

TEXAS STATE TECHNICAL COLLEGE

**Audit Committee Meeting
of the Board of Regents**

**Texas State Technical College
Connally Meeting & Conference Center
1651 E. Crest Drive
Waco, TX 76705**

Thursday, February 11, 2021

11:00a.m.

AGENDA

I. MEETING CALLED TO ORDER BY AUDIT COMMITTEE CHAIR TONY ABAD

II. COMMITTEE CHAIR COMMENTS

III. MINUTE ORDERS

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Jason D. Mallory

IV. REPORTS:

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2. Summary of Audit Reports..... A-12
Jason D. Mallory
3. Follow-up Schedule & Status A-14
Jason D. Mallory

Please note: Meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of the discussions and the reports of preceding meetings. The estimated times are approximate and may be adjusted as required with no prior notice.



4. Social Media Audit (21-004A).....	A-22
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V. CHANCELLOR COMMENTS

VI. BOARD COMMENTS

VII. ADJOURN

Please note: Meetings are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of the discussions and the reports of preceding meetings. The estimated times are approximate and may be adjusted as required with no prior notice.





Board Meeting Date: February 11, 2021 **Proposed Minute Order #:** 01-21(c)

Proposed By: Jason D. Mallory, Director of Audits

Subject: **Internal Audit Charter**

Background: The Texas Internal Auditing Act, Chapter 2102 of the Texas Government Code, requires all State agencies that have an operating budget that exceeds \$10 million, has more than 100 full-time equivalent employees, or receives and processes more than \$10 million in cash in a fiscal year have an internal audit function. Each internal audit function must be led by a person who is either a certified public accountant or certified internal auditor. The internal audit functions shall also conform to the Standards for the Professional Practice of Internal Auditing, the Code of Ethics contained in the Professional Practices Framework as promulgated by the Institute of Internal Auditors, and generally accepted government auditing standards.

Justification: The Professional Standards require a charter be adopted by the governing board which defines the responsibilities and authority of the internal audit function. Traditionally, this charter has been reviewed at the Fall meeting of the TSTC Board of Regents, with reapproval only being performed if changes were necessary or desired. Going forward, the charter will be reviewed and reapproved annually, irrespective of changes.

Additional Information: None.

Fiscal Implications: No significant fiscal impact.

Attestation: This Minute Order is in compliance with all applicable laws and regulations to the best of my knowledge.

Attachment(s): SOS GA 1.4 Internal Audit Function

Recommended Minute Order: “It is the policy of Texas State Technical College (TSTC) that the College maintain an internal audit activity to provide independent, objective assurance and consulting services designed to add value and improve the College’s operations in accordance with the Texas Internal Auditing Act, The Institute of Internal Auditors’ International Professional Practices Framework, and the Comptroller General of the United States Government Auditing Standards. The Internal Audit Department shall maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to ensure their technical competence. The Internal Audit Department shall have unrestricted access to all functions, records, property, and personnel, exercising prudence in the use of these resources.”

Recommended By:

[ORIGINAL SIGNED BY]

Jason D. Mallory, Director of Audits

TEXAS STATE TECHNICAL COLLEGE
STATEWIDE OPERATING STANDARD

No. GA 1.4	Page 1 of 5	Effective Date: 01/31/2019
DIVISION:	General Administration	
SUBJECT:	Internal Audit Function	
AUTHORITY:	Minute Order #01-19(c)	
PROPOSED BY:	Jason D. Mallory	
TITLE:	Director of Audits	Date: 01/31/2019
RECOMMENDED BY:	Jason D. Mallory	
TITLE:	Director of Audits	Date: 01/31/2019
APPROVED BY:	Mike Reeser	
TITLE:	Chancellor	Date: 01/31/2019

STATUS: Approved by BOR 01/31/2019

HISTORICAL STATUS: Approved by LT 10/11/2018
 Revised 11/05/15
 Revised 06/09/15
 Approved by BOR 8/15/13
 Revised March 2013
 Approved BOR 01/23/04
 Approved MC 12/5/03
 Approved MC 4/9/2003
 Revised 3/2003
 Revised MC 11/21/96
 Approved MC 11/21/96
 Revised 10/18/96
 Approved by BOR 05/11/96
 Approved MC 05/10/96
 Revised 04/02/96
 Approved by MO #39-94 dated 03/26/94
 Rescinded MO #9-90 by MO #40-94 dated 03/26/94
 Approved by MO #9-90 dated 01/21/90
 MG-IA-1 01/10/90

I. STATEWIDE STANDARD

POLICY: It is the policy of Texas State Technical College (TSTC) that the College maintain an internal audit activity to provide independent, objective assurance and consulting services designed to add value and improve the College's operations in accordance with the Texas Internal Auditing Act, The Institute of Internal Auditors' *International Professional Practices Framework*, and the Comptroller General of the United States *Government Auditing Standards*. The Internal Audit Department shall maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to ensure their technical competence. The Internal Audit Department shall have unrestricted access to all functions, records, property, and personnel, exercising prudence in the use of these resources.

II. PERTINENT INFORMATION

The International Professional Practices Framework consists of the Definition of Internal Auditing, Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing. Compliance to these elements shall be mandatory.

III. GENERAL GUIDELINES

The Internal Audit Department shall act in an ethical manner and follow standards prescribed by the Institute of Internal Auditors. To follow those standards, the department and its personnel shall have access to all records necessary to offer an opinion, shall be accountable to the Board of Regents (BOR) and management, and shall have prescribed responsibilities.

IV. DEFINITIONS

Internal Auditing: A TSTC department that provides independent, objective assurance and consulting services designed to add value and improve TSTC's operations. The department shall help TSTC accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

V. DELEGATION OF AUTHORITY

To provide for the independence of the TSTC Internal Audit Department, its personnel shall report to a Director of Audits (Director), who shall report directly to the Audit Committee of the BOR, and, administratively, to the Chancellor.

The Director and staff are authorized to:

- Have unrestricted access to all functions, records, property, and personnel.
- Have full and free access to the Audit Committee.
- Allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish audit objectives.

- Obtain the necessary assistance of personnel within units of TSTC where they perform audits, as well as other specialized services.

The Director and staff are not authorized to:

- Perform any operational duties for TSTC.
- Initiate or approve accounting transactions external to the Internal Audit Department.
- Direct the activities of any TSTC employee outside of the TSTC Internal Audit Department, except to the extent such employees have been appropriately assigned to auditing teams or to otherwise assist the internal auditors.

VI. PERFORMANCE STANDARDS

1. The internal audit activity meets or exceeds the requirements outlined by the International Standards for the Professional Practice of Internal Auditing.
2. Reviews and appraisals of federal programs, activities, and functions are performed in accordance with the Comptroller General of the United States *Government Auditing Standards*.
3. The Director and staff of the Internal Audit Department maintain technical competence through continuing education consistent with the requirements for certified public accountants or certified internal auditors that is applicable to the College's environment.

