

President's Report to the Board of Trustees of Northeastern Illinois University  
**June 10, 2021**

**ACTION ITEM I. H.: APPROVAL OF RECOMMENDATION TO ACCEPT AND FILE THE FY20 COMPLIANCE AND FINANCIAL AUDITS**

The University's 2020 Single Audit and Compliance Examination was released by Illinois Office of Auditor General 5/25/2021

The following summary provides the status of the individual finding and indicates if the audit is a recurring finding from previous years.

Here is the current status of the 2020 material findings:

- NEIU had 20 material audit findings.
- 13 of 20 findings were repeated findings.
- 10 of 20 findings have been reported as addressed; 10 findings are in progress.

#	Previous	Finding	Status	Expected Completion
001	New Finding 2020	Weakness in Census Data – inadequate review of pension and other postemployment benefits (OPEB) data.	Will develop an annual reconciliation process to monitor and audit the data reported to SURS and CMS.	6/30/2022*
002	19, 18, 17	Weaknesses over Computer Security – safeguarding access environment (granting user access rights, updating servers, installing encryption software).	Information Security Officer (ISO) hired. New hardware, supported operating systems and management/monitoring tools will replace systems that lacked controls.	9/30/2021
003	19	Lack of Adequate Controls over Review of Internal Controls over External Service Providers – monitor 3 <sup>rd</sup> party service providers to ensure data protection.	ISO to set up committee to periodically review vendor SOC reports.	12/31/2021
004	19	Student Notification of Disbursements of Direct Loans – did not timely notify students of loans credited to account.	Implemented a new workflow process.	Complete
005	New Finding 2020	Reporting of Disbursements to the Common Origination and Disbursement System – delay in submitting Pell data to Department of Education.	Developed a method of error reporting.	Complete
006	19	Information Technology Risk Assessment Not Performed – University did not conduct a risk assessment to identify risk to security, confidentiality, and integrity of student data.	ISO will compile annual reports to CIO and VP. External forensics team performed an examination on network control and found no evidence of a data breach.	Complete
007	19, 18	Noncompliance with the Federal Perkins Loan Cohort Default Rate – failure to maintain default rate below 15% (currently at 35%).	Getting a quote for assignment services from vendor (ECS1).	06/30/22
008	New Finding 2020	Student Financial Assistance Cost of Attendance - adequate documentation to support manual changes in the student's cost of attendance information.	Continues to provide ongoing training relating to cost of attendance documentation within the ERP system.	Complete
009	19, 18	Failure to Communicate Required Information to Subrecipients.	Implemented FDP form to include all relative information when contracting with subrecipients.	Complete
010	All years 19 - 05	Timesheets and Time and Effort Reports were not Submitted or Timely Submitted.	All salaried (exempt) employees now required to submit electronic time sheets.	Complete

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#	Previous	Finding	Status	Expected Completion
			Continue to monitor and address employees not adhering to deadlines.	
011	New Finding 2020	Noncompliance with Grant Report Requirements – late reporting to the Illinois State Board of Education.	The Principal Investigators will develop schedule to document when reports are due to ensure timely submission.	Complete
012	New Finding 2020	Weaknesses over Purchasing Credit Card Transactions – late review and approval of purchases.	P-Card manual and procedures were revised in fiscal year 2020. P-card usage monitoring continues.	Complete
013	19, 18	Inadequate Controls over University Property and Equipment.	Training is ongoing. Getting quotes for updated scanner technology to improve automation.	12/31/2021
014	19, 18	Weakness Regarding Clearing of Data from Electronic Devices – Clearing data before the EDP equipment is transferred to the Department of Central Management Services for surplus.	Property Control will not mark devices as surplus until UTS confirms data has been deleted.	Complete
015	19	Noncompliance with the College Student Immunization Act – student proof of adequate immunization.	Health Services informs students of the policy and noncompliance. Particular attention will be paid to new freshman admissions.	6/30/2024
016	19 - 13	Lack of Disaster Contingency Plan - contingency plan for critical applications to ensure the timely recovery of critical computer systems.	Ongoing infrastructure improvements procedures are being developed. The rebuild of the University's internal network will be completed in 2021.	12/31/2021
017	19, 18, 17, 16, 15	Noncompliance with Payment Card Industry (PCI) Security Standards - ensuring computer systems and cardholder data are protected from accidental or unauthorized disclosure.	Will engage an external consultant to perform an assessment of weaknesses in NEIU's PCI compliance and provide estimates for solutions, if any.	10/31/2021
018	19	Weaknesses in Cybersecurity Programs and Practices (GAS).- cybersecurity training for staff members was not completed.	ISO developing a comprehensive security awareness and training program. A comprehensive solution has been purchased (KnowBe4). Training to begin in June 2021.	10/31/2021
019	New Finding 2020	Weaknesses over Maintenance of Employment Eligibility Verification Forms – maintaining employee U.S. Citizenship and Immigration Services (USCIS) Employment Eligibility Verification Forms (Form I-9).	Has implement I-9 self-audit procedures and processes to ensure New Hires complete Sections one and two of the I-9 form on their first days of work.	Complete
020	New Finding 2020	Noncompliance with the Illinois Articulation Initiative Act – University did not submit minimum of one course per major under the Illinois Articulation Initiative (IAI) for some majors offered by the University.	Planning at least one course in every area, in the Fall. Needs to be reviewed internally, and then by IAI.	12/31/2021

\* Dependent on SURS providing reporting data

**Recommended Action**

I request the Board approve the recommendation by the Audit Committee to accept and file the FY20 compliance and financial audits.