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Nov. 10, 2020

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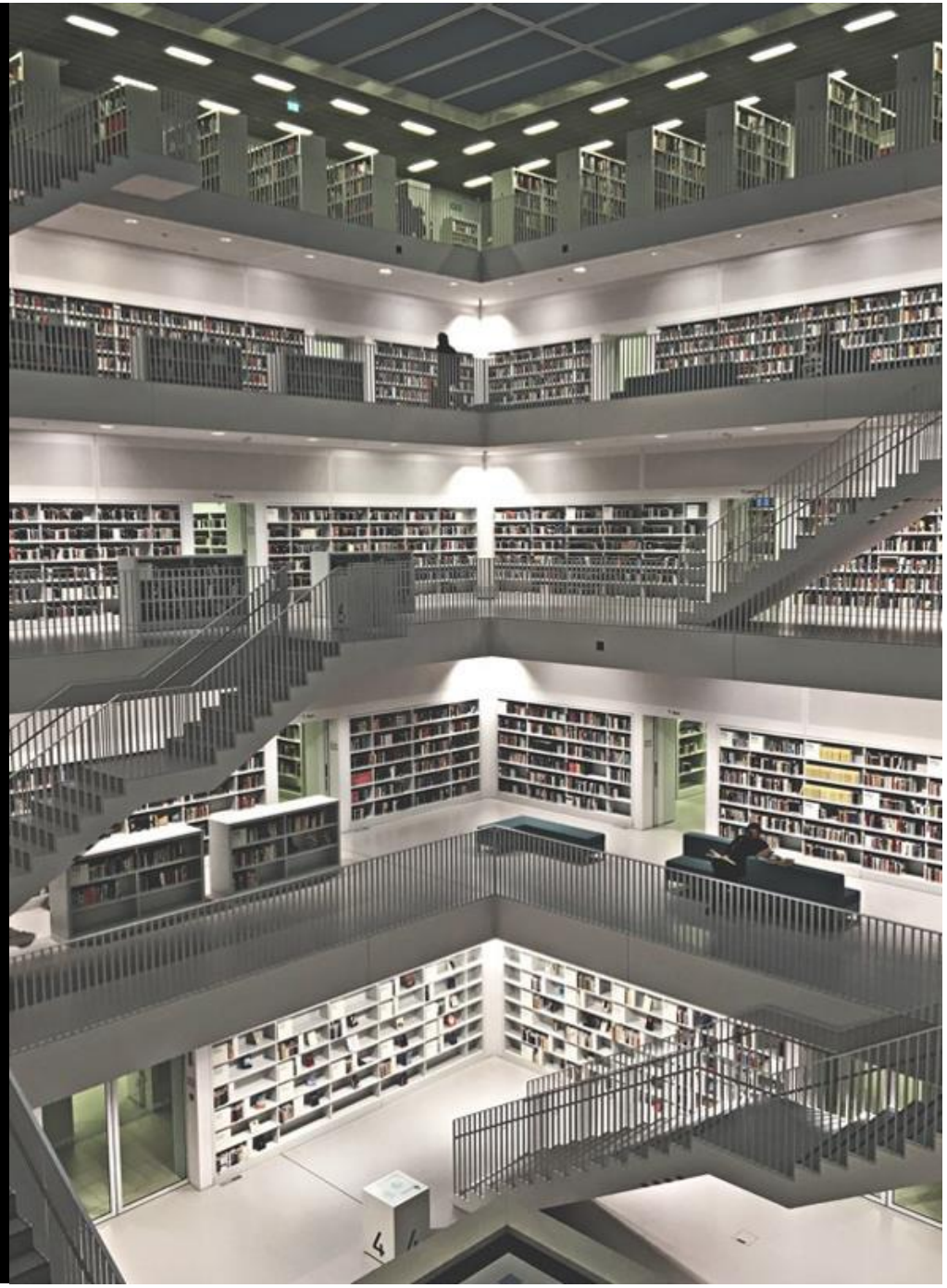

WEBINAR MODERATOR

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ACUA Virtual Learning Director
Lisa Gendusa
Internal Auditor
Texas State University System

Continuing professional education (CPE) credit

This webinar qualifies for 1.5 hours of CPE credit.

To qualify for the credit, ***you must be in attendance for the entire webinar, participate in the (five) polling questions and complete the evaluation form at the end of the webinar***.

Qualified attendees will receive their CPE certificate via email in 3-4 weeks.

Questions regarding the CPE for this webinar can be sent to acua-info@kellencompany.com

INTRODUCTIONS

Today's webinar speakers

Nataly Cherepansky, CIA
Manager
Baker Tilly

Meghan Senseney, CIA
Manager
Baker Tilly

Haley Anderson, CIA
Senior Consultant
Baker Tilly

Jon Nichols, CPA
Senior Manager
Baker Tilly

INTRODUCTIONS

Today’s featured panelist

Du’Neika Easley, CPA
Assistant Vice President, Internal Audit
University of Richmond

