



Compliance, Audit, Risk Management and Legal Affairs (CARL) Committee
August 27, 2024
10:15 a.m.

Discussion Item

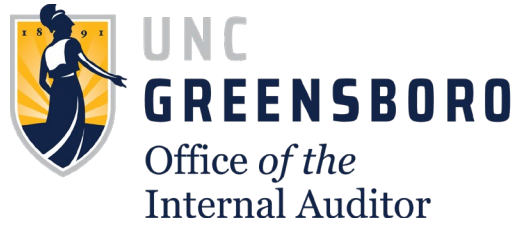
CARL-2 Internal Audit Reports

Background Information

Katherine Skinner, Director of Internal Audit, will provide a summary of recent audits performed and a status update on the Quality Assessment Review.

Attachments

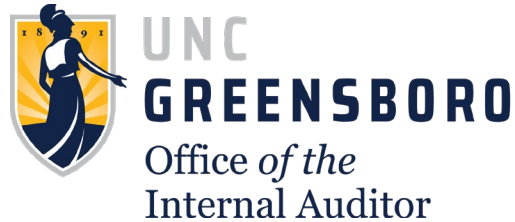
- 2.1 Quality Assessment Review Status Update
- 2.2 Weatherspoon Art Museum Inventory Audit Report
- 2.3 Procurement Services Internal Consultation Report
- 2.4 Information Technology Services Internal Consultation Report



Compliance, Audit, Risk Management, and Legal Affairs Committee
August 27, 2024
10:15 AM

CARL 2.1

- Subject:** Status Update – Quality Assessment Review (QAR)
- Objective:** Determine whether UNCG internal audit is in conformance with Internal Audit Standards (*Standards*) and the Code of Ethics.
- Scope:** The scope of the quality assessment includes the audit structure, organization, and all activities between 7/1/2022 and 1/1/2024.
- Status Update:** The QAR is in process and substantially complete. The independent QAR team is completing the final review and preparing the report.
- Next Steps:** The internal audit team will provide copies of the full report upon receipt.



Compliance, Audit, Risk Management, and Legal Affairs Committee
August 27, 2024
10:15 AM

CARL 2.2 Weatherspoon Art Museum Inventory Audit

Report Date: August 5, 2024

Report To: Dr. Franklin D. Gilliam, Jr., Chancellor

Subject: Weatherspoon Art Museum Inventory

Type of Audit: Inventory Audit

Objective: Determine whether the Weatherspoon Art Museum's (Museum) Inventory Management System is sufficiently reliable to support the accuracy of reported art collection inventory that is owned by the Weatherspoon Art Museum Council (WAM Council).

This audit has been conducted pursuant to the University of North Carolina System Office Policy 600.2.5.2[R] which requires the WAM Council to have an annual audit.

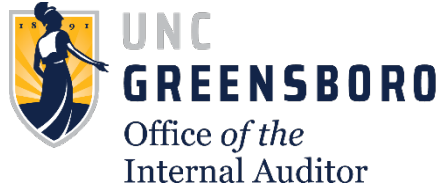
Scope: The scope of the internal audit is inventory accessions July 1, 2023, through June 30, 2024, and the art collection items in the inventory record through June 30, 2024.

Findings: Reported art collection inventory is accurate. No findings.

Recommendations: None at this time.

Next Steps: Corrective action is not applicable. The annual audit will be conducted again next year.

Attachment: Weatherspoon Art Museum Inventory Audit Report

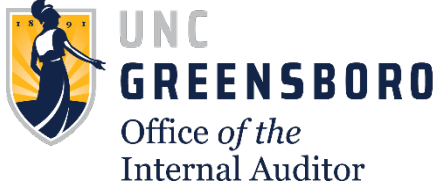


INTERNAL AUDIT REPORT

WEATHERSPOON ART MUSEUM INVENTORY

FOR THE YEAR ENDED JUNE 30, 2024

AUGUST 2024



MEMORANDUM

To: Dr. Franklin D. Gilliam, Jr., Chancellor
From: Katherine Skinner, Director of Internal Audit
Date: August 5, 2024
RE: Weatherspoon Art Museum FY2024 Inventory Internal Audit Report

The Weatherspoon Art Museum Fiscal Year 2024 Inventory Internal Audit was completed by the Office of the Internal Auditor in accordance with the Internal Audit Work Plan for fiscal year 2025. Provided within this communication is an Executive Summary and the Final Report of the Internal Audit activity.

