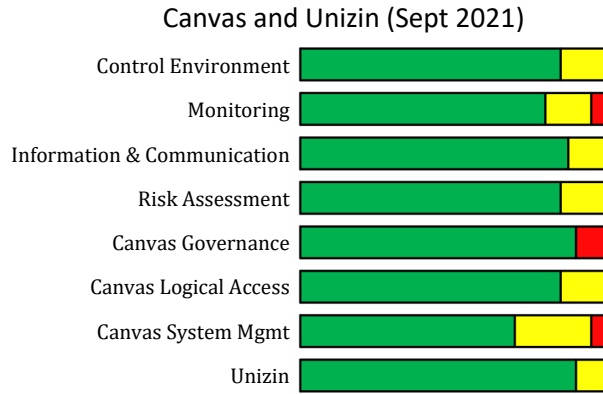


■ Adequate Control
 ■ Significant Control Issue(s)
 ■ Essential Control Issue(s)

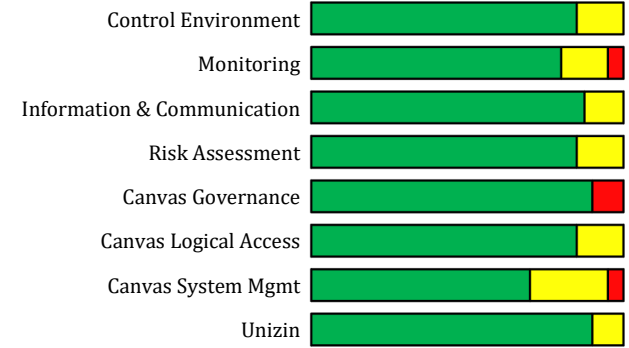
Original Report Evaluation



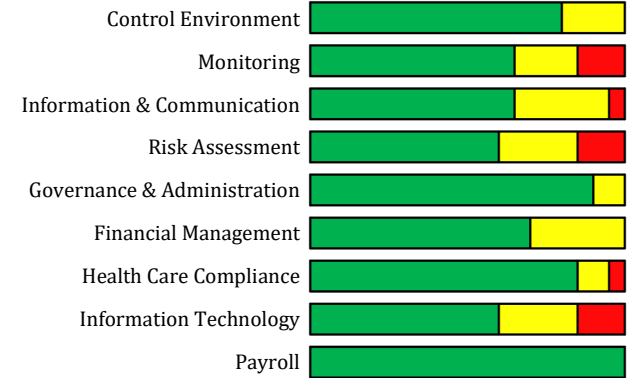
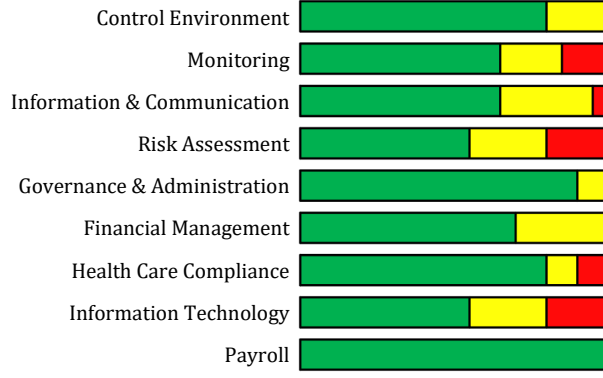
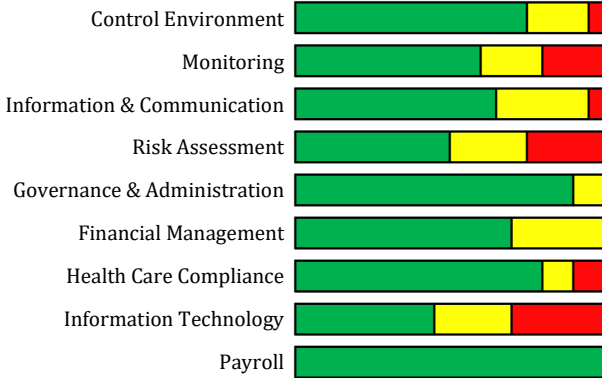
Previous Audit Period Evaluation



