THE TEXAS STATE UNIVERSITY SYSTEM

Internal Audit Annual Report

The Texas State University System
Office of Internal Audit

Fiscal Year Ending August 31, 2026

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I. Compliance with Posting Requirements

Texas Government Code Section 2102.015 requires state agencies and higher education institutions to post certain information on their internet websites. The Texas State University System (TSUS) Office of Internal Audit (OIA) ensures compliance with Section 2102.015 through the following procedures:

- Posting its annual audit and compliance plan to the OIA webpages of the TSUS and components' websites within 30 days after formal approval by the Board of Regents ("the Board"). The *Audit and Compliance Plan Fiscal Year 2027* was approved by the Board on August 6, 2026, and has been posted as required.

- Posting this *Internal Audit Annual Report for Fiscal Year 2026* to the OIA webpages of the TSUS and components' websites within 30 days of distributing the report to the Finance & Audit Committee of the Board.

- Including in the quarterly board materials, posted on the TSUS website, a detailed summary of the weaknesses, deficiencies, wrongdoings, or other concerns raised by audit and compliance plan projects and a detailed summary of the actions taken by management to address resultant recommendations.

The OIA reserves the right to not post information contained in the audit and compliance plan, reports, or this *Internal Audit Annual Report* if the information is exempt from public disclosure under Chapter 552 of the Texas Government Code.

II. Internal Audit Plan for Fiscal Year 2026

The TSUS OIA prepares a consolidated Audit and Compliance Plan ("Plan") for System Administration and its components. The following is a listing of all projects included in the Plan for Fiscal Year 2026, amended to include the status of projects as of August 31, 2026, report titles, report numbers (if applicable), and dates the reports were issued to external oversight entities. For delegated audit project liaison activities, the date listed indicates when the resultant report was submitted to the State Auditor's Office. For all other liaison activities, the date listed indicates when the resultant report was provided to the Board.

LAMAR UNIVERSITY
STATUS OF PROJECTS IN FISCAL YEAR 2026 AUDIT AND COMPLIANCE PLAN

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
Joint Admission Medical Program	Completed. Joint Admission Medical Program (JAMP) Agreement and Expenditure Guidelines Compliance, LU-26-002, 10-31-2025.
Sexual Misconduct Resources and Policy Orientation	Completed. TSUS Sexual Misconduct Resources and Policy Orientation Management Advisory Letter, 12-9-2025.
Financial Aid Displacement	Completed. TSUS Financial Aid Displacement Management Advisory Letter, 2-27-2026.
Early Military Program Registration	Completed. TSUS Early Military Program Registration Management Advisory Letter, 5-26-2026.
Academic Fresh Start	Completed. TSUS Academic Fresh Start Management Advisory Letter, 5-26-2026.
Export Controls/HB 127	In progress.
Information Technology Data Center	Completed. Information Technology Data Center, LU-26-001, 8-26-2026.
SB 17	Completed. System-wide report: Senate Bill 17 Audit Report, 8-26-2026.
SB 20 - Annual Policy Review & Contract Administration	Completed. System-wide report: Management Advisory Letter - Senate Bill 20 Required Audits for Fiscal Year 2026, 8-26-2026.
Custodial Services	Completed. Custodial Services Management Advisory Letter, LU-26-006, 8-28-2026. (Includes TSUS Hotline Reports #06-200-848, #06-200-853, #06-200-857, #06-200-875, #06-203-200, and TSUS Hotline Emails 9-28-2025 and 10-20-2025.)
IT - On-Going	On-going. Activity does not result in a report.
Follow-Up Reviews	On-going. Results posted in Board Book materials and on the TSUS webpage every quarter during the 2026 Fiscal Year.
Annual Risk Assessment and	Completed. Activity does not result in a written report; rather, it results in the annual

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
Audit & Compliance Plan for FY 2027	Audit and Compliance Plan. The *Audit and Compliance Plan Fiscal Year 2027* is posted on the TSUS and components' webpages.
Internal Audit Annual Report	Completed. Internal Audit Annual Report, Texas State University System, 10-14-2025.
Continuing Education	Completed. Activity does not result in a report.
Special Projects	➢ Legislative Inquiry - completed, response provided 6-19-2026. ➢ Legislative Inquiry - completed, response provided 7-31-2026. ➢ Hotline #06-191-161 - closed within the hotline system, 11-14-2025. ➢ Email complaint 1-6-2026 - closed within the hotline system, 1-7-2026. ➢ Hotline #06-203-606 and Voicemail 10-3-2025 - closed within the hotline system, 2-4-2026. ➢ Hotline #06-203-265 - closed within the hotline system, 3-10-2026. ➢ Hotline #06-215-903 - closed within the hotline system, 3-12-2026. ➢ Hotline #06-192-793 - closed within the hotline system, 4-23-2026. ➢ Hotline #06-230-326 - closed within the hotline system, 4-24-2026. ➢ Hotline #06-193-910 - closed within the hotline system, 6-1-2026. ➢ Email complaint 5-27-2026 - closed within the hotline system, 6-3-2026. ➢ Hotline Telephone 6-15-2026 - closed within the hotline system, 6-30-2026. ➢ Hotline #06-315-321 and Hotline Voicemail - closed within the hotline system, 7-30-2026. ➢ Hotline #06-208-261 - closed within the hotline system, 7-14-2026. ➢ Hotline #06-315-434 - closed within the hotline system, 7-30-2026. ➢ Hotline #06-383-094 - closed within the hotline system, 8-28-2026. ➢ Hotline Reports #06-200-848, 06-200-853, 06-200-857, 06-200-875, 06-203-200, and TSUS Hotline Emails 9-28-2025 and 10-20-2025 - completed in conjunction with Custodial Services Management Advisory Letter, LU-26-006, 8-28-2026. ➢ Hotline #06-247-119 and LU-26-005 - in progress. ➢ Hotline #06-194-310 - in progress. ➢ Hotline #06-203-668 - in progress. ➢ Hotline #06-203-708 - in progress. ➢ Hotline #06-257-759 - in progress. ➢ Hotline #06-292-507 - in progress. ➢ Hotline #06-336-541 - in progress. ➢ Hotline #06-343-323 - in progress. ➢ Hotline #06-366-605 - in progress.
Respond to System Administration Requests	On-going. Activity does not result in a report. ➢ Compile information on Ghost Students.
Audit Liaison Activities	On-going. Activity does not result in a report issued by the OIA. ➢ NCAA AUP (Audit Delegation 734-2026-001) - in progress (pending engagement letter). ➢ State Auditor's Office, Statewide Single Audit FY 2026 - in progress. ➢ State Comptroller's Office, Misuse of Comptroller-Assigned Temporary Numbers - completed, 3-13-2026. ➢ State Comptroller's Office, Payment Approval Authority and Security FY 24-25 - completed, 7-15-2026.

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
	➢ State Comptroller's Office, Duplicate Payment Audit 2019-2025 - in progress. ➢ State Comptroller's Office, Controls Over Expenditure Processing - in progress. ➢ Texas Crime Information Center Law Enforcement Support, Texas Crime Information Center System - completed 5-11-2026. ➢ Texas Department of Public Safety Compliance and Training Bureau, Criminal History Record Information - completed 5-11-2026. ➢ Texas Higher Education Coordinating Board, Formula Funding - in progress. ➢ University of Houston, Small Business Development Center 2023 - in progress.

STATUS OF PRIOR YEAR PROJECTS

Project/Activity	Report Title/Report Number, and Date Issued to External Oversight Entities
Non-IT Managed Millenium Application User Access Audit - LU Foundation	Completed. Non-IT Managed Millennium Application User Access Audit, LU-25-005, 10-8-2025.
Special Projects	➢ THECB Complaint #20250310 - closed within the hotline system, 11-13-2025. ➢ THECB Complaint #20250321 - closed within the hotline system, 11-13-2025. ➢ Referral from Office of General Counsel - closed within the hotline system, 3-13-2026. ➢ Hotline #06-107-380 - in progress. ➢ State Auditor's Office Complaint INTK-000007153 and Hotline #06-135-808 - in progress. ➢ State Auditor's Office Complaint INTK-000004324, INTK-000004626, EthicsPoint #106, Hotline #05-844-026, Hotline #05-867-469, and Hotline #05-916-678 - in progress.
Audit Liaison Activities	➢ State Auditor's Office, Statewide Single Audit Compliance Follow-up FY 2025 - completed, 2-26-2026. ➢ State Comptroller's Office, Post Payment Audit, Fiscal Year 2024 - completed, 4-1-2026. ➢ Mitchell T. Fontenote, CPA, Inc., KVLU - FM Radio, Financial Statements Together with Auditor's Report, August 31, 2024 (Audit Delegation 734-2025-001) - completed, 10-31-2025. ➢ University of Houston, Small Business Development Center 2022 - completed 4-23-2026. ➢ Weaver and Tidwell, LLP., NCAA AUP 2025 (Audit Delegation 734-2025-002) - completed, 1-30-2026.