Juliette Bianco, Weatherspoon Art Museum Anne and Ben Cone Memorial Endowed Director and Associate Vice Chancellor for Museums and Creative Practice, reviewed a draft copy of this report and provided written comments; see page 10.

We appreciate the courtesy and cooperation received from management and the employees of Weatherspoon Art Museum and Foundation Finance during our audit.

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Executive Summary

PURPOSE

The objective of the internal audit is to determine whether the Weatherspoon Art Museum's (Museum) Inventory Management System is sufficiently reliable to support the accuracy of reported art collection inventory that is owned by the Weatherspoon Art Museum Council (WAM Council).

The scope of the internal audit is inventory accessions for July 1, 2023, through June 30, 2024, and the art collection items in the inventory record through June 30, 2024.¹

This audit has been conducted pursuant to the University of North Carolina System Office Policy 600.2.5.2[R]² which requires the WAM Council to have an annual audit.

BACKGROUND

The WAM Council was established as a private non-profit organization, formerly known as the Weatherspoon Arts Foundation, to hold title to the permanent collection of the Museum. The WAM Council's only asset is the art collection. The collection is maintained for teaching, research, and public service purposes exclusively for the use and benefit of the University of North Carolina at Greensboro (University) and its broader community.

By an operating agreement, the WAM Council delegates full management responsibility for the collection to the Museum, which is owned and operated by the University. The art collection inventory included 6,691 items as of June 30, 2024, with a collective book value of approximately \$28.4 million.

KEY FINDINGS

The Weatherspoon Art Museum's inventory management system is sufficiently reliable to support the accuracy of reported art collection inventory.

KEY RECOMMENDATIONS

The audit team has no recommendations for improvement.

¹ Inventory on record as of June 30, 2024, includes all items with a recorded "legal date" of June 30, 2024, or earlier.

² The UNC Policy Manual, 600.2.5.2[R], Regulation on Required Elements of University-Associated Entity Relationship, Section V, Financial and Accounting Controls, Part A states, "Associated Entities and their single-member subsidiaries (LLCs or corporations) must be audited on an annual basis ... An Associated Entity with annual expenditures of less than \$100,000 may elect to have its annual audit conducted by the Approving Institution's internal auditor..."

Background

The Weatherspoon Art Museum (Museum), which is owned and operated by the University of North Carolina at Greensboro (University), maintains and manages the art collection that is owned by the Weatherspoon Art Museum Council³ (WAM Council).

WEATHERSPOON ART MUSEUM

The Museum serves the University, community, state, national, and international audiences by collecting, preserving, presenting, and interpreting the work of nationally recognized American artists from the turn of the twentieth century onward. To encourage aesthetic and critical awareness within its audiences, the Museum engages in research, scholarship, and community outreach, and develops publications, exhibitions, and education programs.

During FY2024, the Museum managed 6,691 items with a collective book value of approximately \$28.4 million, including 61 recent accessions valued at \$611,792.

WEATHERSPOON ART MUSEUM COUNCIL BACKGROUND AND PURPOSE

The Weatherspoon Arts Foundation (Foundation) was established in 1990 as a private, non-profit organization to hold title to the permanent collection of the Museum. By an operating agreement, the Foundation delegates full management responsibility for the collection to the University.

The Weatherspoon Art Museum Advisory (WAMA) Board was part of the UNCG Excellence Foundation, a certified non-profit organization. The WAMA Board provided guidance, funding, and volunteer time to the Museum. In the Fall of 2022, the WAMA Board and the Weatherspoon Arts Foundation merged into the **Weatherspoon Art Museum Council (WAM Council)**. The WAM Council retains private, non-profit status and title to the permanent collection of the Museum and continues to delegate full management responsibility for the collection to the University.

The collection is maintained for teaching, research, and public service purposes exclusively for the use and benefit of the University and its broader community. The WAM Council supports the Museum's mission and advances the Museum's capacity to:

- Build, manage, and preserve an increasingly diverse and significant art collection.
- Promote access to the Museum and its resources through a demonstrated commitment to equity, diversity, and inclusion.
- Amplify the visibility, reputation, and accessibility of the Museum.
- Secure resources to support all areas of the museum's operations and collections.