Current Audit Period Evaluation

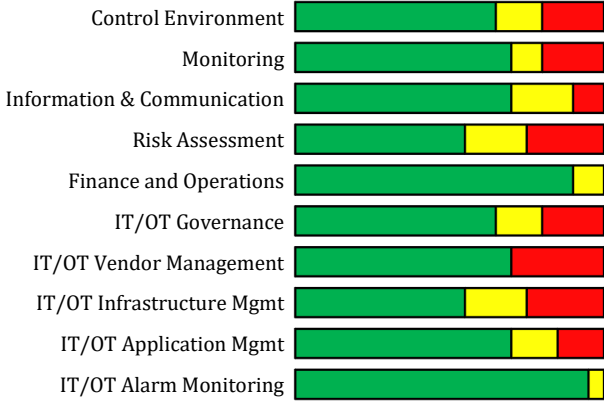


UMD Health Services (May 2022)



■ Adequate Control ■ Significant Control Issue(s) ■ Essential Control Issue(s)

Original Report Evaluation

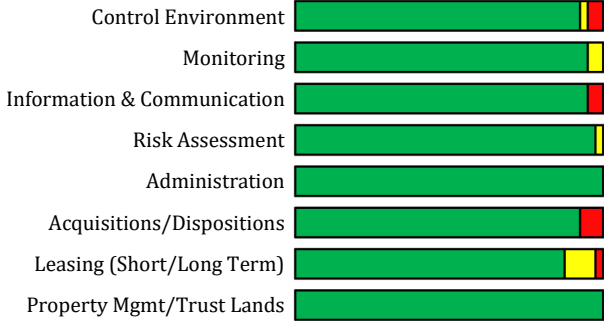
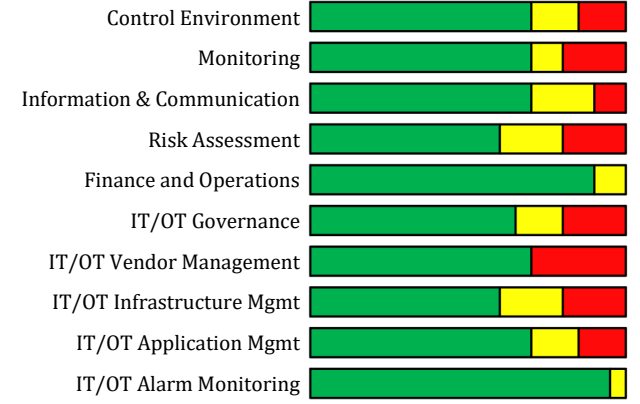


Previous Audit Period Evaluation

Energy Management (July 2022)

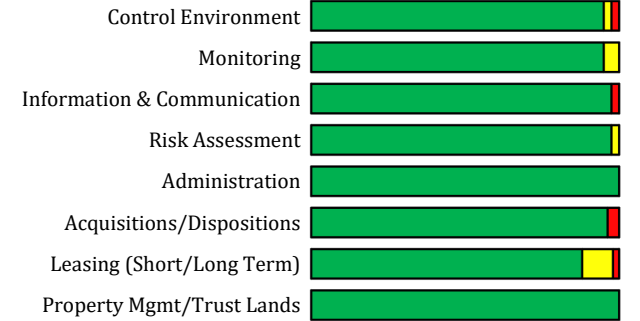
NO PREVIOUS
CONTROL EVALUATION
CHART

Current Audit Period Evaluation



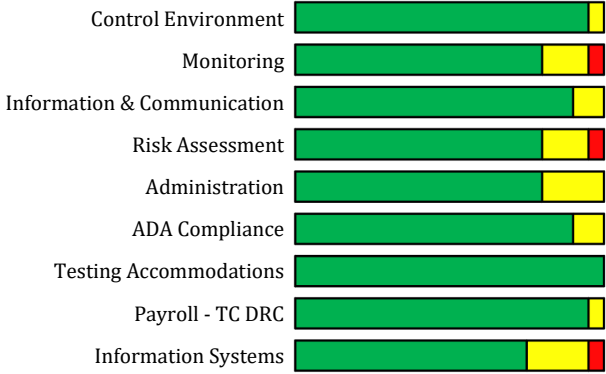
Real Estate Office (July 2022)

NO PREVIOUS
CONTROL EVALUATION
CHART



■ Adequate Control ■ Significant Control Issue(s) ■ Essential Control Issue(s)