SAM HOUSTON STATE UNIVERSITY
STATUS OF PROJECTS IN FISCAL YEAR 2026 AUDIT AND COMPLIANCE PLAN

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
Sexual Misconduct Resources and Policy Orientation	Completed. TSUS Sexual Misconduct Resources and Policy Orientation Management Advisory Letter, 12-9-2025.
NCAA Compilation	Completed. NCAA Financial Statement Compilation FY 2025, SHSU-26-001, 1-29-2026.
Financial Aid Displacement	Completed. TSUS Financial Aid Displacement Management Advisory Letter, 2-27-2026.
Early Military Program Registration	Completed. TSUS Early Military Program Registration Management Advisory Letter, 5-26-2026.
Academic Fresh Start	Completed. TSUS Academic Fresh Start Management Advisory Letter, 5-26-2026.
Export Controls/HB 127	In progress.
SB 17	Completed. System-wide report: Senate Bill 17 Audit Report, 8-26-2026.
SB 20 - Annual Policy Review & Contract Administration	Completed. System-wide report: Management Advisory Letter - Senate Bill 20 Required Audits for Fiscal Year 2026, 8-26-2026.
Career Success Center	Completed. Management Advisory Letter: Review into Hotline Reports (06-084-887 and 06-149-361) Regarding the Career Success Center, SHSU-26-002, 4-2-2026.
Human Resource Process Audit	In progress.
Follow-Up Reviews	On-going. Results posted in Board Book materials and on the TSUS webpage every quarter during the 2026 Fiscal Year.
Annual Risk Assessment and Audit & Compliance Plan for FY 2027	Completed. Activity does not result in a written report; rather, it results in the annual Audit and Compliance Plan. The *Audit and Compliance Plan Fiscal Year 2027* is posted on the TSUS and components' webpages.
Internal Audit Annual Report	Completed. Internal Audit Annual Report, Texas State University System, 10-14-2025.
Continuing Education	Completed. Activity does not result in a report.
Special Projects	➢ Legislative Inquiry - completed, response provided 6-19-2026. ➢ Legislative Inquiry - completed, response provided 7-31-2026. ➢ Hotline Email, 9-4-2025 - closed within the hotline system, 11-4-2025. ➢ Hotline Email, 10-1-2025 - closed within the hotline system, 11-7-2025. ➢ Hotline #06-204-493 - closed within the hotline system, 11-17-2025. ➢ Hotline #06-250-680 - closed within the hotline system, 12-7-2025. ➢ Hotline #06-237-841 - closed within the hotline system, 1-7-2026.

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
	➢ Hotline #06-253-394 - closed within the hotline system, 1-27-2026. ➢ Hotline #06-256-071 - closed within the hotline system, 1-22-2026. ➢ Hotline #06-259-060 - closed within the hotline system, 1-7-2026. ➢ Hotline #06-264-321 - closed within the hotline system, 1-29-2026. ➢ Hotline #06-196-310 - closed within the hotline system, 2-3-2026. ➢ Hotline #06-289-125 - closed within the hotline system, 3-11-2026. ➢ Hotline #06-289-761 - closed within the hotline system, 3-13-2026. ➢ Hotline #06-295-143 - closed within the hotline system, 3-16-2026. ➢ Hotline Email, 3-12-2026 - closed within the hotline system, 3-17-2026. ➢ Hotline #06-284-034 - closed within the hotline system, 3-27-2026. ➢ Hotline #06-291-783 - closed within the hotline system, 4-21-2026. ➢ Hotline #06-338-268 - closed within the hotline system, 5-13-2026. ➢ Hotline #06-340-985 - closed within the hotline system, 5-12-2026. ➢ Hotline #06-375-664 - in progress. ➢ Hotline #06-377-676, 678, 688, 691, 695, 699, 704, 708, 710, 713, 715, 717, 718, 719, 721, 724, 726, 728, 731, 741, and 744 - in progress. ➢ Hotline #06-382-630, 635, 997, 998 - in progress.
Respond to System Administration Requests	On-going. Activity does not result in a report. ➢ Compile information on Ghost Students. Risk assessment completed.
Audit Liaison Activities	On-going. Activity does not result in a report issued by the OIA. ➢ State Auditor's Office, Statewide Single Audit FY 2026 - in progress. ➢ State Auditor's Office Special Investigations Unit, 7-13-2026 - in progress. ➢ State Comptroller's Office, Misuse of Comptroller-Assigned Temporary Numbers - completed, 3-13-2026. ➢ State Comptroller's Office, Payment Approval Authority and Security FY 24-25 - completed, 7-15-2026. ➢ State Comptroller's Office, Post Payment and Benefits Proportionality Audit (June 2024 - May 2025) - completed, 7-21-2026. ➢ State Comptroller's Office, Duplicate Payment Audit 2019-2025 - in progress. ➢ State Comptroller's Office, Controls Over Expenditure Processing - in progress. ➢ Texas Higher Education Coordinating Board, Formula Funding - in progress. ➢ University of Houston, Small Business Development Center 2023 - in progress. ➢ University of Houston, Small Business Development Center 2024 - in progress.

STATUS OF PRIOR YEAR PROJECTS

Project/Activity	Report Title/Report Number, and Date Issued to External Oversight Entities
Grant Management Process Audit	Completed. Grant Administration Process, SHSU-25-004, 1-21-2026.
Student Service Fees	SHSU-25-002, FY 2025 Management Request Consulting Engagement, Internal MAL, 9-4-2025.
Database Security and Administration Review	In progress.
Enrollment Technologies Audit	In progress.
Special Projects	➢ SHSU Hotline #06-149-361 and Hotline #06-084-887 - completed as a Fiscal Year 2026 audit (Career Success Center, SHSU-26-002).
Audit Liaison Activities	On-going. Activity does not result in a report issued by the OIA. ➢ Carr, Riggs & Ingram, LLC, NCAA AUP FY 2025 (Audit Delegation 753-2025-004) - completed, 1-29-2026. ➢ Carr, Riggs & Ingram, LLC, Charter School 2025 (Audit Delegation 753-2025-005) - completed, 3-9-2026. ➢ State Auditor's Office, Statewide Single Audit Compliance Follow-up FY 2025 - completed, 2-26-2026. ➢ U.S. Department of Agriculture, Cooperative Agreements FAIN# AP21PPQS&T00C017 and FAIN #AP22PPQFO000C401 - completed, 11-8-2025 and 2-26-2026. ➢ U.S. Department of Justice, Project Safe Neighborhood - completed, 11-8-2025. ➢ University of Houston, Small Business Development Center 2022 - completed, 11-8-2025.

SUL ROSS STATE UNIVERSITY
STATUS OF PROJECTS IN FISCAL YEAR 2026 AUDIT AND COMPLIANCE PLAN

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
Sexual Misconduct Resources and Policy Orientation	Completed. TSUS Sexual Misconduct Resources and Policy Orientation Management Advisory Letter, 12-9-2025.
Financial Aid Displacement	Completed. TSUS Financial Aid Displacement Management Advisory Letter, 2-27-2026.
Early Military Program Registration	Completed. TSUS Early Military Program Registration Management Advisory Letter, 5-26-2026.
Academic Fresh Start	Completed. TSUS Academic Fresh Start Management Advisory Letter, 5-26-2026.
Export Controls/HB 127	In progress.
SB 17	Completed. System-wide report: Senate Bill 17 Audit Report, 8-26-2026.