³ The WAM Council was formerly known as the Weatherspoon Arts Foundation; the name was formally changed during fiscal year 2022-2023.

Objective, Scope, and Methodology

OBJECTIVE:

The audit objective was to determine whether the Weatherspoon Art Museum's (Museum) Inventory Management System is sufficiently reliable to support the accuracy of reported art collection inventory that is owned by the Weatherspoon Art Museum Council (WAM Council).

SCOPE:

The scope of the internal audit is inventory accessions July 1, 2023, through June 30, 2024, and the art collection items in the inventory record through June 30, 2024.

METHODOLOGY:

To determine whether the reported inventory is reasonably accurate, auditors performed the following procedures:

- Interviewed Museum staff, reviewed policies and procedures, and physically observed Museum grounds and security procedures.
- Compared prior year inventory reports to current year inventory reports and reconciled differences to the report of accessions (there were no deaccessions during the period).
- Compared inventory reports from the University's financial records to the Museum's inventory records.
- Physically observed a sample, using stratification to test significant items and a random sample of less significant items. A judgmental sample, using stratification and selecting high risk items, and selecting a random sample of lower risk items was determined by auditors to be the most efficient and effective method to achieve the audit objective. Auditors considered the results of prior year testing and the potential risks to the art collection. Auditors referred to authoritative sampling guidance published in 2014 by the American Institute of Certified Public Accountants (AICPA) in Audit Sampling, Audit Guide.
- Reviewed supporting documentation for fiscal year 2024 accessions and compared relevant details to inventory records (e.g., item number, artist, title, method (gift/purchase), value, legal date, description, and type).

Note that auditors are not art experts or qualified appraisers and thus cannot opine on item values or whether items are legitimate or forgeries. Accordingly, tests were limited to verifying that items appear to exist as indicated in the inventory records and in accordance with supporting documentation for new items.

Because of the test nature and other inherent limitations of an audit, together with limitations of any system of internal and management controls, this audit would not necessarily disclose all performance weaknesses or lack of compliance.

As a basis for evaluating internal control, auditors applied the internal control guidance contained in professional auditing standards. However, our audit does not provide a basis for rendering an opinion on internal control, and consequently, we have not issued such an opinion.

Findings and Recommendations

INVENTORY MANAGEMENT SYSTEM IS SUFFICIENTLY RELIABLE

The Weatherspoon Art Museum’s (Museum) Inventory Management System is sufficiently reliable to support the accuracy of reported art collection inventory that is owned by the Weatherspoon Art Museum Council (WAM Council).

The Museum was responsible for managing 6,691 art collection items with a book value of approximately \$28.4 million during fiscal year 2024⁴ (FY2024). During FY2024, the Museum added 61 items to the art collection through 43 gifts, 16 purchases, and 2 bequests collectively valued at \$611,792. See Table 1, below.

Table 1. Art Collection Value, FY2024

	Price	Quantity
Book value of art collection as of June 30, 2023	\$ 27,841,486	6,630
Acquisitions of art (Purchases)	607,000	16
Bequests	2	2
Transfers	0	0
Gifts of art	4,790	43
Less Deaccessions	0	0
Book value of art collection as of June 30, 2024	\$ 28,453,278	6,691

Auditors physically observed a sample of art collection inventory items and auditors did not identify any discrepancies between the recorded inventory items and the inventory stored on the premises as described. Specifically, auditors confirmed that:

- All inventory items selected for observation exist as described in the inventory records.
- Inventory records include items acquired during the fiscal year.
- Book values for new acquisitions are accurately and consistently recorded.
- Legal dates for new acquisitions are accurately and consistently recorded.

In addition, Auditors reviewed documentation for new items to verify that policies and procedures are consistently followed and that new items are correctly reflected in the inventory records. Auditors did not identify any discrepancies or inconsistencies with legal dates or reported book values for new items.

OPERATING AGREEMENT REQUIRES ACCURATE RECORDS

Museum management designed and implemented policies and procedures to ensure inventory is protected and related records are accurate and consistent because an operating agreement requires it. Specifically, an operating agreement between the University and the WAM Council states that the Museum staff are responsible for managing all art collection inventory and related records. During the audit, senior leadership shared how interconnected and dependent the art collection was to the

⁴ July 1, 2023, through June 30, 2024.

museum's facility, specifically its security, storage, and Heating, Ventilation, and Air Conditioning (HVAC) systems. For example, during FY 2024, additional security measures were placed in operation at the Museum and senior leadership received professional consultation on necessary facility updates.

