

**TEXAS SOUTHERN UNIVERSITY  
INTERNAL AUDIT DEPARTMENT  
TASKS IN PROGRESS REPORT  
AS OF February 11, 2016**

**TASK**

**STATUS**

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**SPECIAL PROJECTS:**

***FY2014 A-133 Audit and Follow-Up***

State Auditor's Office A-133 Compliance Audit covering the Student Financial Assistance Cluster of federal programs for FY2015 have been completed. The State Auditor's Office concluded the Prior Year Audit Finding from previous Statewide Single Audit – Federal Compliance (A-133) Reports specific to the Schedule of Expenditures of Federal Awards (SEFA) specific to technology access within the financial (BANNER) application; this finding anticipated to be reported as fully implemented and included in the Spring release of the A-133 Report.

***Formula Funding Audit  
2014/15***

The Texas Higher Education Coordinating Board has determined that it will commence with its audit of formula funding models at Texas Southern University. The objective of this audit is to measure the University's compliance with relevant Coordinating Board (THECB) rules and regulations for enrollment data used for formula funding in accordance with Texas Education Code Section 61.

***Senate Bill 20 Financial Interests  
Disclosure/ Conflicts of Interest  
for Employees***

The Dept. of Internal Audit, Fraud & Compliance continues to work with General Counsel, Procurement and relevant offices to streamline policies and processes that promote compliance with Senate Bill 20 as it relates to conflicts of interest in the contract administration process. Additional implementation of process controls will continue through the month's end in support of majority completeness for University compliance.

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<i>Campus Programs for Minors Application-Acceptance Process</i>	The Office of Internal Audit & Fraud along with Student Services, General Counsel and Risk Management has commenced with the application process for Campus Programs for Minors via the revised due diligence, evaluation and acceptance process for FY2016. Policies, forms and protocols defining the process will be available via the Student Services website this Spring. Twenty percent (20%) of the approved Campus Programs for Minors from FY2015 will be audited this year.
<i>Fiscal Controls for Fund Raising Units</i>	The Office of Internal Audit & Fraud has developed and presented fiscal responsibility training to development council units planning to actively engage in fundraising in FY2016. Implementation of the revised process will be completed in Q2 FY2016.
<i>Fiscal Controls for Student Organizations</i>	The Offices of Internal Audit & Fraud and Treasury have established fiscal controls for the advisors, presidents and treasurers of Campus Organizations in the areas of cash management, credit card processing and bank account establishment and provided the fiscal responsibilities workshop to advisors and officers in this area in Q1 and Q2 FY2015.
<i>Fraud Prevention Training Program</i>	Ethics and Fraud Awareness/Prevention Training is now included in the HR suite of mandatory trainings offered online to employees in FY2016. The content is included in new hire sessions as well as in specialized sessions (i.e. Opening Faculty, Compliance Week) which continue to be offered periodically.
<i>Investigations</i>	Ten (10) items have been initiated with due diligence or investigations are actively in progress in the Fraud unit of Internal Audit at this time. The Office of Internal Audit & Fraud are available to discuss these items at your earliest convenience.

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**COMPLETED AUDITS / MANAGEMENT LETTERS:**

<i>Public Funds Investment Act Compliance Audit Report</i>	Distributed to the BOR in January 2015.
<i>Financial Interests Disclosure/ Conflict of Interests Review</i>	Management Letter distributed to the BOR in February 2016.
<i>University Scholarships Administration Review</i>	Management Letter distributed to the BOR <i>Process</i> in February 2016.
<i>TSU Charter School Lab Financial and Compliance Report (external)</i>	To be submitted to the BOR for ratification and approval on February 19, 2016.

<b>TASK</b>	<b>STATUS</b>
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**SCHEDULED AUDITS/ SPECIAL PROJECTS:**

<i>College Review - Education</i>	Fieldwork initiated. Reporting and distribution anticipated for late February/ early March 2016
<i>Direct Grants and Contracts Review</i>	Special project initiated at close of FY2015. Fieldwork anticipated for completion/distribution by Spring 2016.
<i>Enterprise Risk Management (ERM)</i>	Kick-off and assessments with CGC, BOR and Tier 2 units throughout the Spring.
<i>Governance Assessment – Office of Information Technology</i>	Evaluation activities are in progress. Fieldwork anticipated to resolve in early March.