Original Report Evaluation

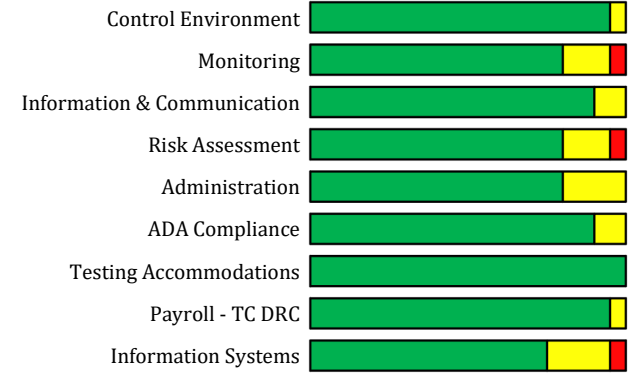


Previous Audit Period Evaluation

Systemwide Student Disability Resources (August 2022)

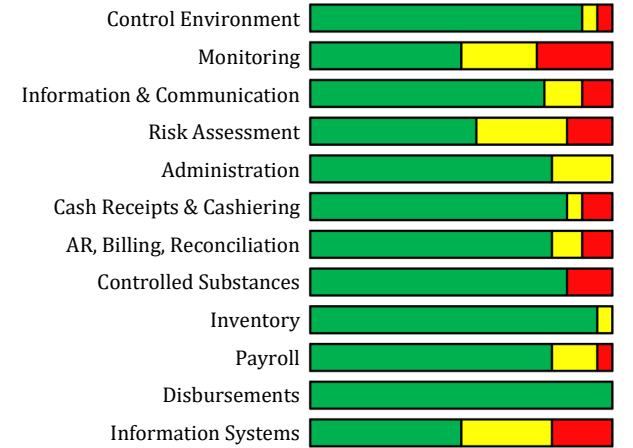
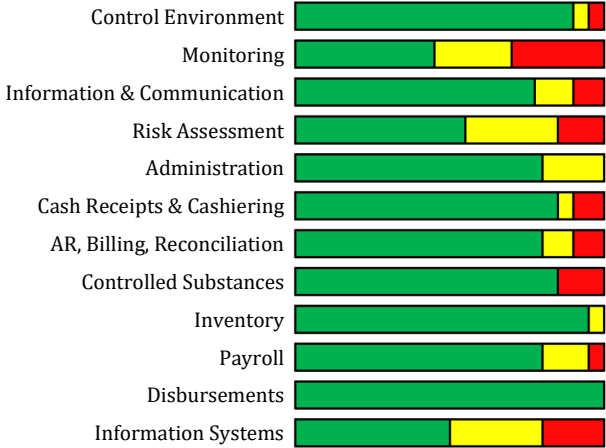
NO PREVIOUS
CONTROL EVALUATION
CHART

Current Audit Period Evaluation



Veterinary Medical Center (August 2022)

NO PREVIOUS
CONTROL EVALUATION
CHART



■ Adequate Control ■ Significant Control Issue(s) ■ Essential Control Issue(s)

Original Report Evaluation



Previous Audit Period Evaluation

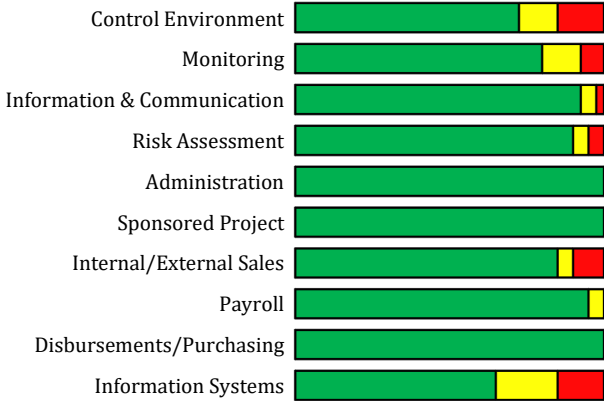
Research Animal Resources (August 2022)

NO PREVIOUS
CONTROL EVALUATION
CHART

Current Audit Period Evaluation



Univeristy of Minnesota Genomics Center (August 2022)



NO PREVIOUS
CONTROL EVALUATION
CHART



■ Adequate Control ■ Significant Control Issue(s) ■ Essential Control Issue(s)