BACKGROUND

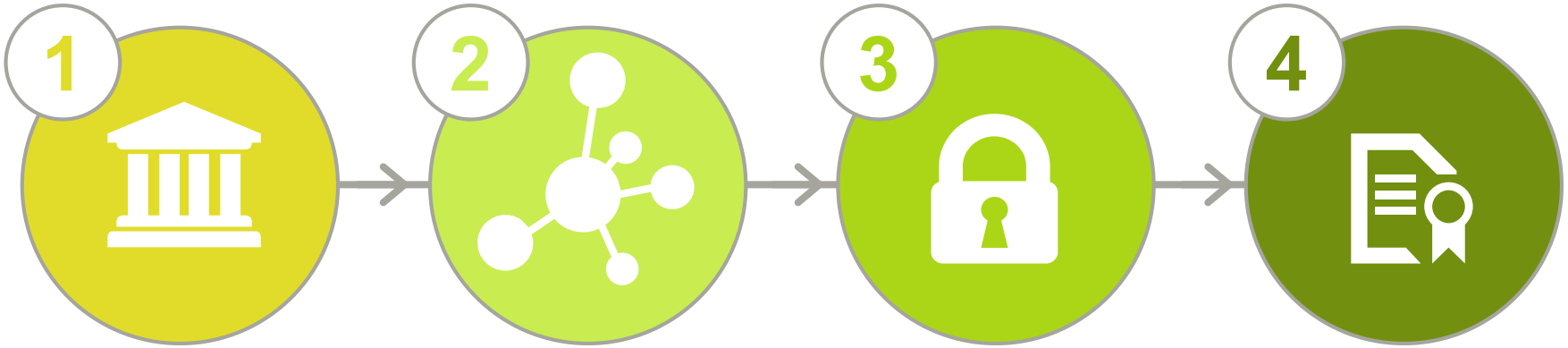
Objectives

In this webinar, participants will learn to:

1. Identify requirements in the Final Title IX Regulations and how these may impact your audits
2. Discuss campus monitoring activities institutions can use to inform decision-making in the COVID-19 environment, as well as how internal audit can help
3. Consider how internal audit can help assess workstation security controls in a remote environment
4. Review developments regarding the use of CARES Act funding by higher education institutions and where internal audit can provide assurance

BACKGROUND

Agenda



BACKGROUND

Polling question #1

Which of the following areas do you believe creates the highest risk for your institution?

a) Ensuring compliance with Final Title IX Regulations
b) Assessing risks associated with campus activities and making informed decisions in the COVID-19 environment
c) Preventing unauthorized access to systems and data in a remote environment
d) Meeting CARES Act compliance requirements

Final Title IX Regulations

KEY CONSIDERATIONS IN THE FINAL TITLE IX REGULATIONS

Title IX regulatory changes

- The Department of Education (ED) rescinded guidance from the previous administration in 2017 and then proposed new guidance in 2018 for review and comment by the public
- After receiving more than 100,000 comments, ED released its Final Title IX Regulations (Final Regulations) on May 6, 2020 with an effective date of Aug. 14, 2020
- These regulations apply to all higher education institutions receiving federal financial assistance, regardless of size, including both public and private colleges and universities

KEY CONSIDERATIONS IN THE FINAL TITLE IX REGULATIONS

Definition of sexual harassment

Final Regulations

- Defined as “misconduct on the basis of sex that satisfies one or more of the following”:
  - A school employee conditioning education benefits on unwelcome sexual conduct (i.e., “quid pro quo”)
  - Unwelcome conduct that denies equal access to the school’s education program or activity
  - Sexual assault, dating violence, domestic violence or stalking

Audit considerations

- Has the Title IX policy been updated?
- Has language in other policies (e.g., student handbook, student conduct policy) been evaluated?

KEY CONSIDERATIONS IN THE FINAL TITLE IX REGULATIONS

Actual knowledge and applicability

Final Regulations

- Schools are only responsible for formal complaints made to an “official with authority to institute corrective measures on the recipient’s behalf”
- Complaint must be a written document filed by a complainant or signed by the Title IX coordinator

Audit considerations

- Who has your institution defined as mandatory reporters?
- Do policies clearly establish the process for formal complaints?

KEY CONSIDERATIONS IN THE FINAL TITLE IX REGULATIONS

Location of incidents

Final Regulations

- Schools are only responsible for incidents within their "education program or activity"
- Policies and grievance procedures do not apply to persons outside the United States

Audit considerations

Do policies specify the institution's jurisdiction for Title IX matters?

Are processes for addressing off-campus incidents defined in a different policy (e.g., student conduct)?

KEY CONSIDERATIONS IN THE FINAL TITLE IX REGULATIONS

Standard for response

Final Regulations

- The Title IX coordinator must promptly contact the complainant confidentially to discuss supportive measures and explain the process for filing a formal complaint
- Schools will be held to a “deliberately indifferent” standard when deciding if they responded appropriately

Audit considerations

Are there processes in place for the Title IX coordinator to promptly reach out to the complainant, and how is this outreach documented?

Has a back-up for the Title IX coordinator been established?

KEY CONSIDERATIONS IN THE FINAL TITLE IX REGULATIONS

Roles and responsibilities

Final Regulations

- Decision-maker of responsibility cannot be the Title IX coordinator or investigator
- Title IX personnel must be free of conflict of interest or bias and trained to serve impartially without prejudging the facts at issue

Audit considerations

Who has been identified to serve as decision-maker of responsibility?

What is the process for ensuring Title IX personnel do not have a conflict of interest or bias?

KEY CONSIDERATIONS IN THE FINAL TITLE IX REGULATIONS

Live hearing

Final Regulations

- Grievance procedures must provide for a live hearing with cross-examination conducted by the parties' advisors
- If a party does not have their own advisor of choice at the live hearing, institutions must provide that party, at no fee or charge, with an advisor

Audit considerations

- Do grievance procedures provide for a live hearing?
- What is the process for providing an advisor if a party does not have one?
- Are recordings or transcripts for each live hearing created and maintained?

KEY CONSIDERATIONS IN THE FINAL TITLE IX REGULATIONS

Record retention

Final Regulations

- Maintain documentation related to investigations for seven years
- Provide documentation to complainant and respondent upon request

Audit considerations

Does your record retention policy state that Title IX documentation must be retained for seven years?