APPENDIX

VII. RELATED STATEWIDE STANDARDS. LEGAL CITATIONS, OR SUPPORTING DOCUMENTS

[Texas Government Code, Title 10, Subtitle C, Chapter 2102](#)
[SOS GA 1.16, Reporting of Wrongdoing or Retaliation](#)
[International Standards for the Professional Practice of Internal Auditing](#)
[The Comptroller General of the United States Government Auditing Standards](#)
[Texas Education Code, Section 51.9337\(h\)](#)

VIII. OPERATING REQUIREMENTS

Code of Ethics

The staff within the TSTC Internal Audit Department shall be required to act with integrity, objectivity, confidentiality, and competency in accordance with the *The International Professional Practices Framework's Code of Ethics*. The purpose of the Code of Ethics is to promote an ethical culture within the internal audit profession. It forms the basis of the trust placed on the department and its personnel by management and the BOR.

Standards

The College has imposed the specific requirements by which The TSTC Internal Audit Department shall perform its work. Examples include requiring a quality improvement program, professional development, and due professional care.

The scope of work of the TSTC Internal Audit Department shall be to determine whether TSTC's network of risk management, control, and governance processes, as designed and represented by management, is adequate and functioning in a manner to ensure that:

- Risks are appropriately identified and managed.
- Interaction with the various governance groups occurs as needed.
- Significant financial, managerial, and operating information is accurate, reliable, and timely.
- Employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulations.
- Resources are acquired economically, used efficiently, and protected adequately.
- Plans and objectives are achieved.
- Quality and continuous improvement are fostered in TSTC's control process.
- Significant legislative or regulatory issues impacting TSTC are recognized and addressed properly.

Opportunities for improving management control, profitability, and TSTC's image may be identified during audits. Once identified, these opportunities must be communicated to the appropriate level of management.

Accountability

The Director, in the discharge of his/her duties, shall be accountable to management and the Audit Committee of the BOR to:

- Report significant issues related to the processes for controlling the activities of TSTC, including potential improvements to those processes, and to provide information concerning such issues through resolution.
- Provide information periodically on the status and results of the annual audit plan and the sufficiency of department resources.
- Coordinate with other control and monitoring functions (risk management, compliance, security, legal, ethics, environmental, and external audit).

Responsibility

The Director and staff shall be responsible for:

- Developing a flexible annual audit plan using appropriate risk-based methodology, including any risks or control concerns identified by management, and submitting that plan to the Audit Committee for review and approval. Along with the many other risks associated with College activities, the audit planning must consider risks specifically associated with contracts and contract administration. Additionally, an annual assessment must be made of contract compliance matters outlined in [Texas Education Code, Section 51.9337\(h\)](#), with the results being reported to the State Auditor.
- Implementing the annual audit plan, as approved, including, as appropriate, any special tasks or projects requested by management and the Audit Committee.
- Maintaining a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to ensure professional standards are maintained.
- Establishing a quality assurance program by which the Director assures the operations of the TSTC Internal Audit Department.
- Performing consulting services, beyond internal auditing's assurance services, to assist management in meeting its objectives. Examples may include facilitation, process design, training, and advisory services.
- Evaluating and assessing significant merging/consolidating functions and new or changing services, processes, operations, and control processes coincident with their development, implementation, and/or expansion.
- Issuing periodic reports to the Audit Committee and management summarizing results of audit activities.
- Keeping the Audit Committee informed of emerging trends and successful practices in internal auditing.
- Assisting in the investigation of significant suspected fraudulent activities within TSTC and notifying management and the Audit Committee of the results.
- Considering the scope of work of external auditors and regulators, as appropriate, for the purpose of providing optimal audit coverage to TSTC at a reasonable overall cost.



**Texas State Technical College
Internal Audit
Status of Fiscal Year 2021 Audit Schedule & Other Projects**

Description	Division/Campus	Status	Project No.	Report	Last Audit	Audit
INTERNAL AUDITS						
Social Media Audit	Marketing	Complete	21-004A	11/20/20	-	Risk Based
Audit of Disbursements from Student Club Accounts	Student Life	Complete	21-007A	12/11/20	-	Risk Based
Internal Network Penetration Test	Marshall Campus	Complete	20-010A	12/14/20	6/7/18	Risk Based
TAC 202 Follow-up Audit	OIT	In Progress	21-009A	1/7/2021	10/7/20	Required Bi-annually
Safety Audit - All Campuses	Safety & Security	In Progress			6/11/18	Required every 3 years
Internal & External Quality Assessment Review	Internal Audit	In Progress			8/30/18	Required every 3 years
Servion Contract Audit	Airport	In Progress			-	Risk Based
Informer Software Audit - TAC 202	OIT	In Progress			-	Risk Based
Internal Network Penetration Test	West Texas Campuses	In Progress			8/16/18	Risk Based
Coronavirus Aid, Relief, and Economic Security (CARES) Act Compliance Audit	Office of Sponsored Programs & Financial Aid	In Progress			-	Risk Based
TEC 51.9337 (Contracting) Audit	Procurement				7/2/20	Required
Administrative & Faculty Qualifications Audit	Instructional & HR				-	Risk Based
Accounts Receivable/Billing Audit	Finance and others					Risk Based
Concur Software Audit - TAC 202	OIT				-	Risk Based
Wireless Network Security Audit	OIT				-	Risk Based

EXTERNAL AUDITS

TWC: Monitoring review of SDF Contract # 2418SDF002	OSP/Harlingen	Drafting Response	21-012A	9/10/20		
TWC: Monitoring review of SDF Contract # 2418SDF003	OSP/Harlingen	Drafting Response	21-012A	9/10/20		
Financial Processes Audit performed by the SAO	Finance	In Progress - began in June 2020				
Recovery Audit by the State Comptroller's Office	Finance	In Progress - began in June 2020				
Desk Review of Perkins Career and Technical Education – Basic Grants to States, CFDA#84.048, Award #20796 by the THECB	OSP/Harlingen	In Progress				