RECOMMENDATIONS

Finding no reportable errors in the inventory management process or records, the audit team has no recommendations for improvement.

Response From Weatherspoon Art Museum



August 5, 2024

Katherine Skinner, Internal Auditor
Ronald Fulton, Internal Auditor
123 Mossman | P.O. Box 26170
UNC Greensboro
Greensboro, NC 27402

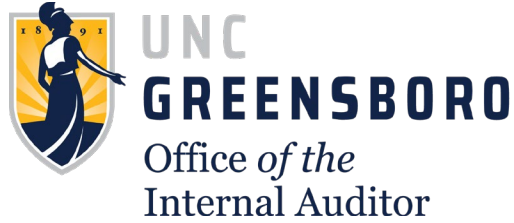
Dear Katherine and Ron,

Thank you for your thorough attention and diligence in conducting the FY 2023–24 audit of the Weatherspoon Art Museum's collection. I am pleased that the museum's inventory management system supports the accuracy of the art collection inventory and that no improvements are needed. I agree with your findings.

As you are aware, the museum staff takes the management of a 6,691-object art collection with a book value of approximately \$28.4 million very seriously. We appreciate the care and courtesy you extended to museum staff during this process and look forward to continuing our working relationship with you.

Sincerely,

Juliette Bianco
Anne and Ben Cone Memorial Endowed Director
Weatherspoon Art Museum, UNC Greensboro
1005 Spring Garden Street
Greensboro, NC 27412



Compliance, Audit, Risk Management, and Legal Affairs Committee
August 27, 2024
10:15 AM

CARL 2.3 Procurement Services – Internal Consultation

Report Date: April 17, 2024

Report To: Dr. Franklin D. Gilliam, Jr., Chancellor

Subject: Procurement Services – Internal Consultation

Type of Audit: Internal Consultation

Objective: To determine the potential risks of noncompliance with Statewide procurement laws, regulations, and policies and identify risks and controls associated with Procurement Services processes.

Scope: The scope included limited testing of purchase transactions during the period of July 1, 2022, through December 31, 2023.

Findings: The risk of noncompliance with statewide purchasing laws and regulations is low because Procurement Services has implemented strong controls to mitigate risks of non-compliance. Internal audit found only insignificant errors.

Recommendations: Although Procurement Services has strong controls in place to manage the University’s purchasing processes, Internal Audit recommends strengthening control processes by performing trend analysis to develop additional internal controls that could further mitigate errors based on error trends.

Next Steps: None at this time.

Attachment: Procurement Services - Internal Consultation Report

MEMORANDUM

To: Dr. Franklin D. Gilliam, Jr., Chancellor
From: Katherine Skinner, Director of Internal Audit
Date: April 17, 2024
RE: Procurement Services – Internal Consultation

Objective and Scope

The objective of this engagement was to determine the potential risks of noncompliance with Statewide procurement laws, regulations, and policies and identify risks and controls associated with Procurement Services processes. The scope included limited testing of purchase transactions during the period of July 1, 2022, through December 31, 2023.

The intent of the engagement was to provide advice to strengthen controls in purchasing, if applicable.

Background

Upon receiving notification that the University would be audited by the Department of Administration, Purchase and Contracts Division (DOA - P&C), Procurement Services and Internal audit mutually agreed that a pre-audit transaction review could provide insight as to potential findings and potential control deficiencies that could result in findings. Timely identification and remediation of control deficiencies could mitigate the impact of any potential findings and improve the potential outcome of the external audit.

Methodology

To determine overall compliance with statewide purchasing laws and policies, Internal Audit gained an understanding of statewide purchasing laws and policies and Procurement Services processes, identified significant risks, identified key controls, and performed limited testing on a sample of purchase orders and purchase card (P-Card) transactions.