What is the process for requesting and providing documentation?

Additional components of the Final Regulations

- Training
- Accessible reporting to the Title IX coordinator
- Grievance process
- Supportive measures
- Presumption of innocence
- Written notice
- Informal resolution
- Burden of gathering evidence
- Confidentiality
- Right to an advisor
- Review of evidence
- Standard of evidence
- Right to appeal
- Retaliation

Polling question #2

Does your institution have a current or upcoming Title IX audit in light of new regulations?

a) Yes
b) No
c) We would like to, but need assistance with developing audit objectives
d) Unsure or other

Question for panelist

What key changes has the University made to its Title IX processes in light of the Final Regulations? What Title IX processes did *not* change in light of the Final Regulations?

Question for panelist

What role did internal audit play (if any) in assessing updates to Title IX policies to reflect new regulations?

Title IX resources

- Baker Tilly – Analyzing the updated Title IX regulations
- Baker Tilly – Understanding the Final Title IX Regulations
- U.S. Department of Education – Final Rule
- U.S. Department of Education – Title IX Final Rule Overview
- U.S. Department of Education – Summary of Major Provisions of Title IX Final Rule
- Brookings – Analyzing the Department of Education's Final Title IX Rules

Campus activities
monitoring

Polling question #3

Will your institution perform an internal audit or advisory review related to COVID-19 monitoring activities?

a) Yes
b) No
c) Yes, but unsure of how to execute
d) Unsure or other

CAMPUS ACTIVITIES MONITORING

COVID-19 testing overview

60%
reduction in infectiousness with weekly testing;

40%
reduction with bi-weekly testing[1]

Regular testing with a three-day delay[2] increases preventable transmissions from **4% to 41%**

CDC recommends testing for all close contacts of COVID-19 cases to quickly identify and prevent asymptomatic/pre-symptomatic transmission[3]

A comprehensive testing program allows tracking of COVID-19 metrics to inform real-time decisions on campus operations[4]

[1] Test sensitivity is secondary to frequency and turnaround time for COVID-19 surveillance: https://www.medrxiv.org/content/10.1101/2020.06.22.20136309v2
[2] Impact of delays on effectiveness of contact tracing strategies for COVID-19: https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667(20)30157-2/fulltext
[3] CDC considerations for IHE administrators for COVID-19 testing: https://www.cdc.gov/coronavirus/2019-ncov/community/colleges-universities/ihe-testing.html
[4] Higher education benchmarks for closing campuses: https://www.educationdive.com/news/few-colleges-are-setting-clear-benchmarks-for-closing-campuses/582614/

Testing and monitoring considerations

1 Symptomatic testing	– How will students be prompted to get tested (e.g., through a symptom tracking app)? – Where will students be directed to for testing and healthcare advice? – Will testing be conducted in-house or outsourced? – What format of testing will be used?
2 Surveillance testing	– Will surveillance testing be performed? – What population will be tested? – How frequently? – Will testing be conducted in-house or outsourced? – What format of testing will be used? – How will surveillance metrics be monitored? – At what thresholds will leadership consider changes in operations?
3 End of semester testing	– Will students be tested prior to leaving campus and returning home? – How will testing be tracked and monitored?
4 Return to campus testing in the spring	– Will all students be tested prior to returning to campus? – Should testing be conducted in their home communities or on campus? – What protocols should international students or those from travel-restricted states follow?