OTHER INTERNAL PROJECTS

Internal Hotline: Received an anonymous complaint on 10/2/20 that equipment purchased using a procurement card has been delivered to an employee's residence versus the College. The reporter was concerned the purchases was fraudulent. Results: The employee was able to produce all items that were purchased. The shipping to his house were side effects of the COVID-19 remote work.	Instructional	Complete	21-011I	11/4/20		
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Description	Division/Campus	Status	Project No.	Report	Last Audit	Audit
SAO Hotline: Received a complaint that scores provided during faculty evaluations were artificially low, with no opportunity to provide employee feedback during the review process. Results: The complaint was forwarded to HR for resolution. HR provided additional training on performing employee evaluations, and reminded supervisors and staff that employees can provide feedback to their evaluations, even though documentation in the current tool is not available.	Instructional	Complete	21-02I	11/16/20		
Assisted management with identifying location, physical state, and access to, all rooms and closets on every campus where IT network assets are located. The purpose of our involvement was to give them an independent assessment of the access and safety issues that may be present so that they can make informed decisions on what to better control. A formal report was not issued, but an assessment document was presented to them.	OIT/Safety	In Progress - began in FY 2020	20-007P			
Consulting: Serving on Workday implementation. Role is limited to monitoring re-designed business processes for unmitigated risks, and raising security concerns.	OIT/Finance/HR	In Progress - began in FY 2020				
Consulting: Serving on Waco Task Force for demolishing numerous building. Role is limited identifying potential risks and suggesting ways to mitigate those risks.	Facilities/Finance	In Progress - began in FY 2020				

Glossary	
CFDA	Catalog of Federal Domestic Assistance
HR	Human Resources
IT	Information Technology
OIT	Office of Information Technology
SAO	State Auditor's Office
SDF	Skills Development Grant
TAC	Texas Administrative Code
TEC	Texas Education Code
THECB	Texas Higher Education Coordinating Board
TWC	Texas Workforce Commission



**Texas State Technical College
Internal Audit
Summary of Audit Reports**

Report Name & No.	Audit Finding	Summary of Finding Support	Management's CAP(s)	Resp. Sr Mgr	Expect. Complete Date
Social Media Audit (21-004A)	1. Current processes should be applied to all open social media accounts without regard to when they were first activated to better manage associated risks.	<ul style="list-style-type: none"> • Attendance records for social media training are not consistently maintained, and contributors to older social media accounts have not been required to attend training. • Social Media Guidelines Access Agreements were not being maintained. • We identified several inactive accounts that C&CS is working towards deactivating. • We identified a need for C&CS to receive timely notifications when an employee separates from the College so that their access to social media accounts can be removed. 	Reach out to every administrator or moderator of an official social media page to complete training and to execute the social media agreement. Failing to execute the agreement or attend training will result in removal from the social media page(s). Continue to work with Legal to deactivate unauthorized accounts that appear to be College affiliated. Finally, the Human Resources Department will notify us of employee terminations going forward so any affected moderator can be promptly removed.	Nick Alvarado	2/1/21

Report Name & No.	Audit Finding	Summary of Finding Support	Management's CAP(s)	Resp. Sr Mgr	Expect. Complete Date
<p>Audit of Disbursements from Student Club Accounts (21-007A)</p>	<p>1. Controls are not consistently applied to ensure disbursements from Club Accounts are authorized and appropriate.</p>	<p>Summary of Finding Support</p> <ul style="list-style-type: none"> For 51 of 80 disbursements, the Club Account Deposit/Withdrawal form was missing signatures or did not have supporting documentation evidencing proper approval. Student Accounting processed these despite missing signatures. For 9 of 80 disbursements tested, the Club Account Deposit/Withdrawal Form was not signed by an authorized student officer, club advisor or Student Life representative. A current listing of Clubs with authorized club advisors and student officers was not available. This calls into question how validation of authorization of persons signing the form can be performed. We identified 3 disbursements processed by Student Accounting that were facilitated without using the appropriate form. 	<p>Due to the issues identified and through discussions with Clubs, the Clubs have requested to be allowed to have off campus bank accounts. As such the College will cease the practice of administering club accounts by Fall of 2021 as clubs transition their funds. Student Life and Student Accounting staff will encourage student clubs to house their student club funds in a bank account off campus that is opened specifically and exclusively for the registered and recognized TSTC club. The new bank accounts will be 100% legally owned and controlled by the clubs themselves (not TSTC), and the club funds will no longer be accounted for in TSTC systems.</p>	<p>Christine Stuart-Carruthers, Chad Wooten</p>	<p>8/31/21</p>

<p>Internal Network Penetration Test-Marshall Campus (21-010A)</p>	<p>No findings identified.</p>
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<p>TAC 202 Compliance – Quarterly Update (21-009A)</p>	<p>1. 35 more controls were identified as being implemented, with the risk being accepted on 4 controls due to technological limitations.</p>
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**Texas State Technical College
Internal Audit
Follow Up Schedule & Status**

Completion Summary		
	9/30/20	12/31/20
Audits from FY 2017 & Earlier	2	2
Audits from FY 2018	1	1
Audits from FY 2019	4	2
Audits from FY 2020	7	6
Audits from FY 2021	0	2
Net Total	14	13
		Cleared from (Added to) Schedule 0 0 2 1 (2) 1

Highlights:

<p>TAC 202 Audits: 35 more controls were implemented.</p> <p>Challenger Center Audit (19-018A): All issues resolved.</p> <p>Workplace Harassment Audit (19-014A): All CAPs are substantially complete.</p> <p>Clery Act Audit (20-014A): One issue related the Annual Security Report was resolved, with the final two issues pending audit review.</p> <p>Clery Act Audit (20-014A): The Annual Security and Fire Report now includes most of the information that was found to be lacking in the audit. The Emergency Notification system is being tested more frequently, and fire drills are being performed more frequently.</p> <p>Numerous tasks pending audit review.</p>

Report Name & No., Resp. Sr Mgr	Internal Audit Finding	Management's CAP(s)	Internal Audit Comments on Status	Management Comments on Status	Expect. Complete Date
<p>Summary of Departmental Audits (Marshall Welding Department 17-013A, Fort Bend Diesel 17-023A, Fort Bend HVAC 17-022A), Hoekstra</p>	<p>1. We identified numerous exceptions related to inventory control in the Welding Department.</p>	<p>1.1 Summary : Create a cross-divisional team and review existing policies and procedures related to the inventory process.</p>	<p>Ongoing: Determined in follow-up testing performed in November 2018 and June 2019 that procedures were improved going forward. The SAO is currently testing controls in the Financial Processes audit. A new system is under consideration in assisting with track and counting fixed assets.</p>		<p>TBD</p>