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
SB 20 - Annual Policy Review & Contract Administration	Completed. System-wide report: Management Advisory Letter - Senate Bill 20 Required Audits for Fiscal Year 2026, 8-26-2026.
Non-Student Active Directory Account Deprovisioning	Completed. Project did not result in a report, instead, data files were provided to management, 7-8-2026.
Dual Credit	Completed. Project did not result in a report instead a checklist was developed and provided to management for consideration to use in assessing processes, controls, and program and compliance requirements, 6-16-2026.
Fleet Audit	In progress.
Follow-Up Reviews	On-going. Results posted in Board Book materials and on the TSUS webpage every quarter during the 2026 Fiscal Year.
Annual Risk Assessment and Audit & Compliance Plan for FY 2027	Completed. Activity does not result in a written report; rather, it results in the annual Audit and Compliance Plan. The *Audit and Compliance Plan Fiscal Year 2027* is posted on the TSUS and components' webpages.
Internal Audit Annual Report	Completed. Internal Audit Annual Report, Texas State University System, 10-14-2025.
Special Projects	➢ Legislative Inquiry - completed, response provided 6-19-2026. ➢ Legislative Inquiry - completed, response provided 7-31-2026. ➢ Hotline #06-380-187 - in progress. ➢ Hotline Email, 2-20-2026 - in progress. ➢ Inventory Asset Management Project - in progress. ➢ Duplicate Payment Data Analysis - in progress.
Respond to System Administration Requests	On-going. Activity does not result in a report. ➢ Compile information on Ghost Students.
Audit Liaison Activities	On-going. Activity does not result in a report issued by the OIA. ➢ Apple & Odom, LLC, SRSU Financial Statement Audit FY 2025 (Audit Delegation 756-2026-001) - in progress. ➢ Department of Veteran Affairs, Compliance Survey - completed, 9-17-2025. ➢ State Comptroller's Office, Misuse of Comptroller-Assigned Temporary Numbers - completed, 3-13-2026. ➢ State Comptroller's Office, Payment Approval Authority and Security FY 24-25 - completed, 7-15-2026. ➢ State Comptroller's Office, Controls Over Expenditure Processing - in progress.

STATUS OF PRIOR YEAR PROJECTS

Project/Activity	Report Title/Report Number, and Date Issued to External Oversight Entities
Special Projects	➢ SRSU Internal Complaint - completed, Management Advisory Letter SRSU-25-004 Culture of Care, 11-14-2025. ➢ SRSU Hotline #05-932-111 - in progress.

Project/Activity	Report Title/Report Number, and Date Issued to External Oversight Entities
Audit Liaison Activities	➢ Apple & Odom, LLC, NCAA Agreed-Upon Procedures Fiscal Year 2025 (Audit Delegation 756-2025-001) - completed, 1-29-2026.

TEXAS STATE UNIVERSITY
STATUS OF PROJECTS IN FISCAL YEAR 2026 AUDIT AND COMPLIANCE PLAN

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
Sexual Misconduct Resources and Policy Orientation	Completed. TSUS Sexual Misconduct Resources and Policy Orientation Management Advisory Letter, 12-9-2025.
Financial Aid Displacement	Completed. TSUS Financial Aid Displacement Management Advisory Letter, 2-27-2026.
Early Military Program Registration	Completed. TSUS Early Military Program Registration Management Advisory Letter, 5-26-2026.
Academic Fresh Start	Completed. TSUS Academic Fresh Start Management Advisory Letter, 5-26-2026.
Export Controls/HB 127	In Progress.
SB 17	Completed. System-wide report: Senate Bill 17 Audit Report, 8-26-2026.
SB 20 - Annual Policy Review & Contract Administration	Completed. System-wide report: Management Advisory Letter - Senate Bill 20 Required Audits for Fiscal Year 2026, 8-26-2026.
Electronic Access to Physical Structures	In progress.
Co-Enrollment Shared Data	In progress.
Controlled Asset Management	In progress.
Follow-Up Reviews	On-going. Results posted in Board Book materials and on the TSUS webpage every quarter during the 2026 Fiscal Year.
Annual Risk Assessment and Audit & Compliance Plan for FY 2027	Completed. Activity does not result in a written report; rather, it results in the annual Audit and Compliance Plan. The *Audit and Compliance Plan Fiscal Year 2027* is posted on the TSUS and components' webpages.
Internal Audit Annual Report	Completed. Internal Audit Annual Report, Texas State University System, 10-14-2025.
Continuing Education	Completed. Activity does not result in a report.
Special Projects	➢ Legislative Inquiry - completed, response provided 6-19-2026. ➢ Legislative Inquiry - completed, response provided 7-31-2026. ➢ Hotline Email, 9-4-2025 - closed within the hotline system, 9-5-2025.

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
	➢ Hotline #06-193-095 - closed within the hotline system, 9-15-2025. ➢ Hotline #06-193-097 - closed within the hotline system, 9-15-2025. ➢ Hotline #06-193-101 - closed within the hotline system, 9-15-2025. ➢ Hotline #06-193-252 - closed within the hotline system, 9-15-2025. ➢ Hotline #06-193-292 - closed within the hotline system, 9-15-2025. ➢ Hotline #06-194-148 - closed within the hotline system, 9-16-2025. ➢ Hotline #06-194-264 - closed within the hotline system, 9-16-2025. ➢ Hotline #06-194-439 - closed within the hotline system, 9-16-2025. ➢ Hotline #06-195-065 - closed within the hotline system, 9-16-2025. ➢ Hotline #06-195-672 - closed within the hotline system, 9-19-2025. ➢ Hotline #06-196-826 - closed within the hotline system, 9-30-2025. ➢ Hotline Email, 9-12-2025 - closed within the hotline system, 9-30-2025. ➢ Hotline Email, 9-12-2025 - closed within the hotline system, 10-2-2025. ➢ Hotline #06-198-421 - closed within the hotline system, 10-1-2025. ➢ Hotline #06-205-487 - closed within the hotline system, 10-8-2025. ➢ Hotline #06-207-063 - closed within the hotline system, 10-10-2025. ➢ Hotline Email, 10-12-2025 - closed within the hotline system, 10-15-2025. ➢ Hotline #06-216-925 - closed within the hotline system, 10-31-2025. ➢ Hotline #06-217-010 - closed within the hotline system, 10-31-2025. ➢ Hotline #06-194-426 - closed within the hotline system, 11-20-2025. ➢ Hotline Email, 11-22-2025 - closed within the hotline system, 11-24-2025. ➢ Hotline #06-255-102 - closed within the hotline system, 1-29-2026. ➢ Hotline #06-267-002 - closed within the hotline system, 2-3-2026. ➢ Hotline #06-268-549 - closed within the hotline system, 2-3-2026. ➢ Hotline #06-275-512 - closed within the hotline system, 2-6-2026. ➢ Hotline #06-275-824 - closed within the hotline system, 2-6-2026. ➢ Hotline #06-267-898- closed within the hotline system, 2-9-2026. ➢ Hotline #06-251-312 - closed within the hotline system, 2-17-2026. ➢ Hotline #06-279-249 - closed within the hotline system, 2-17-2026. ➢ Hotline #06-283-947 - closed within the hotline system, 2-26-2026. ➢ Hotline #06-275-618 - closed within the hotline system, 3-2-2026. ➢ Hotline #06-292-209 - closed within the hotline system, 3-11-2026. ➢ Hotline #06-255-117- closed within the hotline system, 4-1-2026. ➢ Hotline #06-307-507 - closed within the hotline system, 4-2-2026. ➢ Hotline #06-316-092 - closed within the hotline system, 4-8-2026. ➢ Hotline phone call - closed within the hotline system 4-15-2026. ➢ Hotline phone call - closed within the hotline system 4-16-2026. ➢ Hotline #06-327-826 - closed within the hotline system, 4-22-2026. ➢ Hotline #06-256-072 - closed within the hotline system, 4-24-2026. ➢ Hotline #06-291-407 - closed within the hotline system, 4-24-2026. ➢ Hotline #06-314-479 - closed within the hotline system, 4-24-2026. ➢ Hotline phone call TXST SP-26-34 - closed within the hotline system, 5-11-2026. ➢ Mailed Complaint, SP-26-33 - closed within the hotline system, 5-13-2026. ➢ Hotline #06-339-020 - closed within the hotline system, 7-2-2026.