Conclusion

The risk of noncompliance with statewide purchasing laws and regulations is low because Procurement Services has implemented strong controls to mitigate risks of non-compliance. Internal audit found only insignificant errors. The errors could result in repeat findings relating to not purchasing from state term contracts, not seeking competition for large purchases, and insufficient documentation to support exceptions to state policies. However, the errors were caused by purchasers rather than Procurement Services. Additionally, internal audit did not identify errors that were not already identified by

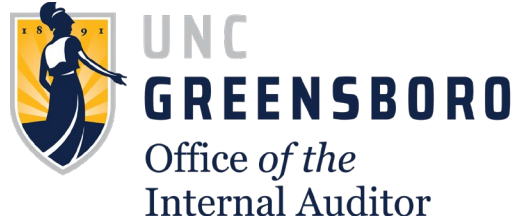
Procurement Services, indicating that Procurements Services' internal controls are working. For example, Procurement Services provides guidance on the Procurement Services webpages and offers regular and periodic training. Procurement Services requires all potential purchasers to complete training prior to being issued a purchase card or accessing SpartanMart. Procurement Services also implemented spending analytic processes to identify and remediate spending errors timely.

Procurement Services and Internal Audit will continue to meet as necessary to review and discuss any issues, external findings, or other concerns communicated by the Department of Administration's – Purchase and Contracts Division during the upcoming audit.

Recommendations to Strengthen Controls:

Although Procurement Services has strong controls in place to manage the University's purchasing processes, Internal Audit recommends the following to strengthen control processes:

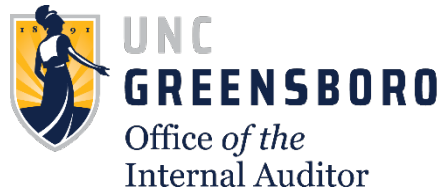
1. Perform trend analysis to develop additional internal controls that could further mitigate errors based on error trends.



Compliance, Audit, Risk Management, and Legal Affairs Committee
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CARL 2.4 ITS Internal Consultation Engagement

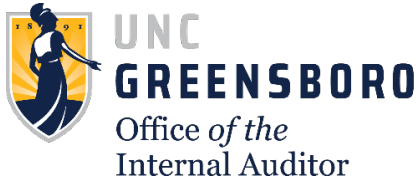
Report Date:	June 21, 2024
Report To:	Dr. Franklin D. Gilliam, Jr., Chancellor
Subject:	ITS Consulting Engagement
Type of Audit:	Internal Consultation
Objective:	To provide advice and guidance on monitoring and documenting progress of corrective action to address findings and recommendations reported by the North Carolina Office of the State Auditor (NC OSA) in the May 2022 ITS Audit Report.
Scope:	The engagement included monitoring, verifying, and documenting ITS' implementation of corrective action through full remediation of all NC OSA findings.
Findings:	ITS implemented corrective action to address findings in the NC OSA Audit Report. ITS is continuing to monitor IT security risks to ensure that risks are identified and remediated timely.
Recommendations:	None at this time.
Next Steps:	Corrective action is not required.
Attachment:	ITS – Internal Consultation Report



INFORMATION SECURITY – INTERNAL AUDIT REPORT

INFORMATION TECHNOLOGY SERVICES

JUNE 2024



MEMORANDUM

To: Dr. Franklin D. Gilliam, Jr., Chancellor
From: Katherine Skinner, Director of Internal Audit
Date: June 21, 2024
RE: Information Technology Services – Internal Consultation Report

The Information Technology Services consulting engagement with Internal Audit has concluded in accordance with the Internal Audit Work Plan for fiscal year 2024. Provided within this communication is an Executive Summary and the Final Report of the Internal Audit activity.

Donna Heath, Chief Information Officer (CIO) and Casey Forrest Chief Information Security Officer (CISO) reviewed a draft copy of this report and confirmed agreement with the contents.

We would like to take this opportunity to commend the Chief Information Officer, Chief Information Security Officer, and the Information Technology Services staff for their professionalism, dedication, courtesy, and cooperation during this engagement.

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Executive Summary

PURPOSE

The objective of the Internal Audit consulting engagement was to provide advice and guidance on monitoring and documenting progress of corrective action to address findings and recommendations reported by the North Carolina Office of the State Auditor (NC OSA) in the May 2022 ITS Audit Report.

This engagement included monitoring, verifying, and documenting Information Technology Service's implementation of corrective action through full remediation of all NC OSA audit findings.