<p>TAC §202 Compliance Audits (17-002A) (19-004A), (19-003A), (19-017A), (20-026A), Herrera</p>	<p>1. Several required controls were not yet implemented.</p>	<p>As noted in the report, a majority of the required controls have been implemented with the remaining controls being evaluated and addressed. For the controls not yet implemented, we are evaluating the associated risk to TSTC and associated applicability in our environment to prioritize implementation. IT Security along with TAC 202 compliance is a priority for TSTC.</p>	<p>Ongoing: At 1/7/21, 7 systems and the IT general controls have been audited. A total of 12 general controls and 55 (total for all systems audited) application controls were not yet implemented. In this quarter, 35 controls were improved to implemented status.</p>		<p>Ongoing</p>
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<p>PCI Compliance Audit (18-009A), Herrera</p>	<p>1. Numerous IT related controls and/or their control elements, as prescribed by PCI DSS, have not been implemented. As such, PCI DSS compliance is not being fully met.</p>	<p>1.1 In an effort to ensure the protection of payment card data for students and employees, The Office of Information Technology has been working with Food Services to resolve a number of important control deficiencies during the audit and will continue to review and implement recommendations moving forward. As we anticipate that the review and implementation review of 100 controls across 6 objectives will take over a year, we will prioritize controls that have the largest impact on the protection of cardholder data. As part of this process, we will also implement the recommendation of an annual assessment of PCI-DSS controls to ensure ongoing adherence to PCI-DSS compliance changes.</p>	<p>Ongoing: As of 1/7/21, PCI controls for the food services function were still pending testing. Both Audit and IT efforts have been focused on improving TAC 202 compliance. There is an overlap of TC 202 controls with PCI. In 2021, we will restart testing of select PCI controls.</p>		<p>Ongoing</p>
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<p>Workplace Harassment Audit (19-014A), Hoekstra, Mayfield</p>	<p>1. Current policies and procedures related to workplace harassment can be improved by implementing several of the recommendations offered by the EEOC in their 2016 report.</p>	<p>1.1 A single, comprehensive policy will be created that includes all 10 of the EEOC's recommended elements.</p>	<p>Substantially Complete: At 1/6/20, a revised policy containing all of the required elements was recommended by HR to be renamed the Anti-Harassment policy. The draft has been forwarded to Jonathan Hoekstra for his review and signature.</p>		<p>12/31/20</p>
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		<p>1.3 A single comprehensive policy will be created, with various forms of training being conducted.</p>	<p>Substantially Complete: See CAP 1.1. On 10/7/20, we reviewed Civility Training developed by HR. This training is now part of the TSTC onboarding process for new employees, and has been offered during TSTC elearning days. The training includes all of the EEOC's recommendations. We will follow-up one more time to verify the training is being completed by employees.</p>	<p>12/31/20</p>
<p>Admissions Process Audit (19-017A), Stuart-Carruthers, Foshie, Arredondo</p>	<p>2. Access to admissions and enrollment related mnemonics in Colleague needs to be better restricted.</p>	<p>2.1 Submitted a request to OIT to evaluate access for employees in question and remove if not appropriate. The Executive Registrar will collaborate with Human Resource and OIT to identify a process to ensure access is evaluated by the appropriate department when changes in employment within the college occur.</p>	<p>Ongoing: On 10/6/20, the corrective action was revised. As of 1/7/21 a list of users' access has been reviewed and access needing to be changed to 'inquiry' has been identified. The department is currently working with OIT to send out updated access forms and plans to complete by the end of the term, or sooner.</p>	<p>12/30/20</p> <p>Due to changes in procedures in the division, the corrective action was revised to: Executive Registrar will work collaboratively with OIT to periodically evaluate access to ensure compliance based on current job description. Annual review of access will continue to monitor for any changes in job duties that may require access updates.</p>
<p>Clery Act Compliance Audit (20-014A), Torres</p>	<p>1. Some required policy statements were either missing or inaccurate in the 2019 AFSR, procedures related to Campus Security Authorities need to be improved, and we could not reconcile crime data submitted to the ED.</p>	<p>1.2 Processes are being developed in coordination with SHEA Officers, HR, Student Development, Chiefs of Police, and Risk Management, to ensure all Campus Security Authorities are aware of their responsibilities by maintaining an accurate list of all such people and the training they have received. Standardized processes are also being developed by the Chiefs of Police. Compliance will be verified through reviews of the requirements during the preparation of the Annual Security Report, and through frequent communication and input from all areas previously listed.</p>	<p>Pending Review: As of 09/29/2020, enhancements were still ongoing related to campus security authorities.</p>	<p>10/1/20</p>

		<p>2.2 Since 2018, the Risk Management has implemented fire drills on each campus with assistance from its increased staff of SHEA Officers. Those drills are tracked and reviewed by the Director of Risk Management.</p>	<p>Substantially Complete: As of 09/23/20, the department tracks and records fire drills on a system-wide fire drill google spreadsheet, and maintains fire drill report to support it. However, a fire drill was not conducted at least once a year for 6 of 10 campus during calendar year 2019 (Jan. 2019 to Dec. 2019) of which 2 campus had no fire drill reports to support the test. Clery looks at by calendar year and not fiscal year. After the issuance of the audit report (April 2020), a fire drill report was completed and maintained for all fire drills except for 2. (2 of 12 fire drills from Apr. 2020 - Aug. 2020) The department is working on making this a consistent process systemwide. Note: Revisit in ending Dec. 2020/Jan. 2021 by this time calendar 2020 has ended.</p>	<p>Per discussion with Chris Martin on 09/22/20 through google hangouts. The fire drills are recorded and tracked in a google spreadsheet. The fire drill reports are filed in a google shared folder by campus. However, not all campus will have this document because the department is trying to make this a consistent process system.</p>	12/30/20
<p>Help Desk Audit (20-025A), Scherwitz</p>	<p>1. We found supporting policies and training guidelines, as well as other related documentation to be outdated. Information from some of these resources included outdated information for escalating issues. And, we noted an opportunity for the Help Desk to better gauge it's customer service effectiveness by simply requesting periodic feedback from customers.</p>	<p>1.1 Review and update all documentation for trainings, ticket workflow and escalations to ensure the documentation is current. A procedure will be put in place that will require an annual review by the Help Desk Director.</p>	<p>Pending Review</p>		10/30/20

			1.2 Will implement documentation and reports that track key performance indicators for the Help Desk Analyst and Associate Analyst. These reports will contain time to resolution for tickets, the service and type of tickets. This documentation and reports will be reviewed quarterly by the Help Desk Director.	Pending Review		9/30/20
Airport Operations Audit (20-008A), Herrera, Semien	1. Contract management procedures should be enhanced to ensure all contract provisions are met.	1.1 Invoicing & Receivables: issues will be addressed in the same manner regardless of tenant. Blanca Guzman, Chief of Staff for the Vice Chancellor, and Elvira Reyna, Budget Analyst, will work with Accounting to ensure our invoicing and receivables are done timely and as scheduled for each individual lease. Blanca and Elvira will also be generating their own monthly reports and tracking activities. Any discrepancies or improvements will be addressed accordingly with Airport Operations and/or the Accounting department. Blanca Guzman will be responsible for these activities and this situation will be resolved by July 31, 2020.	1.2 Insurance Requirements: Blanca Guzman will provide oversight of the insurance requirements and coordinate with the Kevin Semien, Interim Airport Operations Tenant Management, to ensure all insurance requirements are complied with. Together, they will validate insurance requirements annually. Blanca Guzman will be responsible and this task will be completed by September 30, 2020.	<p>Pending Review: As of October 31, 2020, Internal Audit was forwarded documentation indicating an enhanced process of invoicing and tracking receivables has been implemented. We still need to perform in depth testing.</p> <p>10/6/20: We reviewed the documentation from Elvira Reyna. Ms. Reyna has been working with the Student Accounting staff to verify airport vendors have been billed according to contract terms, and that we have collected on those invoices. Internal Audit will do detailed testing of all Invoicing and Payment processes in an upcoming audit.</p> <p>Substantially Complete: On 10/1/20 we reviewed evidence that a method for tracking insurance requirements has been developed. IA reviewed the documentation and found some insurance gaps still exist. We forwarded our findings to management, who continue to address the gaps.</p>		7/31/20
						12/30/20