CAMPUS ACTIVITIES MONITORING

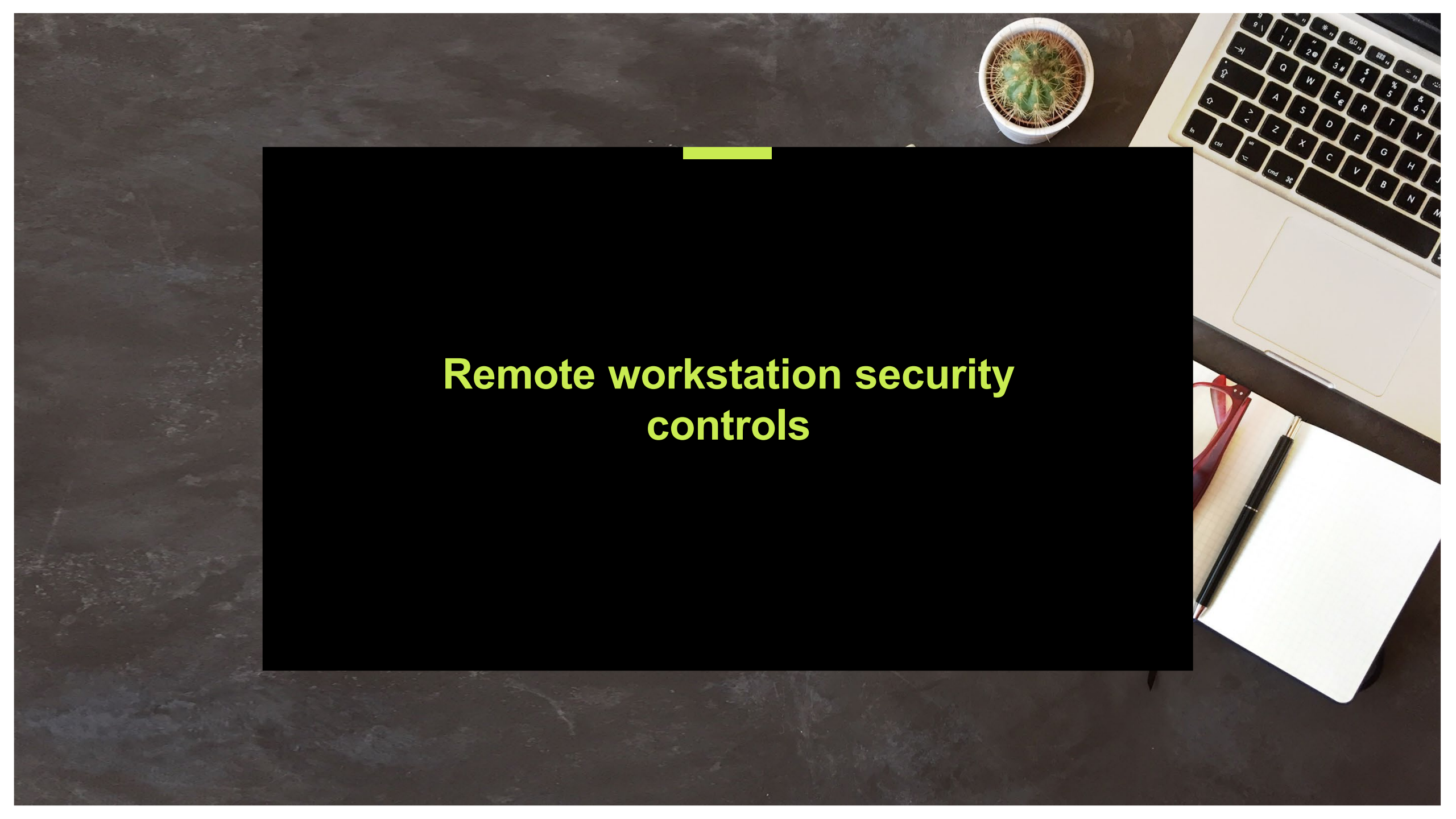
Example internal audit procedures

- Gain an understanding of your institution's COVID-19 campus reopening approach, including **documented plans and communications** sent to students, faculty, staff and families **outlining the institution's commitments and expectations** with regards to testing, contact tracing, isolation/quarantine, student conduct, coordination with health authorities, monitoring and responses to cases on campus
- For each commitment, **verify that the stated actions have occurred**, can be demonstrated, and/or have been adjusted and communicated to the campus community
- **Identify gaps** between the institution's documented reopening plan, communications made to the campus community and actual actions undertaken by the institution
- Provide assurance as to what elements of the reopening approach were completed as documented and communicated, and **insight as to what variances occurred, why they occurred and what additional actions or communications may be needed** to fully address these gaps

Question for panelist

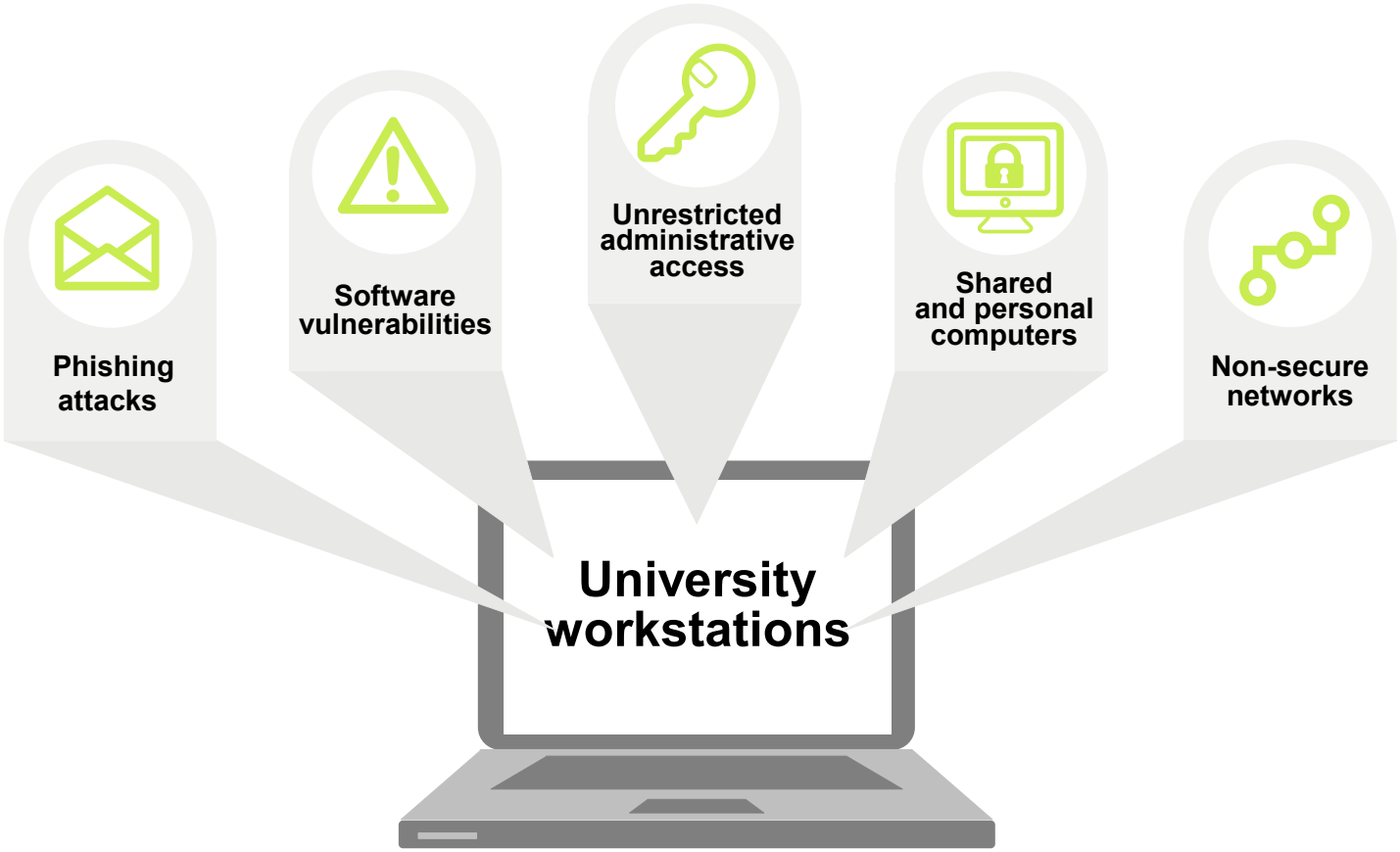
Did the University communicate a plan for the fall 2020 semester that included testing, contact tracing, isolation and quarantine protocols, return to campus protocols and general guidelines for creating a safe campus (e.g., required face coverings, physical distancing)?