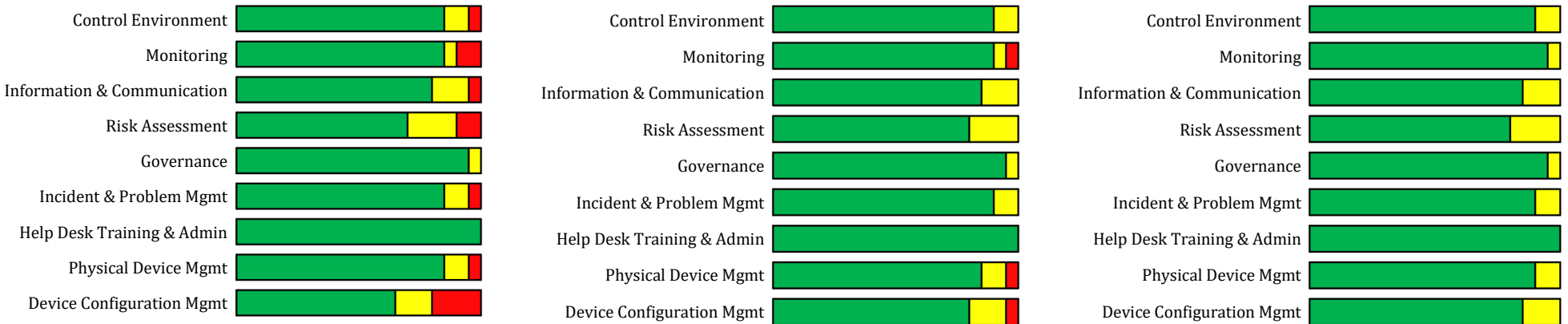
Fully Implemented "Essential" Recommendations During the Past Audit Period

Original Report Evaluation

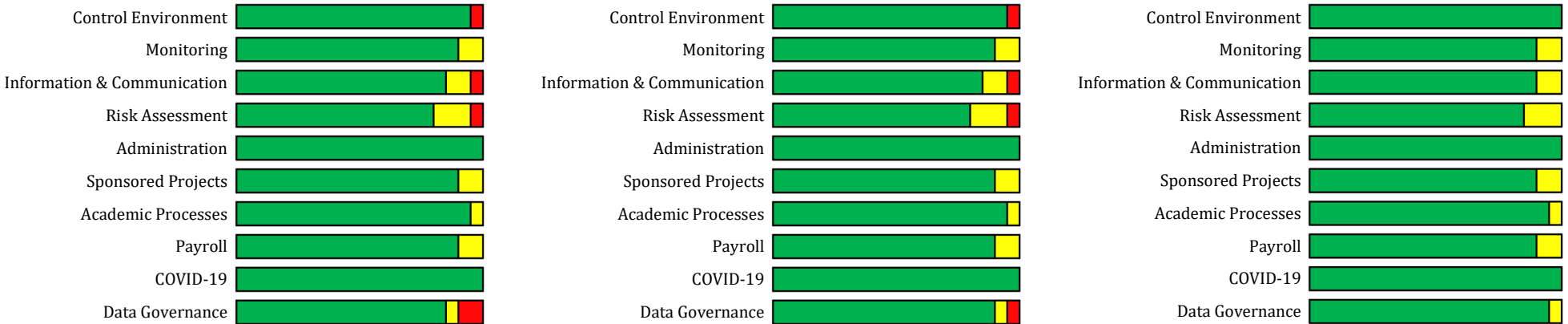
Previous Audit Period Evaluation

Current Audit Period Evaluation

OIT Service Desk and Device Management (Aug 2021)



School of Public Health - Health Policy & Management (Jan 2022)



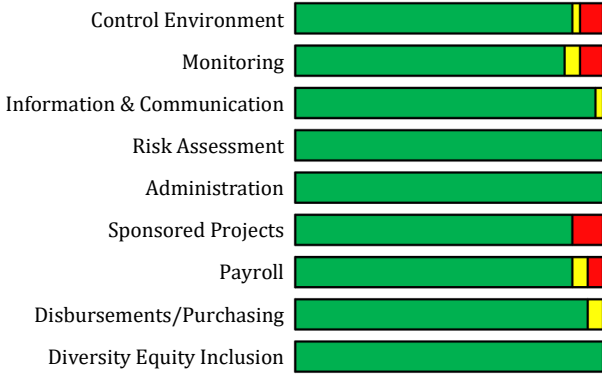
■ Adequate Control
 ■ Significant Control Issue(s)
 ■ Essential Control Issue(s)

Original Report Evaluation

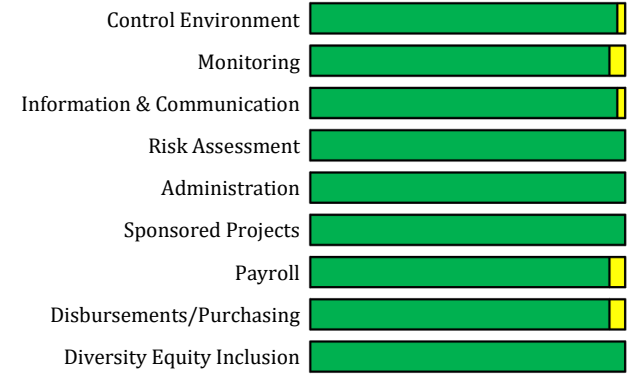
Previous Audit Period Evaluation

Current Audit Period Evaluation

Department of Family Medicine and Community Health (March 2022)