		<p>1.3 Use of Taxiway: L3 was made aware of the need for them to halt using the taxiway and begin to remove their equipment. We will establish a timeline for them to remove the equipment in coordination with L3. Kevin Semien will be responsible for this task and timeline will be complete no later September 30, 2020.</p>	<p>Pending Review: Followed up on 10/5/20 with Kevin Semien. Vendor personnel are in the process of disposing of the equipment. We will hold this open until the area is noticeably cleaned.</p>	12/30/20
		<p>1.4 UHI: Kevin Semien worked with UHI Executives on the payment balance. UHI Executives agreed to pay their balance prior to their expiration and termination of their lease. Kevin Semien is responsible for this task and the task should be resolved by July 31, 2020.</p>	<p>Substantially Complete: As of October 31, 2020, only one payment was still pending. The 3 other outstanding payments were made. The last remaining payment is being contested.</p>	12/30/20
		<p>1.5 Jimmy Jaska/Hay Baling: Kevin Semien will work with Jimmy Jaska to ensure the insurance is updated accordingly. Kevin Semien will also work with Jimmy Jaska in recording the number of bales actually collected and ensure the appropriate ratio is applied accordingly. The insurance matter will be resolved by September 30, 2020 and the bale ratio on the next occurrence.</p>	<p>Pending Review: We have not yet been able to follow-up on this issue.</p>	9/30/20

			1.3 The Human Resources Department will notify us of employee terminations going forward so any affected moderator can be promptly removed.	Corrected during audit		Immediately
Audit of Disbursements from Student Club Accounts (21-007A), Stuart-Carruthers, C. Wooten	1.	Controls are not consistently applied to ensure disbursements from Club Accounts are authorized and appropriate.	1.1 The College will cease the practice of administering club accounts by Fall of 2021 as clubs transition their funds. Student Life and Student Accounting staff will encourage student clubs to house their student club funds in a bank account off campus that is opened specifically and exclusively for the registered and recognized TSTC club. The new bank accounts will be 100% legally owned and controlled by the clubs themselves (not TSTC), and the club funds will no longer be accounted for in TSTC systems.	Ongoing		8/31/21



Internal Audit Department

Audit Report

Social Media Audit (21-004A)

**TEXAS STATE TECHNICAL COLLEGE
Communications & Creative Services**

November 20, 2020

**This audit was conducted in accordance with the
International Standards for the Professional Practice of Internal Auditing
of the Institute of Internal Auditors.**

Executive Summary

We recently completed an audit the College’s related social media accounts to verify appropriate processes are in place to reasonably protect the College’s reputation and brand when using this widespread and instantaneous form of communication. The audit primarily verified various controls and process, to include the governing policy, specific training and account access and approval, periodic content monitoring, and the use of authorized logos and branding. As part of the audit, we also reviewed active accounts for questionable content. Social media content management and monitoring falls within the purview of the Communications & Creative Services (C&CS) Department, with accounts being active for several different areas within the College. Content for those accounts are updated by the various areas.

Our test work identified the following.

Policy	The College has a social media policy that recognizes the power of the media. Among other things, it requires content to reflect TSTC’s values, and to be current. In a management letter we recommended the policy be updated to reflect recently implemented controls.
Training	We found that the C&CS department has created social media specific training, and has held trainings with various groups. However, several content contributors for accounts created several years ago have not been completed the training, nor acknowledged their responsibilities. We cited this observation in Finding # 1 of this report.
Approved Accounts	We determined there is a process for approving new social media accounts, and ensuring the content contributors of those accounts have been trained and acknowledge their responsibilities. We identified several older accounts that need to be deactivated, and ones that have not been subject to the approval and training processes. C&CS is aware of the inactive accounts and working towards deactivating. As part of Finding #1, we included a recommendation to train and obtain acknowledgments of

	responsibilities from content contributors for the older accounts that are still active.
Account Monitoring	C&CS actively monitors content on active accounts, and are attempting to close older, inactive accounts. We did not find any inappropriate content in our review of several accounts. We offered some recommendations to improve monitoring efforts in a management letter.
Account Access	We reviewed access to several social media accounts. While we did note some access exceptions, those were corrected during the audit. We cited a process improvement in Finding #1 related to being notified of employees who separate from the College.

Introduction

Social media posts reach millions of people *instantly*. A rogue post, or a lack of judgement, can cause a public relations problem for the College. The need to manage and monitor an organization’s social media presence has become a necessary business function. The Communications and Creative Services (C&CS) Department fills this need for the College.

The C&CS staff includes a Social Media Digital Coordinator. The Coordinator is responsible for coordinating all of the College’s social media channels and digital signage across the State. This includes coordinating and assisting in managing and scheduling of daily social media posts, creating graphics for social media and digital signage, monitoring social media trends, and monitoring benchmarks for measuring the impact of social and digital media campaigns.

The College has social media pages for each college location and Statewide accounts on Facebook, Twitter, and Instagram. Additionally, various College departments have accounts on the different social media platforms. During our audit we identified 46 Facebook, 17 Instagram, and 33 Twitter accounts associated with the College. These social media accounts are used to inform the TSTC community of upcoming events, changes to College operations, and to celebrate student’s successes. The accounts are also used to engage directly with prospective students and the communities the College serves.

Objectives

The primary objective of the audit was to verify appropriate processes are in place to reasonably protect the College's reputation and brand when social media is used to communicate. Part of that objective include reviewing governing policy, training, and authorization/access/content monitoring processes,

Scope & Methodology

The scope of our audit included all Facebook, Instagram, and Twitter accounts officially associated with the College at the time of this audit, including and those that appeared to be affiliated with the College. The scope also included all content posted to those accounts within the past fiscal year. To accomplish our objectives, we documented key internal controls relied upon to ensure social media content is appropriate, and protects the Colleges brand and reputation. We utilized the SOS GA 1.18 Employee Use of Social Media and SOS GA 1.7 Dissemination of Information, and the C&CS Visual Standards Guide to test authorization, content, access, and content monitoring.

General Observations

C&CS staff have actively been improving social media controls before we performed this audit. They recognize the impact these types of communications can have. They provide training to content contributors of new accounts, and require an acknowledgement of responsibilities around these accounts to be executed. We noted their ongoing efforts to close old or unapproved accounts. All staff members were helpful during the audit, and very receptive to the audit and any recommendations we offered.