Remote workstation security controls



WORKSTATION SECURITY CONTROLS IN A REMOTE ENVIRONMENT

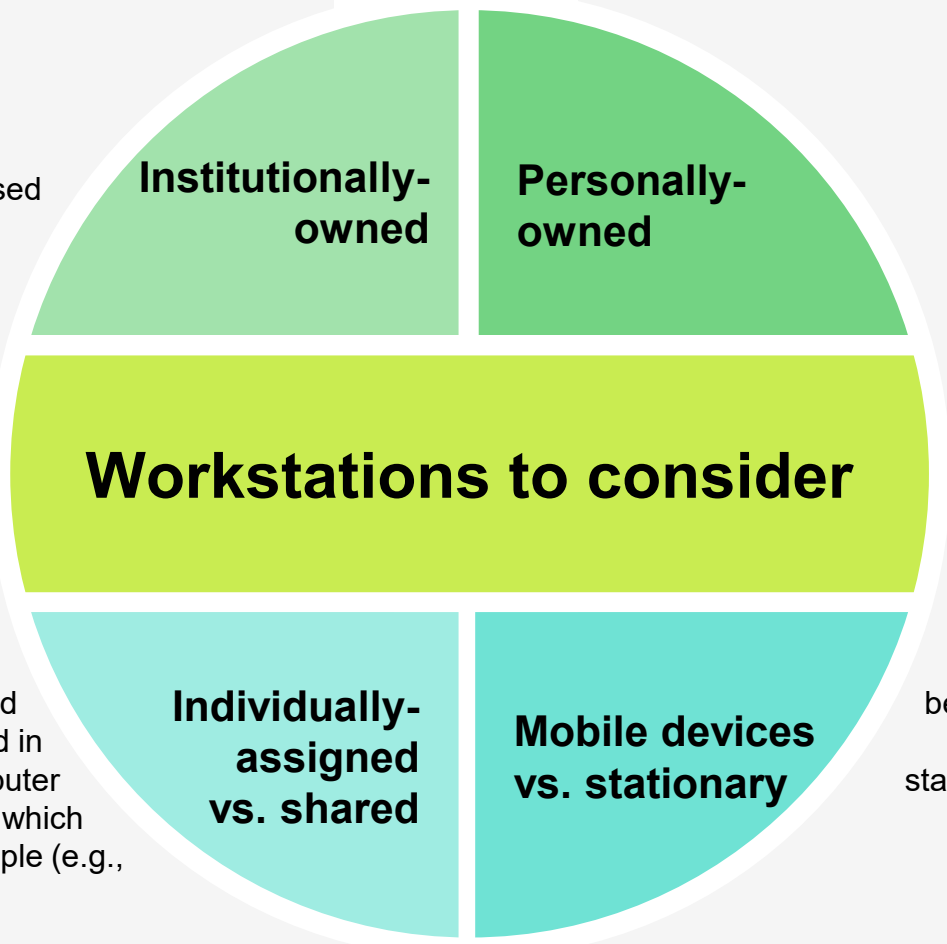
Remote workstation security risks



Scoping considerations

Includes workstations purchased and provisioned by the institution

Includes personally-owned devices used to access institutional data, systems or network



Individually-assigned workstations are those provisioned for use by one specific person (e.g., faculty, staff, student), whereas shared workstations are those located in communal spaces (e.g., computer labs, libraries, classrooms) or which could be used by multiple people (e.g., loaners)

Mobile devices (e.g., laptops, tablets, or mobile phones) can be easily transported to alternate computing locations, whereas stationary devices (e.g., desktops) tend to stay in one place

Control areas for assessment

Potential controls

- Policies and procedures
- Administrative user access
- Patch management
- Anti-virus/anti-malware solutions
- Operating system versions
- Multi-factor authentication
- Virtual private networks (VPN)
- Security configuration standards
- Authorized software
- Workforce security training

Control frameworks for reference

- Center for Internet Security (CIS) Controls V7.1
- National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF)

Question for panelist

With COVID-19 and other risks emerging for the University this year, how did workstation security arise as a focus area for internal audit to review?

Question for panelist

Did you need to adjust your existing audit plan due to the unforeseen emerging risk of workstation security? Can you please describe this process?