BACKGROUND

In May 2022, NC OSA issued a confidential report, titled "Cybersecurity Controls over Sensitive Data" to UNCG detailing eight findings and providing recommendations to remediate those findings. Information Technology Services (ITS) responded with a detailed corrective action plan (CAP) to address all findings with a target completion date of June 28, 2024.

This engagement was initiated to assist ITS in tracking, monitoring, and documenting implementation of corrective action through completion. ITS and Internal Audit team members worked collaboratively to document ITS's efforts. However, all corrective action was designed and implemented by ITS. Internal Audit received confirmation from NC OSA's Information System Audit team that the CAP prepared by ITS, if implemented, would be sufficient to remediate the audit findings. Accordingly, the Internal Audit team verified implementation of corrective action.

RESULTS

- ITS implemented corrective action to address findings in the NC OSA Audit Report.
- ITS is continuing to monitor IT security risks to ensure that risks are identified and remediated timely.

A summary of the prior audit findings and status of corrective action is provided in the appendix.

Limitations

The engagement was intended for internal purposes only. Distribution and use of this report should be limited to the extent necessary to understand, enhance, and continuously improve the internal operations described herein.

Background

UNCG INFORMATION TECHNOLOGY SERVICES – GENERAL INFORMATION

UNCG Information Technology Services (ITS) develops and delivers the critical technological services that buoy learning, teaching, and working at UNCG. As a collaborative, mission-driven organization, every member of the ITS team—from student-workers to the CIO—is committed to driving student success with best-in-class computing tools and services.

It is the Vision of ITS to be a catalyst for innovative learning and research, creating connected communities where diverse people and ideas thrive. It is the Purpose of ITS to connect, enable, and empower people through technology that transforms the University and the region.¹

To ensure that ITS can achieve its mission and purpose, ITS is continuously operating, evaluating, collaborating, monitoring, and innovating in a constantly evolving environment. For example, while responding to everyday IT requests from UNCG faculty, staff, and students, ITS was also updating and implementing IT policies and procedures to ensure data security, integrity, and availability, ITS observed an uptick in bad actor activity, ITS launched IT Security training, ITS collaborated with IT peers and UNCG leaders, and ITS developed a five-year strategic plan.

ITS must continuously evaluate and innovate just to stay up to date on changing IT needs, IT offerings,² IT security risks, and IT standards. For example, ISO 27002 Standards, the framework followed by UNCG ITS, was updated in 2022 and ITS already implemented changes. While managing the many facets of ITS, the team was also implementing a comprehensive IT governance program and meeting with the UNCG Internal Audit team to ensure that risks to the ITS vision and mission are addressed timely.

NC OSA AUDIT REPORT

In May 2022, NC OSA issued a confidential report, titled “Cybersecurity Controls over Sensitive Data” to UNCG detailing eight findings and providing recommendation to remediate those findings. Information Technology Services (ITS) responded with a detailed corrective action plan (CAP) to address all findings with a target completion date of June 28, 2024.

This internal audit engagement was initiated to assist ITS in tracking and monitoring implementation of corrective action through completion and to provide assurance to UNCG leadership and NC OSA that corrective action was implemented. ITS and Internal Audit team members worked collaboratively to document ITS’s efforts. However, all corrective action was designed and implemented by ITS. Internal Audit confirmed with NC OSA’s Information System Audit team that the CAP prepared by ITS, if implemented, would be sufficient to remediate the audit findings.

¹ <https://its.uncg.edu/its/>

² There are tens of thousands of Information technology hardware and software products and services.

Objective, Scope, and Methodology

Objective

The objective of the consulting engagement was to provide advice and guidance on monitoring and documenting progress of corrective action to address findings and recommendations reported by the North Carolina Office of the State Auditor (NC OSA) in the May 2022 ITS Audit Report.

Scope:

This engagement included monitoring, verifying, and documenting Information Technology Service's implementation of corrective action through full remediation of all NC OSA audit findings.

Methodology:

The Internal Audit team met with the CISO and other ITS staff regularly to discuss the status of corrective action plans, including progress and challenges as well as additional policies, procedures, and controls implemented to ensure compliance with newly updated IT Standards.³

ITS and Internal Audit developed and used a tracking tool to document ITS' progress toward full implementation of all corrective action plan (CAP) activities. The tool documented (1) NC OSA findings, risks, and recommendations, (2) CAP activities, and (3) CAP status of progress at periodic intervals.