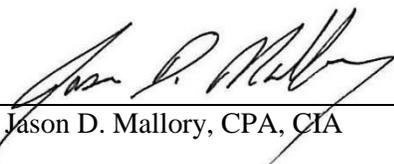
Summary of Finding

Current processes should be applied to all open social media accounts without regard to when they were first activated to better manage associated risks.

Opinion

Based on the audit work performed, social media accounts are set up and administered by the C&CS Department, monitoring controls are in place, content is appropriate and generally updated on a regular basis. We noted opportunities to improve controls, but staff were already working to strengthen them while our audit was ongoing. We would like to extend our appreciation for the time and assistance given by management and employees during this audit.

Submitted by:



Jason D. Mallory, CPA, CIA

November 20, 2020

Date

AUDIT FINDING DETAIL

Finding #1: Current processes should be applied to all open social media accounts without regard to when they were first activated to better manage associated risks.

Criterion: We reviewed the College's social media policy and training. We verified the policy contained information on creating social media accounts and/or granting access to existing accounts, guidelines for social media post, the use of branding items on social media, and a statement that confidential information must not be posted on social media sites. In addition, we reviewed the social media training created by C&CS.

We attempted to verify employees outside of C&CS who have access to College social media accounts have attended training. As an added control, C&CS now requires employees with social media access to sign a Social Media Guidelines Access Agreement. The agreement outlines the rules and guidelines that apply to all College social media accounts. We attempted to verify that all social media users had a signed agreement on file with the C&CS Department.

We made the following observations that we feel impacts the effectiveness of the controls that have been designed:

- Specific social media training created by the C&CS Department and multiple training sessions have been held Statewide. But we determined that attendance records are not consistently kept for these trainings, and contributors to older social media accounts have not required to attend training.
- Social Media Guidelines Access Agreements were not on file. Staff indicated that this control will be implemented going forward for new accounts. Much like training, we recommend all current contributors to College social media accounts acknowledge their responsibilities and the College's expectations for appropriate content.
- We identified several inactive accounts that C&CS is working towards deactivating.
- Finally, we identified a need for C&CS to receive timely notifications when an employee separates from the College so that their access to social media accounts can be removed. This is especially important when the separation is involuntary.

Consequences: Increased likelihood for social media content to not meet College standards.

Possible Solutions:

- Require all social media contributors to obtain specific training, and execute a Social Media Guidelines Access Agreement. We recommend these improvements for all current, active accounts irrespective of when they were created. All agreements and training records should be maintained.

- Continue efforts to close all inactive accounts.
- Establish a process through Human Resources in which C&CS is timely notified all employee separations.

Management Response

Management of the Communications Department agrees with the observations made in the audit. The lack of training and control processes were the result of personnel changes in the social media area, and a lack of compliance from employees across the college. By February 1, 2021, we will reach out to every current employee who is an administrator or moderator of an official social media page to complete training and to execute the social media agreement. Anyone failing to execute the agreement or attend training will be removed from the social media page(s) they moderate, with communication being forwarded to their supervisor. We will continue to work with our Legal Department to deactivate unauthorized accounts that appear to be College affiliated. Finally, the Human Resources Department will notify us of employee terminations going forward so any affected moderator/administrator can be promptly removed. April Walker and Kristina Campos-Davis will be responsible for the implementation of this corrective action.



Internal Audit Department

Audit Report

**Audit of Disbursements from Student Club Accounts (21-007A)
of
TEXAS STATE TECHNICAL COLLEGE**

December 11, 2020

**This audit was conducted in accordance with the
International Standards for the Professional Practice of Internal Auditing
of the Institute of Internal Auditors.**

Executive Summary

We completed an audit of disbursements from Student Club Accounts (Club Accounts) as of August 31, 2020. The primary purpose of this audit was to verify applicable controls were implemented to ensure disbursements from Club Accounts were appropriate. The scope of the audit included all disbursements from September 1, 2019 through August 31, 2020 from Club Accounts with balances. We reviewed 80 disbursements at a combined value of approximately \$36 thousand from 19 different Club Accounts. We performed this audit because of the reputational risk associated with mismanaging these agency funds. We recognize the overall financial risk to the College is relatively low.

We determined that controls are not consistently applied over disbursements from Club Accounts. SOS ES 3.21 requires the College to maintain authority over these funds by maintaining them as agency funds. The College is facilitating disbursements from these accounts without properly ensuring the disbursements are authorized and appropriate.

Introduction

SOS ES 3.21 Student/Employee Organizations encourages groups of students interested in a common purpose to organize and seek official recognition as a Student Club (Clubs). The Department of Student Life monitors officially recognized Clubs by tracking and collecting all required documentation, such as charters, constitutions and bylaws. Clubs must include a current College employee as an advisor, and ensure student officers are academically sound. All funds raised and disbursed by the Clubs are held by the College as agency funds in its bank accounts, and are subject to audit.

At the end of fiscal year 2020, there were 175 active Clubs and 276 Club Accounts. The combined balance for those accounts was approximately \$135 thousand. The total disbursements from all Club Accounts during the fiscal year was approximately \$74 thousand. The process for disbursing funds requires action from a Club's student officer, the designated Club advisor, a member of Student Life, and Student Accounting. A designated form requesting the disbursement is signed by both the student officer and Club advisor, and then sent to Student Life. The student officer's and Club advisor's signatures on the form are intended to signify the disbursement is appropriate, and that sufficient funds exist. The signature from Student Life is intended to ensure authorized student officers and Club advisors made the requests. Student Accounting's involvement is limited to ensuring sufficient funds are available and that the appropriate form is used and signed, and to process the disbursements by creating a check.

Club Accounts are agency funds, and do not belong to the College. The College assists with managing those funds by ensuring they are secured. Agency funds are not subject to the same rules and restrictions as State funds used by the College, but use of funds in Club Accounts should support the purpose of the Club.

Objectives

The primary purpose of this audit was to verify adequate controls were implemented to ensure disbursements from Club Accounts were appropriate. This audit tested controls. Even though we reviewed the documented purposes of each disbursement we tested, we did not generally perform sufficient test work to specifically opine on the appropriateness of each disbursement.

Scope & Methodology

The scope of our audit included all transactions related to Club Accounts in fiscal year 2020. To accomplish our objective, we reviewed policies and procedures, interviewed persons in Student Life and selected club advisors, and tested a sample of 80 transactions. SOS ES 3.21 and the Student/Employee Org Handbook formed the basis of our testing.

General Observations

At the time of our audit, the responsibilities of monitoring Club activity was transferred to another person in Student Life. She was receptive to this audit to assist her with improving any processes we identified that may need attention. There is a monthly report generated by Student Accounting that tracks monthly revenue and expenditures for each Club.