Polling question #4

Has your institution adjusted its audit plan to address risks that have emerged as a result of COVID-19?

a) Yes
b) No
c) Unsure or other

CARES Act compliance

CARES ACT COMPLIANCE

CARES Act Higher Education Emergency Relief Fund (HEERF)

Student aid portion – $6.3 billion to “provide students with emergency financial aid grants”

Institutional aid portion – $6.3 billion to “cover any costs associated with significant changes to the delivery of instruction due to the coronavirus”

Additional aid for HBCUs, TCCUs, HSIs and for institutions receiving less than $500,000 in other HEERF funding

Institutions have broad discretion in administering and allocating funds

Funding comes with reporting requirements, single audit expectations and Office of Inspector General (OIG) oversight

CARES ACT COMPLIANCE

CARES Act student aid portion – implementation plans

Student eligibility

Allocation methodology

Timing of disbursement

Operational approaches for disbursement

Documentation and reporting considerations

CARES ACT COMPLIANCE

CARES Act institutional aid portion – implementation plans

Allocation and prioritization of usage of funds

Timing of use of funds

Remaining questions and concerns

CARES ACT COMPLIANCE

HEERF reporting requirements

	Method of reporting	First report due to be posted	Frequency of reporting	As of Oct. 14, next report due when?
Section 18004(a)(1) Student Portion public reporting	Information is publicly posted on institution's primary website.	First report was generally due 30 days after ED originally obligated funds to the institution for the Section 18004(a)(1) Student Portion.	Subsequent reports are due quarterly and must be posted no later than 10 days after the calendar quarter (October 10, Jan. 10, Apr. 10, July 10).	By Jan. 10, 2021 covering the period from the Sept. 30 quarterly report through Dec. 31.
Section 18004(a)(1) Institutional Portion, (a)(2), and (a)(3) public reporting	Information is publicly posted on institution's primary website in the same place as the Student Portion Public Reporting described above.	First report due Oct. 30, 2020 covering the period from first award through Sept. 30, 2020.	Subsequent reports are then due quarterly and must be posted no later than 10 days after the calendar quarter (Jan. 10, Apr. 10, July 10, Oct. 10).	By Oct. 30, 2020 covering the period from the date of the first HEERF award through Sept. 30.
Annual reporting	Report is submitted to the Department via a portal system currently in development.	Intended first annual report due in early 2021.	Yearly. Submission will be required of all HEERF grantees.	Intended first annual report due in early 2021.

Example internal audit procedures

- Evaluate your institution's documented allocation plan for using HEERF funds against CARES Act and ED guidance to identify compliance and reputational risks
- Assess a sample of student emergency financial aid grants to confirm they aligned with the institution's allocation plan, the CARES Act and ED guidance
- Verify institutional expenses are well-documented, accurately calculated and eligible for reimbursement based on the CARES Act and ED guidance
- Validate that reporting regarding the institution's use of HEERF funds is compliant with relevant guidance and requirements

Question for panelist

What were the biggest challenges for the University with regards to the administration of the CARES Act funds?

CARES ACT COMPLIANCE

Question for panelist

What role did internal audit play in the University's plans for administering CARES Act funds (e.g., performing or planning an audit, helping with implementation)? With what risks was internal audit most concerned?

CARES ACT COMPLIANCE

Polling question #5

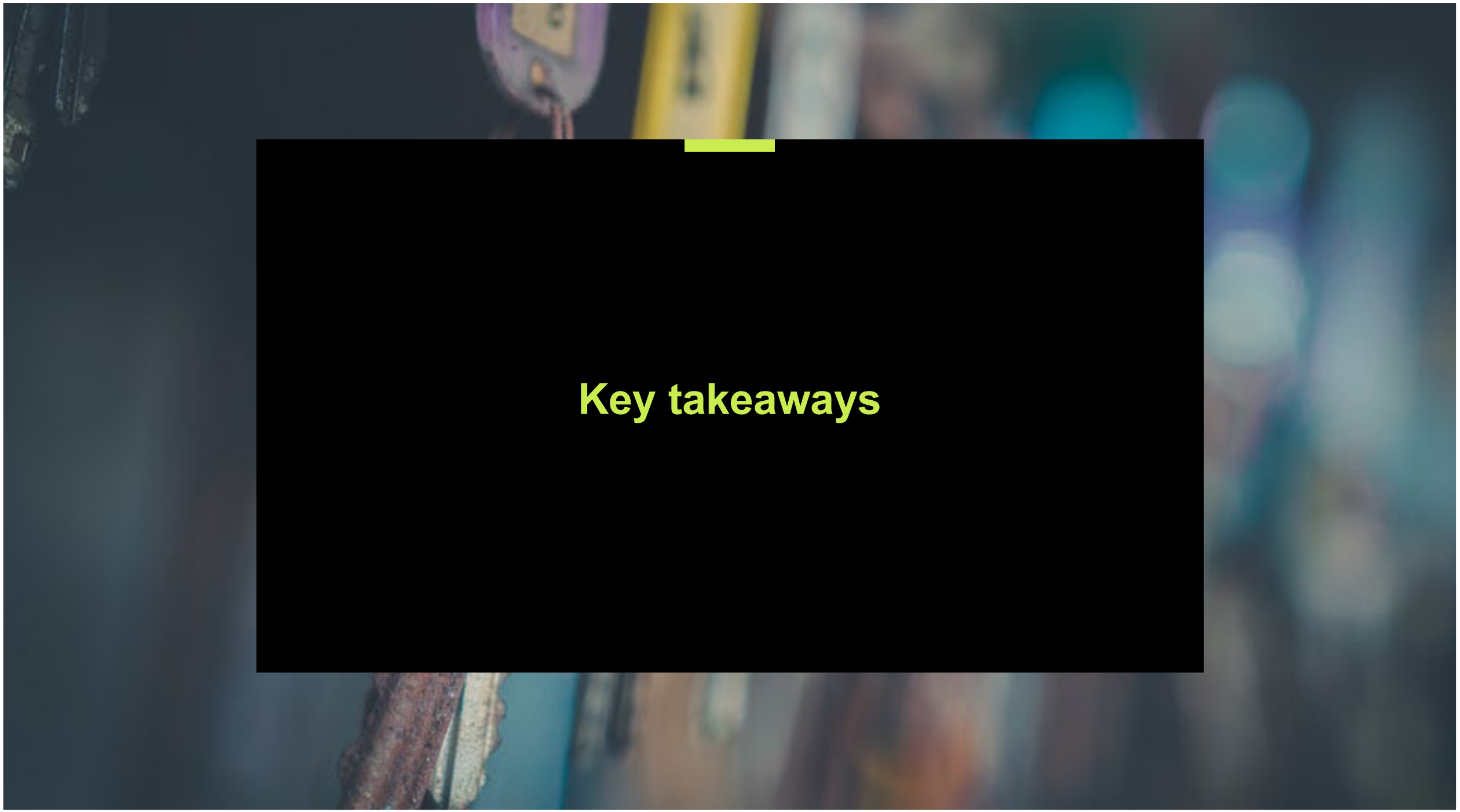
At your institution, has internal audit been involved in the compliance and administration of the CARES Act funds?

