FIU | Office of Internal Audit

FLORIDA INTERNATIONAL UNIVERSITY

Office of Internal Audit Status Report

BOARD OF TRUSTEES

December 6, 2022

FIU | Office of Internal Audit

Date: December 6, 2022

To: Board of Trustees Audit and Compliance Committee Members

From: Trevor L. Williams, Chief Audit Executive

Subject: **OFFICE OF INTERNAL AUDIT STATUS REPORT**

I am pleased to provide you with our quarterly update on the status of our Office's activities. Since our last update to the Board of Trustees Audit and Compliance Committee on September 22, 2022, we have completed the following projects:

Projects Completed

Audit of Student Safety – Hazing Prevention

We have completed an audit of student safety as it relates to hazing prevention for the period January 1, 2021, through December 31, 2021, and have assessed the current practices through August 2022.

Overall, our audit concluded that the University adopted an anti-hazing policy as required but noted some instances of noncompliance and opportunities for process improvements to the University's hazing prevention efforts. The audit resulted in 23 recommendations, which management has agreed to implement. Some examples of how controls could be strengthened include:

- Requiring all student organizations and groups to register with Campus Life and identifying a department or person to centrally manage the University's hazing prevention efforts.
- Developing a records maintenance and retention plan and ensuring proper storage pursuant to FIU Regulation 2501.
- Creating an anti-hazing attestation requirement and agreement form for all members of student organizations and groups and monitoring its completion.

- Ensuring proper dissemination of the anti-hazing policy and that all student organizations and groups include the required information in their bylaws.
- Revising and expanding the University's hazing prevention education plan.

Examination of the Department of Parking, Sustainability, and Transportation's Compliance with Contract Number HSMV 0185-22

We have completed the examination of FIU Department of Parking, Sustainability, and Transportation's ("Parking") compliance with the Florida Department of Highway Safety and Motor Vehicles ("HSMV") Memorandum of Understanding (MOU) 0185-22, Contract Number HSMV-0185-22 as it relates to internal controls and data security governing the use of personal data for the period between July 1, 2021, and September 28, 2022. As a basis for performing this examination, the management of Parking attested that internal controls are in place to protect data received from the HSMV and are adequate to protect data from unauthorized access, distribution, use, modification, or disclosure, and policies and procedures in place during the attestation engagement period are approved by a Risk Management IT Security Professional and meet the requirement listed in the MOU.

Overall, our examination disclosed deviations in Parking's internal controls subject to this examination, that if not corrected, could diminish the controls' effectiveness in protecting data from unauthorized access, distribution, use, modification, or disclosure. The deviations were related to the absence of user's documented acknowledgment of their understanding of the confidential nature of the data accessed and the civil and criminal sanctions for disclosing this information, and users not completing Cybersecurity Awareness Training, among other matters, which due to their sensitive nature, we have chosen not to provide details herein. We offered recommendations to address the observed conditions, verified that management took corrective actions, and applied appropriate examination procedures to ensure that the implementation and effectiveness of the corrective actions taken by Parking prevent recurrence.

We concluded that, except for the deviations from the criteria noted during our examination, the attestation made by Parking is presented in accordance with the criteria listed in the MOU, in all material respects.

Audit of Office of Research and Economic Development – Research Training and Policy Compliance

We performed this audit to determine if the Office of Research and Economic Development's (ORED) research-related policies were enacted according to University Policy and whether

they, along with research-related trainings, are adequate and adhere to applicable federal and state regulations.

ORED provides leadership in research administration, supports the endeavors of the University's research community, and ensures the responsible stewardship of research activities. ORED accomplishes this by minimizing impediments to research activity, promoting research conduct that meets the highest standards of ethical integrity, and ensuring that research activity is compliant with all local, state, and federal regulations. During the 2021 fiscal year, the University's research activities included proposal submissions equaling $848 million, awards received totaling $310 million, expenditures totaling $246 million, 107 invention disclosures, and 74 U.S. patent applications.

We found no adverse reportable conditions and concluded that ORED has effective process controls for creating and maintaining research related-policies and ensuring research-related training is adequate and completed timely. We commended the department for achieving a "clean" audit based upon the scope of our audit testing.

Audit of Cybersecurity Prevention and Detection Controls - Ransomware

We performed this audit of Cybersecurity Prevention and Detection Controls – Ransomware, to assess FIU's readiness for preventing and detecting ransomware cyberthreats by applying the National Institute of Standards and Technology (NIST) Cybersecurity Framework. Using a rating system we developed to translate the level of alignment for the five in-scope units with the NIST Cybersecurity Framework, we have assessed their collective overall readiness against ransomware a score of 2.69 out of 3.00, which translates to a state of needing improvement.

For the 45 subcategories comprising the three functional areas of the NIST Cybersecurity Framework audited (Identify, Protect, and Detect) that were applied across the five units in scope, we found that all five units maintained a satisfactory cybersecurity posture for 53 percent (24 of 45) of the subcategories reviewed. Further, we found that for 16 of the 45 subcategories (36 percent), there were varying degrees of achievement between satisfactory and needs improvement across the five units. Our audit found an even wider span of representation across the five units within the remaining five subcategories, including assessments of satisfactory, needs improvement, and inadequate. This variation suggests the need to prioritize mitigation actions whereby urgent attention is given to critical processes and actions to harden systems and improve the University's cybersecurity posture.

Due to the sensitive nature of the subject matter audited, we have omitted details related to the specific areas where opportunities for greater alignment with the Cybersecurity Framework exist. We have communicated those details to the appropriate levels of

management. The audit resulted in 38 recommendations, which management has agreed to implement.

Work in Progress

The following ongoing audits are in various stages of completion:

Ongoing Audits	
Audits	Status
Robert Stempel College of Public Health and Social Work	Fieldwork in Progress
College of Arts, Sciences, and Education	Fieldwork in Progress
Performance Based Funding and Emerging Preeminent Metrics Data Integrity (2022)	Fieldwork in Progress
Plant Operations and Maintenance	Planning

Investigation and Consulting Activities

The Office of Internal Audit receives complaints of alleged wrongdoing, including suspected fraud, waste, and abuse. We have evaluated the complaints received and are currently investigating those deemed appropriate for our office to investigate and have referred the others to other appropriate units within the University for investigations. Substantiated allegations that are deemed to be significant and credible will be reported to the University President and Board of Trustees. We have no such results to report currently.

Our office continues to provide support to University departments and Direct Support Organizations in responding to the Florida State University System Board of Governors' monitor of past audit findings from the State of Florida Auditor General and Crowe, LLP.

Professional Development

Our staff members continue to take advantage of professional development opportunities that are available to them, including completing courses in IT controls and cybersecurity awareness.

Other Matters

The CAE attended a State University Audit Council (SUAC) meeting of fellow CAEs on November 2 – 3, 2022, on the campus of Florida State University. This was the first in-person SUAC meeting held since 2019. The Council members discussed various audit-related topics, including the emerging threat of foreign influence on federally funded research, payroll risks

and inefficiencies, whistle-blower guidance and investigative procedures, Direct Support Organizations financial internal controls follow-up, and legislative updates.

Currently, there are two vacancies in the Office of Internal Audit—one Senior Information Systems Auditor II and one Audit Project Manager. Recruitment for both positions is ongoing. We endeavor to fill these positions with qualified candidates at the earliest date that time and circumstances permit.