NO PREVIOUS
CONTROL EVALUATION
CHART



Housing and Residential Life (May 2022)



NO PREVIOUS
CONTROL EVALUATION
CHART



■ Adequate Control ■ Significant Control Issue(s) ■ Essential Control Issue(s)

Audit Activity Report

Scheduled Audits

Completed Audits Of:

- University Services – Vice President Transition Review
- UMD Chancellor Transition Review
- Community-University Health Care Center (CUHCC)
- Women's Gymnastics, Women's Tennis, Men's Golf, Women's Golf Compliance and Operations
- University Recreation and Wellness
- UMD Information Technology Systems and Services

Began/Continued Audits Of:

- Department of Microbiology and Immunology
- UMD Dining Services
- Bell Museum
- I-9 Temporary Process Compliance
- The Hormel Institute
- Department of Civil, Environmental, and Geo-Engineering
- Boynton Health Services
- OIT Server Administration

Investigations

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

Special Projects

- Provided advisory services related to University payroll exception testing.
- Provided technology advisory services in several areas including: identity and access management, data center management, vendor management, logging and monitoring, and information security and compliance.

Other Audit Activities

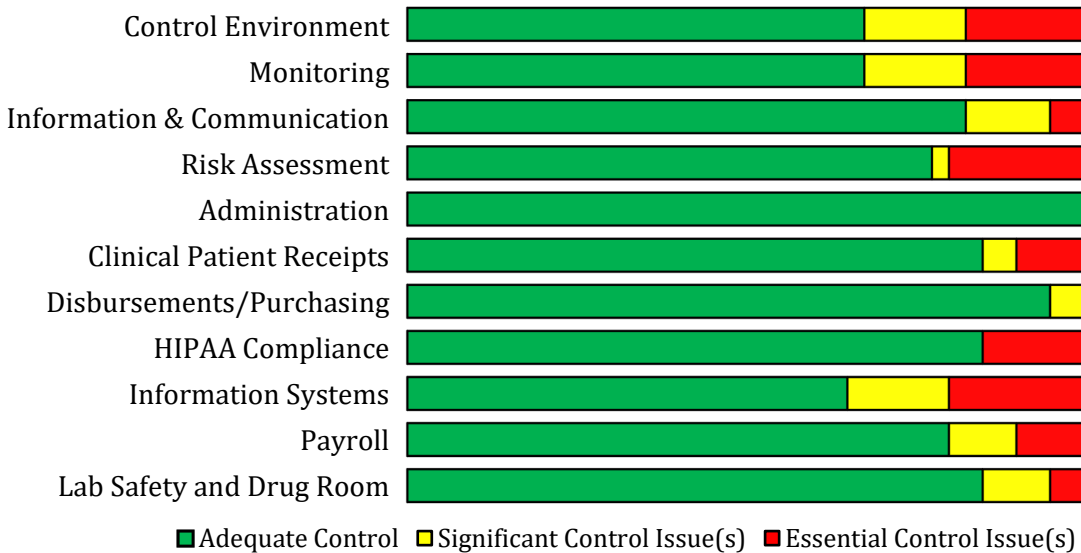
Participated in the following:

- 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
- IT Leadership Committees
- HRPP Advisory Committee
- Research Compliance Committee
- Diversity Community of Practice
- PEAK Advisory Council
- University of Minnesota Foundation Audit Committee

- Metropolitan Council Audit Committee
- Association of College and University Auditors (ACUA) Committee on Athletics
- Associate Vice President for Research Integrity and Compliance Search Committee
- Enterprise Risk Management Task Force