a) Yes
b) No
c) Unsure or other

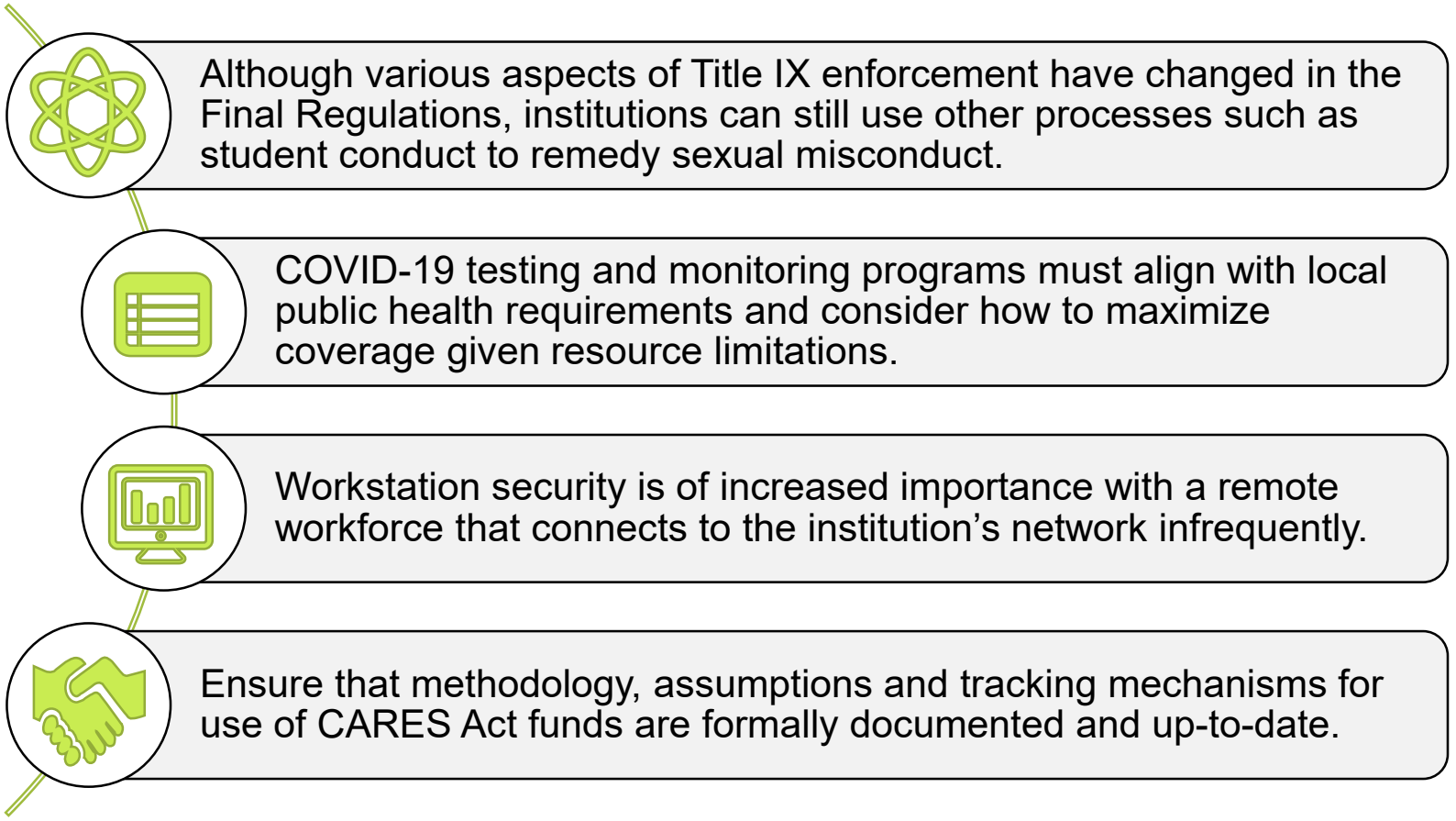
CARES ACT COMPLIANCE

CARES Act resources

- Baker Tilly – CARES Act student and institutional aid FAQ
- CARES Act in higher education: where institutions stand today with distributing, managing and overseeing funds
- CARES Act: Higher Education Emergency Relief Fund Department of Education news and FAQs
- National Association of Student Financial Aid Administrators (NASFAA) COVID-19 Reference Page: Student Portion of Higher Education Emergency Relief Fund