Internal Audit team members verified implementation of corrective action by reviewing:

- Updated policies and procedures.
- Campus-wide email blasts with ITS updates.
- Knowledge Base articles.
- ITS inventory records.
- ITS ticketing system information, data, and records.
- Purchasing documents with ITS approval workflows.
- IT compliance audit plans and procedures.

Because of the inherent limitations of any internal audit engagement, together with limitations of any system of internal and management controls, this engagement would not necessarily disclose all performance weaknesses or lack of compliance. In addition, auditors did not test the effectiveness of corrective action. ITS' ongoing monitoring of IT security through standard procedures and compliance audits will provide ITS with the information necessary to determine and address the effectiveness of the comprehensive ITS governance program. Additionally, Internal Audit will plan and conduct ITS engagements to test the effectiveness of select ITS operations and/or departmental compliance with ITS policies at a later date.

³ ITS uses ISO 27001 Standards which were updated from the 2013 to a 2022 version.

Results

Corrective Action Was Implemented to Remediate Prior Audit Findings

The Information Technology Services department (ITS) implemented corrective action, as planned, to remediate all findings that were reported by the North Carolina Office of the State Auditor in a May 2022 Information Systems Audit.

NC OSA Reported Findings in May 2022

In the May 2022 Information Systems Audit Report, NC OSA reported findings related to IT governance and controls. ITS worked with UNCG leadership to procure the resources needed to fully implement all findings. ITS also worked with the Internal Audit team to track, monitor, and document corrective action implementation through full remediation of all findings.

Centralized IT Governance Will Enhance ITS Performance

In response to the NC OSA audit findings, the CIO, CISO, and ITS staff developed and implemented a corrective action plan to remediate all findings. In addition, the collective team worked to implement ISO 27002:2022 standards and is continuing to monitor IT security for potential improvement opportunities.

ITS developed and implemented a comprehensive Information Technology governance program to ensure that UNCG can manage data access, disclosure, and retention. University-wide policies, procedures, standards, and internal controls were designed or enhanced and implemented to mitigate data risks related to data access, disclosure, or loss. The comprehensive IT governance program includes improvements to IT Procurement policies, inventory management, server vulnerability management, software patching, third party data security, user access, endpoint device encryption, and data retention and disposal.

ITS has also developed a program to perform unannounced, periodic compliance assessments of university departments and colleges.

A summary of the prior audit findings and status of corrective action is provided in the appendix.

Appendix

SUMMARY OF NC OSA FINDINGS AND THE ITS CORRECTIVE ACTION PLAN		
NC OSA Finding	ITS CAP	Status
1. UNCG did not establish a comprehensive information technology (IT) governance program for various central or distributed IT security functions.	Comprehensive IT governance program centralized many IT functions and operations and facilitates enforcement.	Implemented
2. UNCG did not maintain a complete, up-to-date inventory of all enterprise hardware and software assets and did not document key asset information.	IT Procurement Policy and Periodic IT Compliance Assessments of departments and colleges will mitigate risk related to IT assets.	Implemented
3. UNCG did not remediate severe and critical vulnerabilities for servers with high and moderate data classifications in a timely manner or ensure that all servers were scanned for vulnerabilities.	Vulnerability management program includes identification, prioritization, remediation, and reporting of vulnerabilities.	Implemented
4. UNCG did not ensure that documentation, testing, and evaluation of software patching were performed on enterprise assets.	Updated software patch policies and procedures provide for testing and documenting activities and results.	Implemented
5. UNCG did not ensure sensitive data housed by third parties was adequately protected.	IT Procurement Policy will enhance ability to ensure that data housed by third parties is protected.	Implemented
6. UNCG did not manage and review user access to sensitive data.	New and revised policies will enhance ability to manage user access.	Implemented
7. UNCG did not implement a policy to protect sensitive data on endpoint devices through encryption .	IT Procurement Policy will enhance ability to ensure endpoint devices include encryption.	Implemented
8. UNCG did not ensure sensitive data was retained or disposed of in accordance with UNCG's retention and disposal policies and the University of North Carolina System Office retention schedule.	Switching to Microsoft 365 as the universal platform and deactivating various other platforms will facilitate ability to enforce data retention and disposal of sensitive data.	Implemented