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
	➢ Hotline #06-351-543 - closed within the hotline system, 7-8-2026. ➢ Hotline #06-353-674 - closed within the hotline system, 7-9-2026. ➢ Hotline #06-354-539 - closed within the hotline system, 8-4-2026. ➢ Hotline #06-186-730 - closed within the hotline system, 5-7-2026. ➢ Hotline #06-186-738 (see also # #06-154-441 and #06-186-730) - closed within the hotline system, 5-7-2026. ➢ Hotline #06-365-338 - in progress. ➢ Hotline #06-366-283 - in progress. ➢ UPD Incident Report, SP-26-28 - in progress.
Respond to System Administration Requests	On-going. Activity does not result in a report. ➢ Compile information on Ghost Students.
Audit Liaison Activities	These activities do not result in a report issued by the OIA. ➢ State Auditor's Office, Statewide Single Audit FY 2026 - in progress. ➢ State Auditor's Office, Project Management - in progress. ➢ State Comptroller's Office, Misuse of Comptroller-Assigned Temporary Numbers - completed, 3-13-2026. ➢ State Comptroller's Office, Payment Approval Authority and Security FY 24-25 - completed, 7-15-2026. ➢ State Comptroller's Office, Duplicate Payment Audit 2019-2025 - in progress. ➢ State Comptroller's Office, Controls Over Expenditure Processing - in progress. ➢ Texas A & M Engineering Extension Service, National Emergency Response and Recovery Training Center, ALERRTC Subrecipient Agreement No. 44-100255 - EMW-2023-CA-05041 - in progress. ➢ Aprio, LLC, McCoy Foundation FY 2026 (Audit Delegation 754-2026-001) - in progress. ➢ James Moore & CO., P.L., NCAA AUP FY 2026 (Audit Delegation 754-2026-002) - in progress.

STATUS OF PRIOR YEAR PROJECTS

Project/Activity	Report Title/Report Number, and Date Issued to External Oversight Entities
Banner Access Controls of Personally Identifiable Information	Completed. Banner Access to PII Audit, TXST-25-004, 12-16-2025.
Parking, Ticketing, and Collections	In progress.
TRIO	Completed. TRIO Programs Audit, TXST-25-003, 4-24-2026.
Laboratory Safety	Deferred due to internal comprehensive laboratory review.
Monitoring Technology Services	In progress.

Project/Activity	Report Title/Report Number, and Date Issued to External Oversight Entities
Provided by External Vendors Audit	
Monitoring External Vendors' Use of University Technology	In progress.
Special Projects	➢ Legislative Inquiry - completed, response provided 6-19-2026. ➢ Legislative Inquiry - completed, response provided 7-31-2026. ➢ EthicsPoint #86 - deferred to planned audit in Fiscal Year 2027 (NCAA Compliance Audit). ➢ TXST Hotline #06-173-036 - completed, Management Advisory Letter, SP-25-42, Department of Chemistry and Biochemistry Personnel Leave, 12-5-2025. ➢ TXST Hotline #06-154-441 (See also #06-186-738 and #06-186-730) - closed within the hotline system, 5/7/2026. ➢ Management Request, Data Analysis of Wellness Program - completed - data provided 9-15-2025.
Audit Liaison Activities	➢ State Comptroller's Office, Post Payment and Benefits Proportionality (December 2022 - November 2023) - completed, 4-29-2026. ➢ Texas A & M Engineering Extension Service, National Emergency Response and Recovery Training Center, ALERRTC Subrecipient Agreement No. 44-100245 - EMW-2022-CA-00009 - completed, 7-7-2026 (no report issued). ➢ U.S. Department of Agriculture, FDA Tobacco Retail Compliance Check Inspection Program - completed, 3-13-2026. ➢ U.S. Department of Justice, STOP School Violence Grant Program - completed, 7-7-2026 (no report issued). ➢ Aprio, LLP, McCoy Foundation Fiscal Year 2025 (Audit Delegation 754-2025-002) - completed, 8-27-2026. ➢ James Moore & Co., P.L., NCAA Agreed-Upon Procedures Fiscal Year 2025 (Audit Delegation 754-2025-003) - completed 1-30-2026. ➢ Montemayor Britton Bender, PC, Student Financial Aid (Title IV) Fiscal Year 2025 (Audit Delegation 754-2025-001) - completed, 1-7-2026.

LAMAR INSTITUTE OF TECHNOLOGY
STATUS OF PROJECTS IN FISCAL YEAR 2026 AUDIT AND COMPLIANCE PLAN

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
IT - On-Going	On-going. Activity does not result in a report.
Sexual Misconduct Resources and Policy Orientation	Completed. TSUS Sexual Misconduct Resources and Policy Orientation Management Advisory Letter, 12-9-2025.
Financial Aid Displacement	Completed. TSUS Financial Aid Displacement Management Advisory Letter, 2-27-2026.

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
Early Military Program Registration	Completed. TSUS Early Military Program Registration Management Advisory Letter, 5-26-2026.
Academic Fresh Start	Completed. TSUS Academic Fresh Start Management Advisory Letter, 5-26-2026.
Export Controls/HB 127	In progress.
SB 17	Completed. System-wide report: Senate Bill 17 Audit Report, 8-26-2026.
SB 20 - Annual Policy Review & Contract Administration	Completed. System-wide report: Management Advisory Letter - Senate Bill 20 Required Audits for Fiscal Year 2026, 8-26-2026.
Information Technology Data Center Audit	In progress.
Follow-Up Reviews	On-going. Results posted in Board Book materials and on the TSUS webpage every quarter during the 2026 Fiscal Year.
Annual Risk Assessment and Audit & Compliance Plan for FY 2027	Completed. Activity does not result in a written report; rather, it results in the annual Audit and Compliance Plan. The *Audit and Compliance Plan Fiscal Year 2027* is posted on the TSUS and components' webpages.
Internal Audit Annual Report	Completed. Internal Audit Annual Report, Texas State University System, 10-14-2025.
Continuing Education	Completed. Activity does not result in a report.
Special Projects	➢ Legislative Inquiry - completed, response provided 6-19-2026. ➢ Legislative Inquiry - completed, response provided 7-31-2026. ➢ Hotline #06-217-231 - closed within hotline system, 11-24-2025. ➢ Hotline #06-334-015 - closed within the hotline system, 6-2-2026. ➢ Hotline #06-335-362 - closed within the hotline system, 6-2-2026. ➢ Inventory Initiative - in progress.
Respond to System Administration Requests	On-going. Activity does not result in a report. ➢ Compile information on Ghost Students.
Audit Liaison Activities	On-going. Activity does not result in a report issued by the OIA. ➢ State Auditor's Office, Asset Management - completed 6-11-2026. ➢ State Comptroller's Office, Misuse of Comptroller-Assigned Temporary Numbers - completed, 3-13-2026. ➢ State Comptroller's Office, Payment Approval Authority and Security FY 24-25 - completed, 7-15-2026. ➢ State Comptroller's Office, Controls Over Expenditure Processing - in progress. ➢ Department of Public Safety, Secure Site - completed, 11-7-2025. ➢ Texas Higher Education Coordinating Board, Civil Rights Compliance Review - completed, 4-29-2026. ➢ Texas Higher Education Coordinating Board, Perkins Desk Review FY 2025 - completed, 4-29-2026.

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
	➢ Texas Higher Education Coordinating Board, Texas Education Opportunity Grant Desk Review FY 2025 - in progress.

STATUS OF PRIOR YEAR PROJECTS

Project/Activity	Report Title/Report Number, and Date Issued to External Oversight Entities
Dual Credit	Completed. Dual Credit Program, LIT-25-001, 11-14-2025.
Special Projects	Investigation of reported concerns - in progress.

LAMAR STATE COLLEGE ORANGE
STATUS OF PROJECTS IN FISCAL YEAR 2026 AUDIT AND COMPLIANCE PLAN

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
IT - On-Going	On-going. Activity does not result in a report.
Sexual Misconduct Resources and Policy Orientation	Completed. TSUS Sexual Misconduct Resources and Policy Orientation Management Advisory Letter, 12-9-2025.
Financial Aid Displacement	Completed. TSUS Financial Aid Displacement Management Advisory Letter, 2-27-2026.
Early Military Program Registration	Completed. TSUS Early Military Program Registration Management Advisory Letter, 5-26-2026.
Academic Fresh Start	Completed. TSUS Academic Fresh Start Management Advisory Letter, 5-26-2026.
Export Controls/HB 127	In progress.
SB 17	Completed. System-wide report: Senate Bill 17 Audit Report, 8-26-2026.
SB 20 - Annual Policy Review & Contract Administration	Completed. System-wide report: Management Advisory Letter - Senate Bill 20 Required Audits for Fiscal Year 2026, 8-26-2026.
Follow-Up Reviews	On-going. Results posted in Board Book materials and on the TSUS webpage every quarter during the 2026 Fiscal Year.
Annual Risk Assessment and Audit & Compliance Plan for FY 2027	Completed. Activity does not result in a written report; rather, it results in the annual Audit and Compliance Plan. The *Audit and Compliance Plan Fiscal Year 2027* is posted on the TSUS and components' webpages.
Internal Audit Annual Report	Completed. Internal Audit Annual Report, Texas State University System, 10-14-2025.
Continuing Education	Completed. Activity does not result in a report.
Special Projects	➢ Legislative Inquiry - completed, response provided 6-19-2026.