Summary of Finding

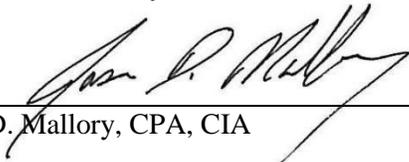
Controls are not consistently applied to ensure disbursements from Club Accounts are authorized and appropriate.

Opinion

Based on the audit work performed, controls are not operating adequately to ensure disbursement from Club accounts are authorized and appropriate. This exposes the College to unnecessary reputational risk associated with facilitating fraudulent or erroneous disbursements from agency accounts.

We would like to extend our appreciation for the time and assistance given by management and employees during this audit.

Submitted by:



Jason D. Mallory, CPA, CIA

December 11, 2020

Date

AUDIT FINDING DETAIL

Finding #1: Controls are not consistently applied to ensure disbursements from Club Accounts are authorized and appropriate.

Criterion: We tested controls for 80 disbursements from 19 Club Accounts. We reviewed the applicable disbursement form to ensure all required signatures were present from authorized individuals before the disbursement was processed.

Our results found the following exceptions to support our conclusion:

- For 51 of 80 disbursements, the Club Account Deposit/Withdrawal form was missing signatures or did not have supporting documentation evidencing proper approval. Student Accounting processed these despite missing signatures.
- For 9 of 80 disbursements tested, the Club Account Deposit/Withdrawal Form was not signed by an authorized student officer, club advisor or Student Life representative.
- A current listing of Clubs with authorized club advisors and student officers was not available. This calls into question how validation of authorization of persons signing the form can be performed.
- Finally, we identified 3 disbursements processed by Student Accounting that were facilitated without using the appropriate form.

Even though our objective was not to scrutinize and opine on the appropriateness of each disbursement we tested, we did identify several disbursements from one club used to pay each student and advisor for his/her fundraising efforts. We discussed these with management, as they appeared to be outside of the intent of the Club. At the very least, we feel the payments to the Club advisors were inappropriate since they are responsible for approving the disbursements.

Consequences: Failure to strictly follow established controls around disbursing Club funds subjects those funds to misuse and fraud, and subject the College to unnecessary reputational risk.

Possible Solution: We recommend management consider requesting assistance from the Foundation to assist with managing Club Accounts. Their assistance could also assist with more fully complying with SOS ES 3.21, such as ensuring all fundraising events are authorized and appropriate.

Management Response

Management of the Student Life and Student Accounting departments agree with the observations made in the audit. Due to the issues identified and through discussions with Clubs, the Clubs have requested to be allowed to have off campus bank accounts. As such the College will cease the practice of administering club accounts by Fall of 2021 as clubs transition their

funds. Student Life and Student Accounting staff will encourage student clubs to house their student club funds in a bank account off campus that is opened specifically and exclusively for the registered and recognized TSTC club. The new bank accounts will be 100% legally owned and controlled by the clubs themselves (not TSTC), and the club funds will no longer be accounted for in TSTC systems. Belinda Palomino, Coordinator of Student Life, and Jan Harvey, Senior Executive Director, will be responsible for implementation of this corrective action plan.



Internal Audit Department

Audit Report

Internal Network Penetration Test Audit (21-010A)
TEXAS STATE TECHNICAL COLLEGE
Marshall Campus

December 14, 2020

**This audit was conducted in accordance with the
International Standards for the Professional Practice of Internal Auditing
Of the Institute of Internal Auditors.**

Executive Summary

Between October 12, 2020 and November 15, 2020, we performed vulnerability scans and penetration testing of the College's internal network on the Marshall Campus.

The primary objective of this project was to ensure sensitive information stored and processed by primary systems, and systems directly supporting the confidentiality, integrity, and accessibility of those systems, have controls in place to detect and prevent attacks from unauthorized individuals on the campuses. Physical and logical security controls, to include the actions and habits of personnel, were targeted in this project. Unlike the test we conducted in FY 2018, we selectively sampled employees with probable access to sensitive information using our access to internal information. In our FY 2018 test, we relied solely upon information we collected through the internet.

We tested end user training effectiveness (known as phishing) by calling and sending emails to select individuals requesting sensitive information that would never legitimately be sought. We attempted to access areas that should be restricted to identify sensitive information or assets that could be pilfered. We attempted to gain access to privileged systems and information by scanning the network to identify control flaws, tested wireless access points, and searched for available ports connected to the internal network that we could plug in to. Finally, we attempted to access computers available to the public to determine whether we could potentially access sensitive information. Both manual and automated testing methods were used to detect and/or exploit potential vulnerabilities. Industry standards noted in the Scope & Methodology section of this report served as our basis.

Our results indicated that the Marshall campus has significantly improved since our last test. Unlike the last test, several employees this time acknowledged our presence by asking if we needed assistance. Our email and telephone phishing attempts on the 40 employees we selectively targeted were largely unsuccessful, and the employees who were compromised last time were not compromised again. More reports were also made to the Help Desk of our attacks. Wireless printers were not accessible, we only found 2 ports with direct access to the internal network, and we only found one behavioral concern related to securing an unattended computer. We determined wireless networks are appropriately segregated, and protected by secured logon protocols and encryption. We could not access any restricted information on the network, and determined that usable wireless access is only available from inside the building. IT related closets were restricted by locks that required either a pin code, a physical key and or badge swipe. And finally, we were not able to access facilities after business hours.

We identified a few opportunities for improvement that we included in a management letter so they could be corrected. Those are not included in this report because the issues were not pervasive, and generally represented isolated behavioral lapses of individual employees.

Introduction

The Office of Information Technology (OIT) Division, overseen by an Executive Director, assists the College with its operational needs by maintaining secure IT networks, providing end-user support and training, assisting with IT purchases, and maintaining critical databases and offering critical application support.

During this internal penetration test Internal Audit worked closely with the Director of IT Compliance. Members of the IT Support Operations Department and the Department of Infrastructure Operations were only notified when accounts were compromised or immediate remediation was required. To ensure the integrity of the results, limited people were notified of our tests prior to us performing them.

Due to COVID-19 restrictions, there were fewer employees/students on campus than in previous years when the test was performed. Fewer people essentially decreased the likelihood risks related to behavioral lapses that could occur. Many of the rooms and areas on campus were restricted or closed. Public computing areas such as the Internet café and Library were closed, with computers being unplugged and wrapped with plastic bags. The Learning Resource Center (LRC) was closed to staff and students. The second floor of the South (ITC) Building was closed off with tables and signage restricting entry.

Objectives

The objectives of the internal network penetration test were to:

- Ensure primary systems, and systems directly supporting the confidentiality, integrity, and accessibility of primary systems have the controls in place to detect and prevent attacks.
- Ensure unauthorized individuals on campus are unable to access privileged systems or sensitive data.
- Verify the effectiveness of end-user training on threats related to information security.
- Allow the College to gain insight into real-world attack vectors that may have not been previously considered or tested.