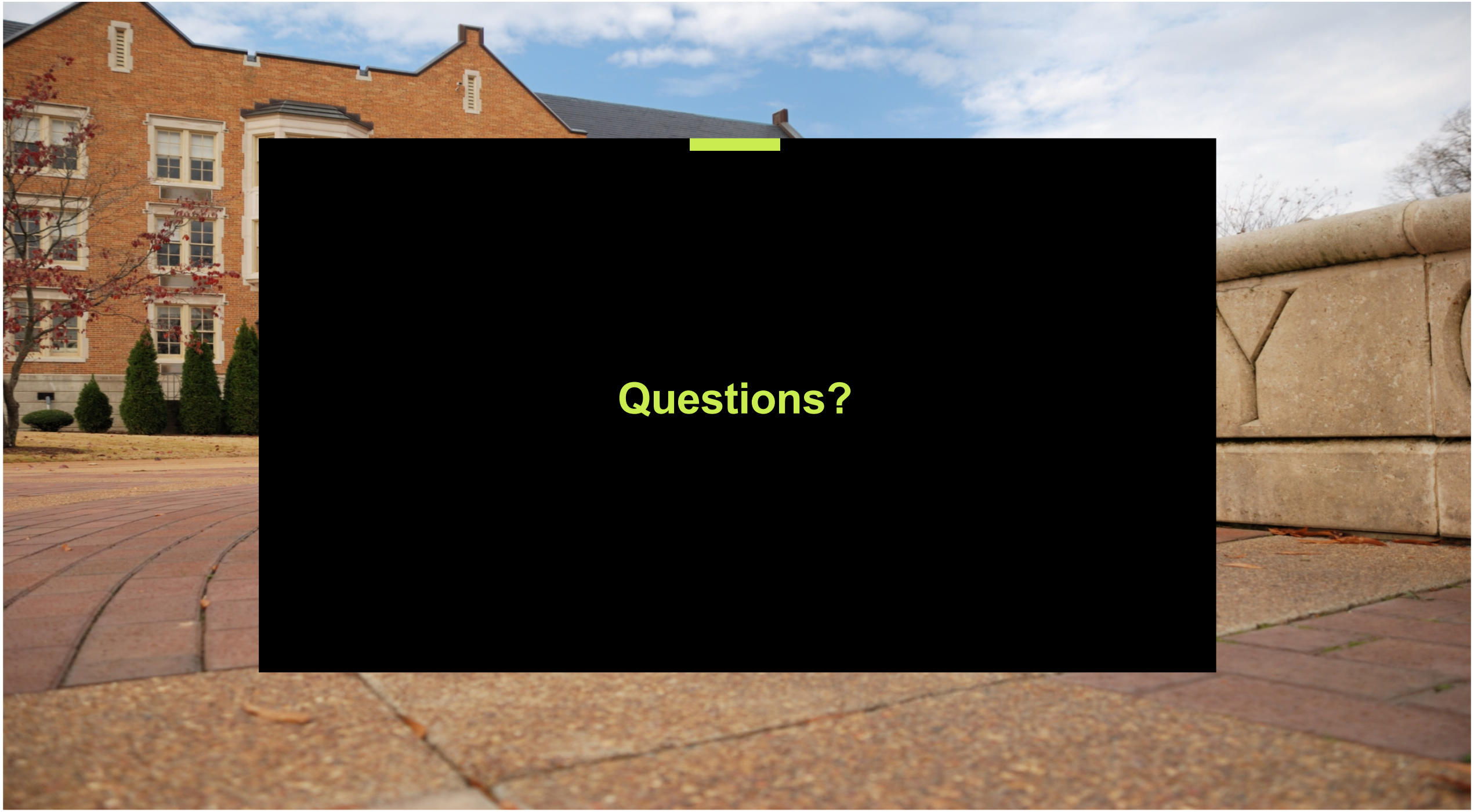

Key takeaways

Key takeaways



Additional resources

- Critical cybersecurity considerations with a remote workforce
- Providing internal audit value during COVID-19
- Baker Tilly higher education coronavirus resource center
- Understanding the coronavirus risk landscape at your higher education institution


Questions?

THANK YOU

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Upcoming ACUA Events

December 10, 2020

Webinar - ACUA Kick Starter – Auxiliary Enterprises

Audit Interactive

March 21 – 24, 2021

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- Developed by ACUA members with subject matter expertise
- Focused on higher education specific topics

https://acua.org/Audit-Tools/ACUA-Kick-Starters

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Do you have a great idea for an ACUA Kick Starter? Contact John Winn at HJWINN@mailbox.sc.edu.

New Kick Starters Available!

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Coming Soon!

New ACUA Kick Starter Scheduled for Release

November 15th: NCAA Compliance – Eligibility, Financial Aid and Recruiting

stay tuned at www.ACUA.org

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- Mentorship is a proven method to help colleagues feel supported, drive workplace satisfaction, and foster member engagement in higher ed auditing.
- The program is no longer focused on only small audit shops! The program has been expanded to be more inclusive of all types of shops.
- The program is only a one-year commitment, but we encourage the mentorship to continue even after one year.
- Consider signing up! Watch for registration deadlines to be communicated via email. For more information, go to https://acua.org/Member-Resources/Mentorship-Program

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- The College and University Auditor is ACUA's official journal. Current and past issues are posted on the ACUA website.
- News relevant to Higher Ed internal audit is posted on the front page. Articles are also archived for your reference under the Resources/ACUA News.

Get Educated

- Take advantage of the several FREE webinars held throughout the year.
- Attend one of our upcoming conferences:

Audit Interactive
March 21 – 24, 2021
Virtual

AuditCon
September 19 – 23, 2021
TBD

- Contact ACUA Faculty for training needs.

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- Write a Kick Starter.

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