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
	➢ Legislative Inquiry - completed, response provided 7-31-2026.
Respond to System Administration Requests	On-going. Activity does not result in a report. ➢ Compile information on Ghost Students.
Audit Liaison Activities	On-going. Activity does not result in a report issued by the OIA. ➢ State Auditor's Office, Asset Management - completed 6-11-2026. ➢ State Comptroller's Office, Misuse of Comptroller-Assigned Temporary Numbers - completed, 3-13-2026. ➢ State Comptroller's Office, Payment Approval Authority and Security FY 24-25 - completed, 7-15-2026. ➢ State Comptroller's Office, Controls Over Expenditure Processing - in progress. ➢ State Comptroller's Office, Duplicate Payment Audit 2019-2025 - in progress. ➢ Texas Higher Education Coordinating Board, Perkins Desk Review FY 2025 - completed, 5-8-2026. ➢ Department of Veteran Affairs, Compliance Survey - completed, 4-29-2026.

LAMAR STATE COLLEGE PORT ARTHUR
STATUS OF PROJECTS IN FISCAL YEAR 2026 AUDIT AND COMPLIANCE PLAN

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
IT - On-Going	On-going. Activity does not result in a report.
Sexual Misconduct Resources and Policy Orientation	Completed. TSUS Sexual Misconduct Resources and Policy Orientation Management Advisory Letter, 12-9-2025.
Financial Aid Displacement	Completed. TSUS Financial Aid Displacement Management Advisory Letter, 2-27-2026.
Early Military Program Registration	Completed. TSUS Early Military Program Registration Management Advisory Letter, 5-26-2026.
Academic Fresh Start	Completed. TSUS Academic Fresh Start Management Advisory Letter, 5-26-2026.
Export Controls/HB 127	In progress.
SB 17	Completed. System-wide report: Senate Bill 17 Audit Report, 8-26-2026.
SB 20 - Annual Policy Review & Contract Administration	Completed. System-wide report: Management Advisory Letter - Senate Bill 20 Required Audits for Fiscal Year 2026, 8-26-2026.
Follow-Up Reviews	On-going. Results posted in Board Book materials and on the TSUS webpage every quarter during the 2026 Fiscal Year.
Annual Risk Assessment and	Completed.

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
Audit & Compliance Plan for FY 2027	Activity does not result in a written report; rather, it results in the annual Audit and Compliance Plan. The *Audit and Compliance Plan Fiscal Year 2027* is posted on the TSUS and components' webpages.
Internal Audit Annual Report	Completed. Internal Audit Annual Report, Texas State University System, 10-14-2025.
Continuing Education	Completed. Activity does not result in a report.
Special Projects	➢ Legislative Inquiry - completed, response provided 6-19-2026. ➢ Legislative Inquiry - completed, response provided 7-31-2026.
Respond to System Administration Requests	On-going. Activity does not result in a report. ➢ Compile information on Ghost Students.
Audit Liaison Activities	On-going. Activity does not result in a report issued by the OIA. ➢ State Auditor's Office, Asset Management - completed 6-11-2026. ➢ State Comptroller's Office, Misuse of Comptroller-Assigned Temporary Numbers - completed, 3-13-2026. ➢ State Comptroller's Office, Payment Approval Authority and Security FY 24-25 - completed, 7-15-2026. ➢ State Comptroller's Office, Controls Over Expenditure Processing - in progress. ➢ Texas Higher Education Coordinating Board, Perkins Desk Review FY 2025 - completed, 5-8-2026. ➢ University of Houston, Small Business Development Center 2022 - completed 3-13-2026. ➢ University of Houston, Small Business Development Center 2023 - in progress. ➢ University of Houston, Small Business Development Center 2024 - in progress.

SYSTEM ADMINISTRATION
STATUS OF PROJECTS IN FISCAL YEAR 2026 AUDIT AND COMPLIANCE PLAN

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
Title IX Quarterly and Annual Reporting	Completed. Quarterly reports submitted to Chancellor as required. Annual report submitted to the Texas Higher Education Coordinating Board on 10-21-2025.
Sexual Misconduct Resources and Policy Orientation	Completed. TSUS Sexual Misconduct Resources and Policy Orientation Management Advisory Letter, 12-9-2025.
Financial Aid Displacement	Completed. TSUS Financial Aid Displacement Management Advisory Letter, 2-27-2026.
Early Military Program Registration	Completed. TSUS Early Military Program Registration Management Advisory Letter, 5-26-2026.
Academic Fresh Start	Completed. TSUS Academic Fresh Start Management Advisory Letter, 5-26-2026.

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
Export Controls/HB 127	In progress.
SB 17	Completed. System-wide report: Senate Bill 17 Audit Report, 8-26-2026.
SB 20 - Annual Policy Review & Contract Administration	Completed. System-wide report: Management Advisory Letter - Senate Bill 20 Required Audits for Fiscal Year 2026, 8-26-2026.
Construction Audits (Audit Delegation 758-2025-004)	➢ LSCPA Allied Health & Sciences Building - in progress. ➢ SHSU Bowers Stadium - in progress. ➢ SHSU Health Professions - in progress. ➢ System Administration Field Research Station - in progress. ➢ TXST Bobcat Stadium - in progress. ➢ TXST Castro Residence Hall - in progress. ➢ TXST Esperanza Hall - in progress. ➢ TXST STEM Academic Building - in progress.
Follow-Up Reviews	On-going. Results posted in Board Book materials and on the TSUS webpage every quarter during the 2026 Fiscal Year.
Annual Risk Assessment and Audit & Compliance Plan for FY 2027	Completed. Activity does not result in a written report; rather, it results in the annual Audit and Compliance Plan. The *Audit and Compliance Plan Fiscal Year 2027* is posted on the TSUS and components' webpages.
Internal Audit Annual Report	Completed. Internal Audit Annual Report, Texas State University System, 10-14-2026.
Continuing Education	Completed. Activity does not result in a report.
Special Projects	➢ Legislative Inquiry - completed, response provided 6-19-2026. ➢ Legislative Inquiry - completed, response provided 7-31-2026.
Respond to System Administration Requests	On-going. Activity does not result in a report. ➢ Compile information on Ghost Students.
Component Audit Assistance	On-going. Activity does not result in a report.
Audit Liaison Activities	On-going. Activity does not result in a report issued by the TSUS OIA. ➢ State Auditor's Office, Contract Monitoring - completed, 6/4/2026. ➢ State Auditor's Office, Statewide Single Audit FY 2026 - in progress. ➢ State Comptroller's Office, Misuse of Comptroller-Assigned Temporary Numbers - completed, 3-13-2026. ➢ State Comptroller's Office, Payment Approval Authority and Security FY 24-25 - completed, 7-15-2026. ➢ State Comptroller's Office, Controls Over Expenditure Processing - in progress. ➢ R.L. Townsend & Associates, LLC, multiple construction project audits (Audit Delegations 758-2023-002, 758-2025-001, and 758-2025-004) - see status as noted above under the "Construction Audits" projects. ➢ TSUS Foundation Annual Financial Report FY 2026 (Audit Delegation 758-2026-001) - in progress.
Compliance Program Enhancements	On-going. Activity does not result in a report.

Project/Activity	Status, Report Title/Report Number, and Date Issued to External Oversight Entities
Compliance Risk Universe	On-going. Activity does not result in a report.

STATUS OF PRIOR YEAR PROJECTS

Project/Activity	Report Title/Report Number, and Date Issued to External Oversight Entities
Construction Audits (Audit Delegation 758-2023-002)	TXST TV and Film Studios Building (Live Oak Hall) - completed, 10-6-2025.
Construction Audits (Audit Delegation 758-2025-001)	➢ LU Mary and John Gray Library Renovation - in progress. ➢ SHSU COM Parking Structure - in progress. ➢ SHSU Gibbs Ranch - in progress. ➢ TXST Hilltop Housing - in progress. ➢ LIT Workforce and Allied Health Training - in progress. ➢ LSCO Academic Building - completed, 8-27-2026. LSCPA Industrial Training Center Renovation - completed, 2-12-2026.
Audit Liaison Activities	On-going. Activity does not result in a report issued by the OIA. ➢ R.L. Townsend & Associates, LLC, Construction Audits (Audit Delegations 758-2023-002 and 758-2025-001), multiple projects, see status as noted above under the “Construction Audits” projects. ➢ Allman & Associates, Inc., TSUS Foundation Annual Financial Report Fiscal Year 2025 (Audit Delegation 758-2025-005) - completed, 2-5-2026.