This test was not intended to verify all risks the campuses face during an attack. We focused on likely scenarios based upon the information we gathered during our testing.

Scope & Methodology

The scope of the penetration test included the physical and logical securities of core network equipment, access network equipment, and networking closets located on the Marshall campus. It also included employee behavior, especially their awareness and vigilance against potential related attacks that compromise IT systems and sensitive data. The following industry standards served as our methodology:

- IS Benchmarks - Baseline Configurations for Secure Operating System and Application Deployment

- NIST Configuration Baselines - Baseline Configurations for Secure Operating System and Application Deployment
- NIST 800-53 - Security and Privacy Controls for Federal Information Systems and Organizations
- NIST 800-115 - Technical Guide to Information Security Testing and Assessment

General Observations

Several areas on campus were restricted due to operating under COVID-19 restrictions. This left fewer opportunities for us to access areas normally open. Doors for offices and conference rooms were locked. Staff present on campus noticed our presence and made comments to us, and prevented us from going past the front reception desk in the Administration building. Wired and wireless networks were segregated between privileged and guest accounts, and we noticed there were no open wireless connections to wireless printers as found during the previous penetration test in March of 2018. Services available on both the guest and internal wireless networks were appropriate. Wireless access points did not emit signals outside of the physical perimeters of the originating buildings. Access to closets containing networking equipment were inaccessible. Access to faculty offices were also locked, and public computers in common areas were disconnected and restricted. Finally, there was an increased awareness of individual responsibilities and the need to remain vigilant in protecting resources.

Summary of Findings

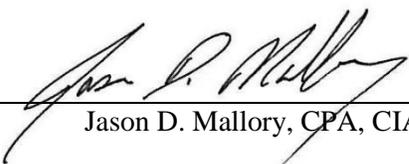
No material issues were identified. We provided observations of isolated behavioral lapses to management in a management letter, but these lapses were not pervasive.

Opinion

Based on the audit work performed, assets and sensitive information are generally well protected on the Marshall campus. There was a noted improvement from the test performed in FY 2018.

We would like to extend our appreciation for the time and assistance given by management and employees during this audit.

Submitted by:



Jason D. Mallory, CPA, CIA

December 14, 2020

Date



To: Audit Committee
 From: Jason D. Mallory, Audit Director
 Subject: TAC 202 Compliance – Quarterly Update
 Date: January 7, 2021

The purpose of this memo is to provide you the current implementation statuses of IT controls required by TAC 202 tested in numerous internal audits of systems conducted since 2017. Annually, the list of audits of systems will increase as we continue to audit. Each quarter we test select controls which were previously not implemented. From October 1 through January 6, 2021, **35** more required controls were implemented. There were also **4** controls identified this quarter that could not be implemented due to technological limitations. As such, those controls could not be implemented and were documented as “risk accepted”. Compensating controls are in place, though, to limit the risk those controls were aimed at.

RESULTS

General Controls

Original Audit: June 28, 2017

Period	Implemented	Implemented with Recommendations	Not Implemented	Risk Accepted ^{Note 1}	Total
October 2020 – December 2020	53	19	12	2	86
July 2020 – Sept 2020	53	19	12	2	86
Change	0	0	0	0	

Note 1: Management has elected to not implement controls SC-20 & SC-21 because implementing is too costly, and does not provide additional risk mitigation. Furthermore, they have researched other agencies and institutions of higher education, and no one else has implemented the controls.

Colleague

Original Audit: June 28, 2017

Period	Implemented	Implemented with Recommendations	Not Implemented	Risk Accepted	Total
October 2020 – December 2020	33	11	5	0	49
July 2020 – Sept 2020	33	11	5	0	49
Change	0	0	0	0	

Perceptive Content

Original Audit: June 28, 2017

Period	Implemented	Implemented with Recommendations	Not Implemented	Risk Accepted ^{Note 2}	Total
October 2020 – December 2020	30	15	3	1	49
July 2020 – Sept 2020	25	15	9	0	49
Difference	+5	0	-6	+1	

Note 2: AU-5 requires the system to send an alert when an audit log fails. This system does not have that capability.

Maxient

Original Audit: February 25, 2019

Period	Implemented	Implemented with Recommendations	Not Implemented	Risk Accepted	Total
October 2020 – December 2020	36	3	10	0	49
July 2020 – Sept 2020	33	3	13	0	49
Difference	+3	0	-3	0	

Google Suite

Original Audit: December 10, 2018

Period	Implemented	Implemented with Recommendations	Not Implemented	Risk Accepted ^{Note 3}	Total
October 2020 – December 2020	38	9	0	2	49
July 2020 – Sept 2020	36	7	6	0	49
Difference	+2	+2	-6	+2	

Note 3: AC-7 requires the system to lock for at least 15 minutes after 10 failed logon attempts. AC-8 requires a banner to be displayed that indicates unauthorized access is prohibited before a user signs on. This system does support either of these requirements. The risk of unauthorized access is mitigated by other compensating controls.

Target X

Original Audit: September 30, 2019

Period	Implemented	Implemented with Recommendations	Not Implemented	Risk Accepted	Total
October 2020 – December 2020	26	1	22	0	49
July 2020 – Sept 2020	26	1	22	0	49
Difference	0	0	0	0	

Informatica Server

Original Audit: September 30, 2019

Period	Implemented	Implemented with Recommendations	Not Implemented	Risk Accepted	Total
October 2020 – December 2020	39	0	10	0	49
July 2020 – Sept 2020	38	0	11	0	49
Difference	+1	0	-1	0	

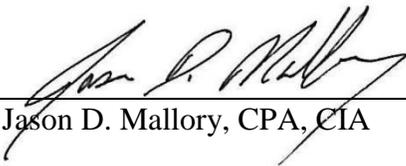
PrismCore

Original Audit: September 21, 2020

Period	Implemented	Implemented with Recommendations	Not Implemented	Risk Accepted ^{Note 4}	Total
October 2020 – December 2020	38	5	5	1	
July 2020 – Sept 2020	14	5	30	0	49
Difference	+24	0	-25	+1	

Note 2: AU-5 requires the system to send an alert when an audit log fails. This system does not have that capability.

Submitted by:



Jason D. Mallory, CPA, CIA

January 7, 2021

Date

- cc: Mike Reeser, Chancellor/CEO
- Ricardo Herrera, VC/CSSO
- Shelli Scherwitz, Executive Vice President/OIT
- Larry McKee, Executive Director/OIT Compliance



Texas State Technical College
Internal Audit
Attestation Disclosures

Responsible Management	Issue Reported by Management	Report Date	Management's Corrective Action Plan	Internal Audit Assistance/Follow-up
No new reports were made.				

The noted items were reported during the attestation process, and have been disclosed to the Chancellor. These were deemed to be worthy of disclosure to the Audit Committee.