Audit Reports Issued Since October 2022

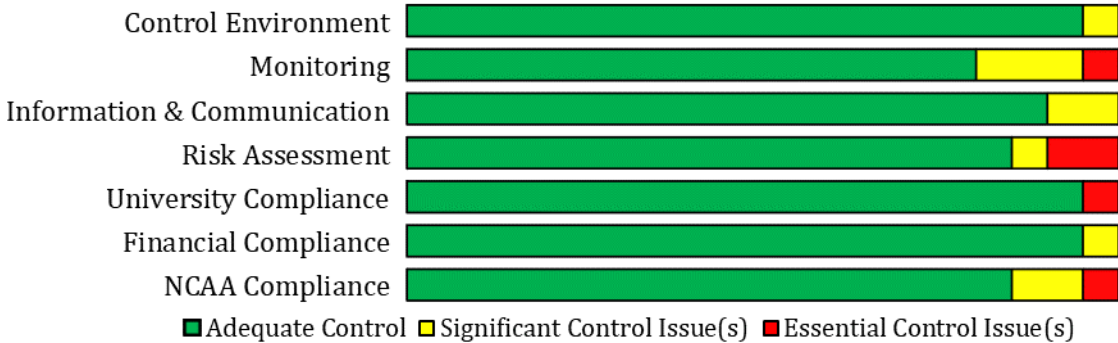
CUHCC Control Evaluation



Report Number:	2312	Issue Date:	December 2022
# of Essential Recs:	12	Total # of Recs:	21
Overall Assessment:	Adequate	Adequacy of MAP:	Good

The Community-University Health Care Center (CUHCC) was founded in 1966 by the University of Minnesota as the first community health center in Minnesota and provides primary care services to children and low-income families in South Minneapolis. CUHCC is a federally qualified health center (FQHC) and department within the University of Minnesota Office of Academic Clinical Affairs. They serve over 11,000 patients a year through nearly 60,000 visits annually. The patient population comes from over 12 different racial and ethnic groups that span five continents. Their services include medical, dental and mental health care, and legal advocacy for domestic abuse and sexual assault. CUHCC has developed a control environment and a system of internal control that adequately addresses most major business, compliance, and information technology risks. However, some control processes require improvement. CUHCC’s finance, operations and information technology processes are unique and sometimes complex, and the nature of clinical activities increases inherent risks including those associated with data management. CUHCC has also had some important transitions in leadership roles and has been challenged to get staffing levels back to an optimum level.

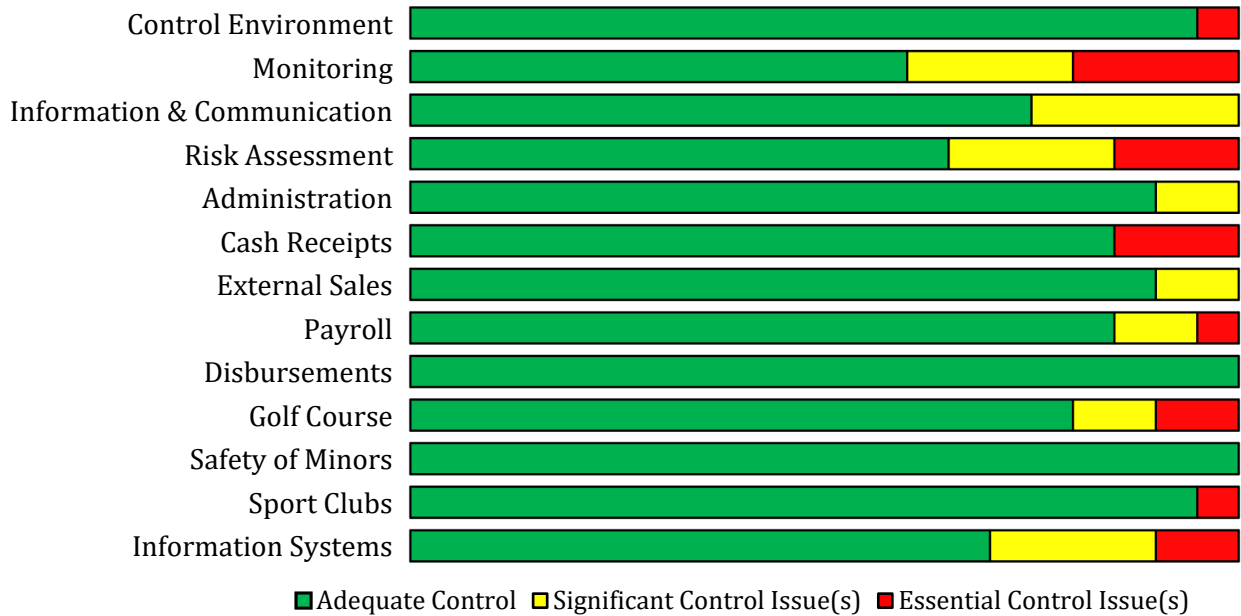
Women’s Gymnastics, Women’s Tennis, Men’s Golf and Women’s Golf Compliance and Operations Control Evaluation