III. Consulting Services and Other Activities

Consulting services are defined in Govt Code 2102 as "*advisory and related client service activities, the nature and scope of which are agreed upon with the client and are intended to add value and improve an organization's operations. Consulting services include counsel, advice, facilitation, and training."* Except for responses to legislative inquiries, these activities do not typically result in formal reports. The following bulleted lists represent consulting and nonaudit services conducted during Fiscal Year 2026.

COMPONENTS

LAMAR UNIVERSITY, LAMAR INSTITUTE OF TECHNOLOGY, LAMAR STATE COLLEGE ORANGE, LAMAR STATE COLLEGE PORT ARTHUR

- Prepared and sent email "blasts" at all Lamar components reminding faculty, staff, and students of their responsibilities to and options for reporting suspected waste, fraud, and abuse.
- Prepared and distributed email reminding faculty and staff of requirements regarding audit delegations and external audit notifications.
- Provided support to the Texas State University System in gathering information responsive to two legislative inquiries.
- Deployed self-assessment inventory templates for use by the Lamar components in sustaining compliance with Senate Bill 17.
- Performed an analysis of NCAA-related financial information for the year ending August 31, 2025 and provided a summary of results in an email distributing the contracted auditor's report.
- Provided advisory services for several aspects of the shared services platform for LIT, LSCO, and LSCPA.
- Participated in the project meetings in an advisory capacity for the LIT, LSCO, and LSCPA conversion and implementation of the Ellucian Banner SaaS Enterprise application.
- Reviewed and commented on potential administrative policy changes at all components.
- Researched a variety of issues at management's request at all components.
- Monitored and advised on IT business continuity at all components.
- Collaborated with TSUS IT auditors to create an approach and framework for OIA to assess and evaluate the components' cybersecurity governance, risk management, and controls processes.
- Revised and maintained the OIA website.
- Advised management on IT systems and applications controls at all components.
- Continued periodic meetings with Lamar Component Presidents, Vice Presidents of Finance and Operations, Chief Information Officers, and Information Security Officers, as well as other management to discuss activities or areas of concerns.
- Attended LU's President cabinet informational meetings.
- Served in board member and committee member capacities for the Texas Association of College and University Auditors.
- Served in board member capacity for the Texas Society of Certified Public Accountants.
- Served as committee member for the Association of College and University Auditors.
- Worked in conjunction with other TeamMate+ Champions on various activities and tasks.
- Evaluated options for audit management software systems for consideration by the Chief Audit Executive.

SAM HOUSTON STATE UNIVERSITY

- Prepared and sent email “blasts” reminding faculty, staff, and students of their responsibilities to and options for reporting suspected waste, fraud, and abuse (“See Something, Say Something”).
- Prepared and distributed email reminding faculty and staff of requirements regarding audit delegations and external audit notifications.
- Provided support to the Texas State University System in gathering information responsive to two legislative inquiries.
- Revised self-assessment inventory templates for use by SHSU divisions in sustaining compliance with Senate Bill 17.
- Participated in monthly meetings with executive management.
- Modified the risk assessment survey to more efficiently obtain management’s input during the Annual Risk Assessment process.
- Monthly meetings with Strategic Enrollment and Innovation Group (SEI) regarding risks associated with IT (including IT governance) and provided informal feedback.
- Worked in conjunction with TeamMate Champions on various activities and tasks to enhance audit management software.
- Revised and maintained the OIA website.
- Prepared and delivered a fraud presentation to the student chapter of the Association of Certified Fraud Examiners.
- Advised IT management on security-related matters for various applications.
- Reviewed the annual Asset Forfeiture report for the University Police Department.
- Researched a variety of issues at management’s request.
- Served on the President’s Council.
- Consulted with the Office of Compliance and Insurance regarding compliance activities.
- Collaborated with TSUS IT auditors to create an approach and framework for OIA to assess and evaluate the components’ cybersecurity governance, risk management, and controls processes.
- Monitored weekly and advised on the Cayuse Fund Manager and Effort system implementation.
- Revised OIA informational postcards.
- Revised Fraud Awareness Training included in the Talent Management online learning portal for Faculty and Staff.
- Participated in the Classroom Environment forum panel.
- Compiled and provided a document to the President and Faculty for Academic Department Chairs which included helpful tips for common administrative challenges (e.g., time and leave, budget, hiring, etc.).
- Review of CARES indirect costs in response to a faculty request.
- Coordinated SB 17 presentation with Office of Compliance and Insurance for the New Faculty Foundations event.
- Volunteered at New Student Convocation.
- Made a presentation at a Fraud Examination course in the College of Business Administration.
- Participated in a Doctoral Study on Ethical Education and Fraud Risk for a doctoral candidate at Trident University International.
- OIA staff member completed the Certified Internal Auditor certification.

SUL ROSS STATE UNIVERSITY

- Prepared and sent email “blasts” reminding faculty, staff, and students of their responsibilities to and options for reporting suspected waste, fraud, and abuse.
- Prepared and distributed email reminding faculty and staff of requirements regarding audit delegations and external audit notifications.

- Provided support to the Texas State University System in gathering information responsive to two legislative inquiries.
- Deployed self-assessment inventory templates for use by SRSU divisions in sustaining compliance with Senate Bill 17.
- Researched a variety of issues at management's request.
- Monitored the third-party Cybersecurity Maturity Assessment (through the Department of Information Resources).
- Monitored and advised on IT business continuity.
- Advised management on IT systems and applications controls.
- Continued periodic meetings with President, Vice President of Finance and Operations, Chief Information Officer, and Information Security Officer, as well as other management to discuss activities or areas of concerns.
- Provided advisory services for several aspects of the shared services platform.
- Participated in the project meetings in an advisory capacity for the SRSU conversion and implementation of the Ellucian Banner SaaS Enterprise application.

TEXAS STATE UNIVERSITY

- Prepared and sent email "blasts" reminding faculty, staff, and students of their responsibilities to and options for reporting suspected waste, fraud, and abuse.
- Prepared and distributed email reminding faculty and staff of requirements regarding audit delegations and external audit notifications.
- Held monthly meetings with the President and periodic meetings with the Executive Vice President of Operations and Chief Financial Officer, the Vice President for TXST Global, and the Chief Information Officer, as well as other management to discuss activities or areas of concerns.
- Provided support to the Texas State University System in gathering information responsive to a legislative inquiry.
- Provided support to the Texas Comptroller Criminal Investigation Division related to an external investigation.
- Modified the risk assessment survey to obtain management's input more efficiently during the Annual Risk Assessment process.
- Researched a variety of issues at management's request.
- Reviewed and commented on potential administrative policy changes.
- Performed an analysis of NCAA-related financial information for the year ending August 31, 2025, and provided a summary in an email distributing the contracted auditor's report.
- Performed an analysis of McCoy Foundation financial information for the years ending August 31, 2025, and provided a summary in an email distributing the contracted auditor's report.
- Provided support to Texas School Safety Center for self-reporting to the SAO on prior audit recommendations.
- Consulted with the Office of Institutional Compliance and Ethics regarding audits, investigations, and special projects.
- Worked in conjunction with other TeamMate+ Champions on various activities and tasks.
- Revised and maintained the OIA website.
- Collaborated with TSUS IT auditors to create an approach and framework for OIA to assess and evaluate the components' cybersecurity governance, risk management, and controls processes.
- Evaluated options for audit management software systems for consideration by the Chief Audit Executive.
- Served as a member on the Investment and Finance Committee for the Association of College and University Auditors.
- Served on the Business Services Council.
- Served as ex-officio member on the Chief Information Officer Leadership Team.

- Served as ex-officio member of the Human Resources Stakeholders Team.
- Participated in an IT Auditing panel discussion and presented information on IT Auditing to students in university accounting classes.
- Participated with the Institute of Internal Auditors (IIA) - Austin Chapter in presenting information to students in university accounting classes on the IIA, the Internal Audit profession, and potential career opportunities.

SYSTEM ADMINISTRATION

- Provided support to the Chairman of the Board, the Presidents, and the Office of General Counsel in submitting the required annual certification of compliance with Senate Bill 17 through the Texas Higher Education Coordinating Board report portal.
- Provided support to the Texas State University System in gathering information responsive to two legislative inquiries.
- Participated in the project meetings in an advisory capacity for the TSUS System Administration Office conversion and implementation of the Ellucian Banner SaaS Enterprise application.
- Reviewed and commented on various iterations of “right to audit” clauses in draft contracts.
- Maintained the TSUS CPE Sponsorship with the Texas State Board of Public Accountancy as a registered CPE sponsor.
- Consulted on TSUS Title IX issues and facilitated System-wide Title IX training.
- Managed ongoing Clery Act contracted services with D. Stafford and Associates.
- Compiled a “new state statute” summary report and distributed it to institutional compliance partners.
- Deployed and tracked mandatory training (EEO, AI, and Cybersecurity) for System Administration employees.

IV. External Audit Services

TSUS member institutions contracted with numerous external audit firms for a variety of services. The following list details services that were procured or ongoing during Fiscal Year 2026. Where noted, dates provided indicate when the final reports for the delegated services were submitted to the State Auditor's Office.

Lamar University

- NCAA AUP (Audit Delegation 734-2026-001) - in progress (pending engagement letter).
- Mitchell T. Fontenote, CPA, Inc., KVLU - FM Radio, Financial Statements Together with Auditor's Report, August 31, 2024 (Audit Delegation 734-2025-001) - completed, 10-31-2025.
- Weaver and Tidwell, LLP., NCAA AUP 2025 (Audit Delegation 734-2025-002) - completed, 1-30-2026.

Sam Houston State University

- Carr, Riggs & Ingram, LLC, NCAA AUP FY 2025 (Audit Delegation 753-2025-004) - completed,1-29-2026.
- Carr, Riggs & Ingram, LLC, Charter School 2025 (Audit Delegation 753-2025-005) - completed, 3-9-2026.

Sul Ross State University

- Apple & Odom, LLC, SRSU Financial Statement Audit FY 2025 (Audit Delegation 756-2026-001) - in progress.
- Apple & Odom, LLC, NCAA Agreed-Upon Procedures Fiscal Year 2025 (Audit Delegation 756-2025-001) - completed, 1-29-2026.

Texas State University

- Aprio, LLC, McCoy Foundation FY 2026 (Audit Delegation 754-2026-001) - in progress.
- James Moore & Co., P.L., NCAA AUP FY 2026 (Audit Delegation 754-2026-002) - in progress.
- Montemayor Britton Bender, PC, Student Financial Aid (Title IV) Fiscal Year 2025 (Audit Delegation 754-2025-001) - completed, 1-7-2026.
- Aprio, LLP, McCoy Foundation Fiscal Year 2025 (Audit Delegation 754-2025-002) - completed, 8-27-2026.
- James Moore & Co., P.L., NCAA Agreed-Upon Procedures Fiscal Year 2025 (Audit Delegation 754-2025-003) - completed 1-30-2026.

System Administration

- R.L. Townsend & Associates, LLC, multiple construction project audits (Audit Delegations 758-2023-002, 758-2025-001, and 758-2025-004) - see status as noted above under the "Construction Audits" projects in Section II on Pages 17 and 18.
- TSUS Foundation Annual Financial Report FY 2026 (Audit Delegation 758-2026-001) - pending engagement letter.

V. External Quality Assurance Review (Peer Review)

Texas Government Code 2102 requires internal audit organizations to conduct quality assurance reviews in accordance with applicable professional standards. The professional standards include provisions for audit organizations to perform self-assessments with external validations based on criteria outlined in the Institute of Internal Auditors (IIA) *Quality Assessment Manual for the Internal Audit Activity*. Because the IIA requires peer reviews to be conducted every 5 years, an external validation of a self-assessment was included in the *Audit and Compliance Plan Fiscal Year 2024*, but the self-assessment could not be completed due to a Board-requested special project. Due to the timing of the completion of the self-assessment in fiscal year 2025, coupled with the advent of the new Global Internal Auditing Standards, effective January 9, 2025, an external validation was not completed. The report below was submitted to the Board of Regents and external oversight entities in December 2024 and January 2025, respectively. The report is 53 pages long; in the interest of brevity, an excerpt is presented here.

THE TEXAS STATE UNIVERSITY SYSTEM

This is an excerpt from the original Management Advisory Letter, which is 53 pages long.

December 30, 2024

Board of Regents
Texas State University System

Management Advisory Letter: Office of Internal Audit Self-Assessment

Dear Regents,

This Management Advisory Letter (MAL) reports the results of a periodic self-assessment of the Office of Internal Audit (OIA). This project was included in the 2024 Audit and Compliance Plan as a self-assessment with an independent external validation.

The purpose of the self-assessment was to evaluate the OIA's compliance with the *International Standards for the Professional Practice of Internal Auditing* ("the Standards"), promulgated by the Institute of Internal Auditors (IIA). Texas Government Code 2102 (the *Texas Internal Auditing Act*) requires state entity internal audit functions to comply with the standards established by the IIA.

The self-assessment was conducted utilizing the *Quality Assessment Manual for the Internal Audit Activity* ("the Manual") published by the IIA's Research Foundation ("the Foundation"). The Manual includes a prescribed checklist and three conformance ratings designated by the Foundation:

- "Generally Conforms" means that an internal audit activity has a charter, policies, and processes that are judged to be in conformance with the Standards.
- "Partially Conforms" means deficiencies in practice are noted that are judged to deviate from the Standards, but these deficiencies did not preclude the internal audit activity from performing its responsibilities in an acceptable manner.

- "Does Not Conform" means deficiencies in practice are judged to be so significant as to seriously impair or preclude the internal audit activity from performing adequately in all or in significant areas of its responsibilities.

The OIA leadership team (5 individuals) independently rated the OIA on its conformance with each attribute on the checklist, and then met collectively on December 13, 2024, to discuss and finalize the ratings. The team concluded that overall, the OIA "generally conforms" with the Standards.

Appendix A presents an executive summary of the results of the self-assessment. Appendix B presents the checklist for each element of the Standards that were evaluated as part of the self- assessment and the rating assigned to the element.

I'm available to discuss this report at your convenience if you have any questions or comments. Thank you.

Carole M. Fox

Carole M. Fox, CPA
Chief Audit Executive, Office of Internal Audit
Texas State University System

APPENDIX A
EXECUTIVE SUMMARY

The International Professional Practices Framework (IPPF) is promulgated by the Institute of Internal Auditors (IIA) and consists of four mandatory elements: Core Principles for the Professional Practice of Internal Auditing, the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing* ("the Standards").

The TSUS Office of Internal Audit (OIA) generally conforms to the Standards in that the following successful practices are in place:

- The Definition of Internal Auditing is embodied in the audit charter (codified in the TSUS *Rules and Regulations, Chapter III, Paragraph 7).* The charter is approved by the Board of Regents (Board), reviewed annually, and updated periodically.
- The OIA *Policies and Procedures Manual* (P&Ps) states that auditors are expected to conform to the IIA's Core Principles in the performance of duties.
- All auditors are expected to comply with the IIA's Code of Ethics. This is articulated in TSUS *Rules and Regulations, Chapter III, Paragraph 7.13* and OIA policy. In addition, OIA policy requires auditors to comply with TSUS *Rules and Regulations, Chapter VIII, Code of Ethics, Paragraph 4.2, Prohibited Actions of Employees.*
- The OIA is organizationally independent and reports directly to the Board through the Finance and Audit Committee. The TSUS *Rules and Regulations, Chapter I, Paragraph 6.42* delegates to the Finance & Audit Committee "*Direct oversight of the System's internal audit function, including, but not limited to, the hiring, terms and conditions of employment, and termination of the System Chief Audit Executive (CAE); approval of his or her budgets; and review and approval of annual audit plans and reports*." The CAE has direct interaction with the Board.
- All OIA staff are objective and free from undue influence.

- All OIA staff possess the requisite knowledge, skills, and abilities to perform their duties and fulfill their responsibilities with integrity, competence, and due professional care.
- The OIA demonstrates quality and continuous improvement through continuing education, supervision of staff, and periodic internal and external assessments.
- The results of internal and external assessments are reported to executive management, the Board, and external oversight stakeholders.
- Risk-based audit plans are aligned with institutional objectives and include input from the Board, management, and other stakeholders. The plans are developed annually and are approved by the Board.
- OIA activities evaluate and contribute to the organizational improvement of TSUS risk management and control processes, the effectiveness and efficiency of operations and programs, the safeguarding of assets, and organizational compliance with applicable laws, regulations, policies, and procedures. The OIA provides risk-based assurances to the Board and management and provides consulting services upon request.
- OIA engagements are planned, documented, and communicated to auditees.
- The OIA leverages technology wherever possible, such as the use of Teammate Analytics and Excel for data analytics in planning and fieldwork steps for audits. The OIA also uses a forensic tool called “FTK” to review large amounts of data or files, including email transmissions. The utilization of this tool expanded from one individual (and one license) to additional OIA staff (and multiple licenses) who are now able to use the tool as well. Doing so has increased the proficiency in performing investigations and has expanded the skillset of OIA staff. In a show of hands at a Texas Association of College and University Auditors conference in February 2023, no other audit group indicated use of a similar type of tool.
- Conclusions are based on appropriate analyses, evaluations, and documented evidence.
- Results of work are communicated via oral and written reports distributed to management, the Board, and (as required by law) external oversight entities. Recommendations resulting from OIA projects are forward-focused.
- Follow-up work on management’s action plans to address recommendations is conducted quarterly and is reported to management and the Board.