Report Number:	2313	Issue Date:	January 2023
# of Essential Recs:	2	Total # of Recs:	4
Overall Assessment:	Good	Adequacy of MAP:	Good

Four Twin Cities’ Olympic sports were reviewed for this audit: women’s gymnastics, women’s tennis, men’s golf, and women’s golf. Combined all four programs have approximately 50 student-athletes on their rosters. Each program employs two coaches, except for women’s gymnastics that employs three. We believe the women’s gymnastics, women’s tennis, men’s golf and women’s golf programs, Office of Athletics Compliance (OAC), and the Athletics Business Office (ABO) have developed a control environment and a system of internal controls that address most major business and compliance risks within the four programs. However, we did note some opportunities where the sport programs can strengthen internal controls related to University financial procedures and OAC procedures to ensure ongoing NCAA compliance. Essential recommendations were identified related to verifying compliance with University policy on physical video footage and ensuring ongoing NCAA compliance as one violation related to the use of cameras to monitor voluntary practices. The OAC is working with Athletics to address this compliance concern. All four sports commended the OAC for their prompt response to questions, willingness to provide assistance, and effort to ensure they are properly educated on NCAA regulations.

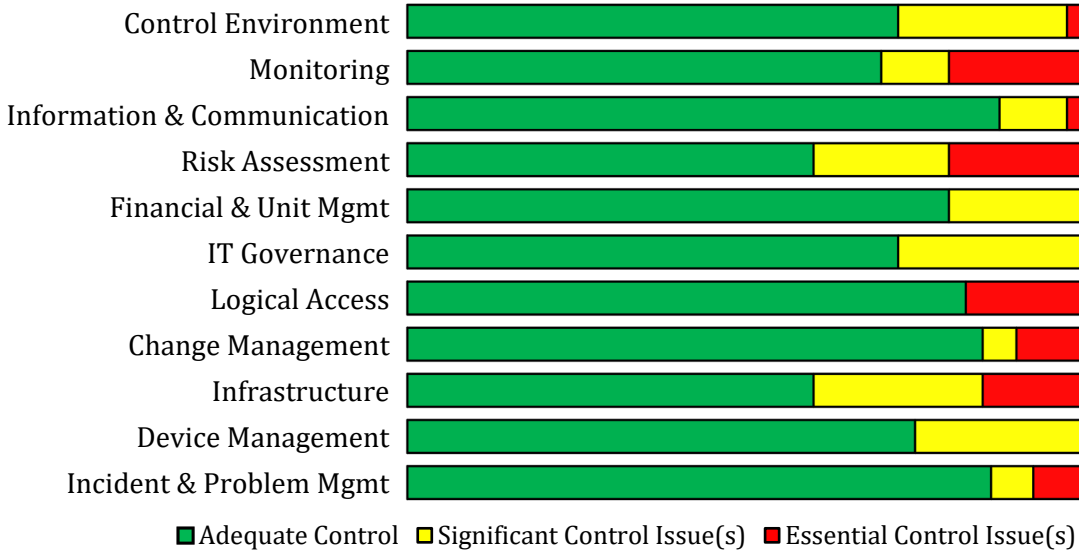
RecWell Control Evaluation



Report Number:	2314	Issue Date:	January 2023
# of Essential Recs:	9	Total # of Recs:	25
Overall Assessment:	Needs Improvement	Adequacy of MAP:	Good

University Recreation and Wellness (RecWell) offers a wide variety of activities of fitness, adventure, wellbeing, recreational activities, youth programs and community activities to students and the Twin Cities campus' community. RecWell is a division of the Office of Student Affairs and has an annual budget of approximately \$13.5M and 50 full-time staff. RecWell is funded by a mixture of student fees and self-generated revenue. Pre-pandemic budget was 60% student service fee (SSF) and 40% self-generated; however, RecWell is currently at a 72% SSF/28% self-generated revenue budget as self-generated revenue dropped since the start of the pandemic. The Golf Course joined RecWell in 2009 and is supported entirely by self-generated revenue. However, it currently does not generate enough revenue to maintain its facilities and equipment, or to renovate its historic club house. RecWell's information systems and financial management processes warrant attention to ensure appropriate internal controls are in place, risks are mitigated, and monitoring is enhanced. The recent structure change that has brought in OIT leadership we expect will address many of the IT issues; however, these changes will take time to mature. Items needing financial management attention include: establishing cashiering controls, monitoring a third-party vendor's financial activity, improving separation of duties, and ensuring necessary reconciliations.

UMD ITSS Control Evaluation



Report Number:	2315	Issue Date:	February 2023
# of Essential Recs:	12	Total # of Recs:	38
Overall Assessment:	Adequate	Adequacy of MAP:	Good

UMD Information Technology Systems and Services (ITSS) provides and coordinates IT systems, support, and services on the UMD campus. ITSS’s services to the UMD campus include application development, computer management, telephone and voicemail, training and workshops, web hosting and infrastructure support. In addition, ITSS leverages technologies and services from the Office of Information Technology (OIT). ITSS has developed a control environment and a system of internal control that adequately addresses most major business, compliance, and information technology risks. However, we identified several essential recommendations to address IT controls and security risks in the broad array of ITSS’ services. While these recommendations are important to ITSS’s services that are critical to the UMD campus; risk is partly reduced as ITSS does not manage central finance, HR, or student systems and has no systems containing highly confidential data.

Transition Review Reports Issued Since October 2022

Due to the targeted scope of these audits no control evaluation charts are developed.

University Services - VP

Report Number:	2310	Issue Date:	October 2022
# of Essential Recs:	0	Total # of Recs:	0
Overall Assessment:	Good	Adequacy of MAP:	NA

The activities of the former Vice President reflected a prudent use of University resources and thoroughness in the necessary administrative functions required for a smooth transition for the new interim Vice President. Interviews with core staff members, as well as a review of HR and financial data noted no new/increased deferred compensation agreements or inappropriate spending. Key administrative tasks have been completed and approved. One notable issue was identified in that performance related compensation increases were approved but not implemented for all direct reports of the former Vice President. University Services leadership has been informed and has addressed this issue.

UMD Chancellor

Report Number:	2311	Issue Date:	October 2022
# of Essential Recs:	0	Total # of Recs:	0
Overall Assessment:	Good	Adequacy of MAP:	NA

The activities of the former UMD Chancellor reflected a prudent use of University resources and thoroughness in the necessary administrative functions required for a smooth transition for the new Chancellor. Interviews with core staff members, as well as a review of HR and financial data noted no new/increased deferred compensation agreements or inappropriate spending. Key administrative tasks have been completed and approved. No report level issues were identified.

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.

Faculty Development Leaves

This SNAP review focused on confirming whether faculty on a development leave (i.e., sabbatical and single semester) submitted a summary report of their activity while on leave in accordance with University policy. Additionally, a high-level review of the entry and tracking of these development leaves in PeopleSoft HRMS was performed.

Absences Not Processed

This SNAP review focused on absences in PeopleSoft Absence Management that were submitted but not processed. Unprocessed absences could indicate that a supervisor is not routinely reviewing absence requests and the time is not being deducted from the employee's vacation/sick balance.

Management Remediation Plans that Involve PEAK

The following table includes recommendations and risks identified in Internal Audit reports for which management stated would be resolved at least in part through the PEAK Initiative.*

Audit	Report Date	Summary of the Issue	Management Response	Function Area	Recommendation Rating	Status of Essential Recommendation
UMD Human Resources (UMD HR)	August 2021	Human resources' roles and responsibilities are not clearly defined and documented to ensure understanding, efficiency, and consistency.	UMD HR plans to assess the feasibility of a structural plan pending the results of PEAK.	Human Resources	Essential	Not Implemented
		There are opportunities to improve the efficiency and consistency of I-9 processing on the UMD campus.	At UMD, I-9 processing is the responsibility of the hiring unit and not UMD HR, which is neither staffed nor has the resources to process I-9s centrally. UMD HR plans to review I-9 processes for the campus alongside the results of PEAK.	Human Resources	Significant	N/A
Employee Visa and Immigration Support Collaborative Assessment	November 2021	The Collaborative Assessment report identified risks related to strategy, hiring, and visa processing.	Senior management plans to establish a task force comprising representatives from all units with visa-related duties to review the collaborative assessment report and the University's visa support processes holistically. This work is expected to be carried out as part of the broader PEAK initiative.	Human Resources	N/A - this Collaborative Assessment identified Medium and Low risk areas for improvement, but not as recommendations	N/A

***Note:** The items in the table above were previously provided as part of the October 2022 docket materials. To date, there were no additional items identified where management stated the remediation of a recommendation would be resolved at least in part through PEAK.