Self-identified opportunities for continuous improvement and gaps in conformance, as well as associated planned actions, are outlined below:

- The TSUS has grown significantly in terms of enrollment and operating budgets since the last self-assessment (2019), but the staffing of the audit function may not have kept pace. The OIA will perform an analysis to determine whether additional staffing should be requested for 2026.
- Recruiting competent staff when vacancies occur has been challenging, particularly after the pandemic and the well-publicized shortage of accounting/auditing professionals. Several TSUS components are located in areas that must compete with major metropolitan job markets or are located in remote regions of the state. Teleworking arrangements for select positions enabled the OIA to become fully staffed for the first time in 5 years. While the CAE will continue exploring recruiting options in the event of turnover, retention efforts are now the priority, particularly in light of the shortage of accounting/auditing professionals and the fact that several employees are approaching retirement eligibility.
- The Senate Bill 17 (SB 17) project, conducted in fiscal year 2024 (November 2023 - August 2024) at all TSUS components significantly impacted completion of several

projects in the 2024 Audit and Compliance Plan ("the Plan"). This project was critical in providing the Board and the Texas Legislature with information regarding the System's compliance with provisions contained in SB 17. However, the project impacted the timely completion of this self-assessment and the external validation associated with this self- assessment. The January 2025 advent of the new *Global Internal Audit Standards* (which significantly revise the Standards used in completing the self-assessment), impacts the external validation planned for this self-assessment until the following activities occur: legislative revisions to the *Texas Internal Auditing Act* to recognize the new *Global Internal Audit Standards* (Global Standards), changes to the TSUS *Rules and Regulations* to likewise recognize and adopt the Global Standards, implementation of the Global Standards within the OIA, and a subsequent self-assessment of conformance with the Global Standards. Although an external assessment was not completed as planned in 2024, it has not significantly impacted/does not significantly impact the overall scope or operations of the OIA. Legislative audit mandates impact the number of risk-based projects the OIA can include in the Plan. The OIA will continue working with leadership and the Board in developing the Plan to ensure that the highest risk areas are included after allocating resources to mandated projects.

Distribution:

Texas State University System:
Dr. Brian McCall, Chancellor

Texas State University System Board of Regents:
Alan L. Tinsley, Chairman of the Board
Tom Long, Chair, Finance & Audit Committee
Duke Austin, Finance & Audit Committee
William F. Scott, Finance & Audit Committee

State of Texas:
Office of the Governor
Legislative Budget Board
State Auditor's Office

VI. Internal Audit Plan for Fiscal Year 2027

The TSUS OIA prepares a consolidated Audit and Compliance Plan (“Plan”) for TSUS components and System Administration. 27,778 hours have been budgeted for activities/projects included in the Plan (including travel and administrative time). The TSUS Board of Regents approved the Plan on August 6, 2026. Additional risks ranked as “high” identified during the risk assessment that are not included in the Fiscal Year 2027 Plan due to finite resources appear on Page 36.

THE TEXAS STATE UNIVERSITY SYSTEM

Office of Internal Audit

Audit and Compliance Plan
Fiscal Year 2027

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INTRODUCTION AND PURPOSE

The *Fiscal Year 2027 Audit and Compliance Plan* ("the Plan") documents functional areas the Office of Internal Audit intends to devote resources to during fiscal year 2027. The Plan satisfies statutory responsibilities outlined in Section 2102.008 of the Texas Government Code, The Texas State University System *Rules and Regulations*, and applicable auditing standards. The number of hours budgeted to perform all activities in the Plan totals 27,778.

Plan Categories

The Plan is divided into three different categories:

- Statutory/Required Audits and Activities: Projects required by law or by external oversight entities for all Components and System Administration (except where noted).
- Risk-Based Functional Areas: Projects allocated amongst the Components based on risks identified during the annual risk assessment process and subsequently categorized by functional area. See the section entitled "Risk Assessment Process" below for more information.
- Other Activities: Projects required by grant agreements or third parties, consulting and advisory services, special projects such as time-sensitive investigations and management-requested reviews, identification and communication of emerging compliance requirements, liaising with external auditors, and other functions designed to assist management in mitigating risks.

Risk Assessment Process

Because audit and compliance resources are increasingly devoted to statutorily required projects, mandated activities, and legislative initiatives, fewer resources remain available for risk-based audits. Accordingly, it is essential that these engagements focus on areas where our independent assessments will provide the greatest value to The Texas State University System. In order to identify such projects, the Office of Internal Audit uses a two-phase risk assessment process.

The first phase of the risk assessment is the annual risk assessment, used to build this Plan. Texas Government Code 2102.005 requires audit plans to be developed "*using risk assessment techniques*." The collective risk assessment activities performed at the Components and System Administration in developing this Plan included, but were not limited to, the following activities:

- Soliciting input from the Board of Regents, the Chancellor, Vice-Chancellors, Component Presidents, and Component management;
- Consulting with oversight entities regarding emerging concerns;
- Considering national trends within higher education;
- Evaluating materiality;
- Assessing the potential impact of negative public scrutiny;
- Considering prior year projects still in progress during development of the Plan; and
- Utilizing professional judgment and knowledge gained from prior projects regarding areas of risk and information gained through continual risk assessment discussions with management throughout the year.

The risk assessments considered a myriad of risks, including those associated with:

- Utilization of artificial intelligence within and outside of The Texas State University System;
- The potential for waste, fraud, and abuse;
- Methods for ensuring compliance with contracting processes and controls and for monitoring contracts, as required by Texas Government Code, Section 2102.005(b);
- Calculations and application of benefits (benefits proportionality);
- Turnover in key positions; and

- Information technology risks (including those associated with Title 1, Texas Administrative Code, Chapter 202, *Information Security Standards).*

The risk assessments also considered work performed by external auditors, risk appetites, and activities where assurance or consulting engagements would be most helpful to management.

Upon completion of the annual risk assessments, identified risks were categorized into various functional areas based on the various organizational structures within The Texas State University System, the Risk Dictionary classifications created by the *Association of College and University Auditors*, and the functional expense classifications promulgated by the *National Association of College and University Business Officers* for financial statement reporting purposes.

Each functional area contains numerous activities, processes, and operations that could be the subject of an audit (see Appendix A). Except for compliance reviews (which are typically conducted on a system-wide basis), the various functional areas and the specific projects selected for review in those functional areas vary amongst the Components and System Administration depending on the level of risk. For example, a project in the Financial Management functional area at Lamar University could involve an audit of accounts payable, while a project in the Financial Management functional area at Sul Ross State University could involve an audit of accounts receivable. There could be no projects (or multiple projects) in the Financial Management functional area at Sam Houston State University.

The second phase of the risk assessment occurs when audit resources become available to commence a project in a designated functional area. Although the first phase of the risk assessment provides clear indicators of auditable units that would benefit from review, some units are of higher risk than others and sometimes risks identified during the annual risk assessment become mitigated as time passes. Therefore, as project planning begins, we conduct additional assessments to pinpoint the activities best suited for review. This approach affords flexibility to ensure emerging risks are timely reviewed. As required by the State Auditor's Office, the risk assessments also identified and documented areas of high risk that were not included in the Plan; these areas will be reported under separate cover in the Internal Audit Annual Report for 2026, due in October 2026.

As in prior years, there may be circumstances that require us to devote resources to activities not outlined in the Plan. Per the *Rules and Regulations*, significant changes to the Plan require approval by the Chair of the Finance and Audit Committee.

The Plan appears on the following page. An "A" marks functional areas where one or more audit projects are planned; a "C" marks functional areas where one or more compliance projects (across all Components) are planned. Finite resources preclude reviews in every functional area, including those known to have higher risks. Therefore, the absence of an "A" or "C" in the Plan for risk-based projects means that no work is planned in the corresponding functional area(s).

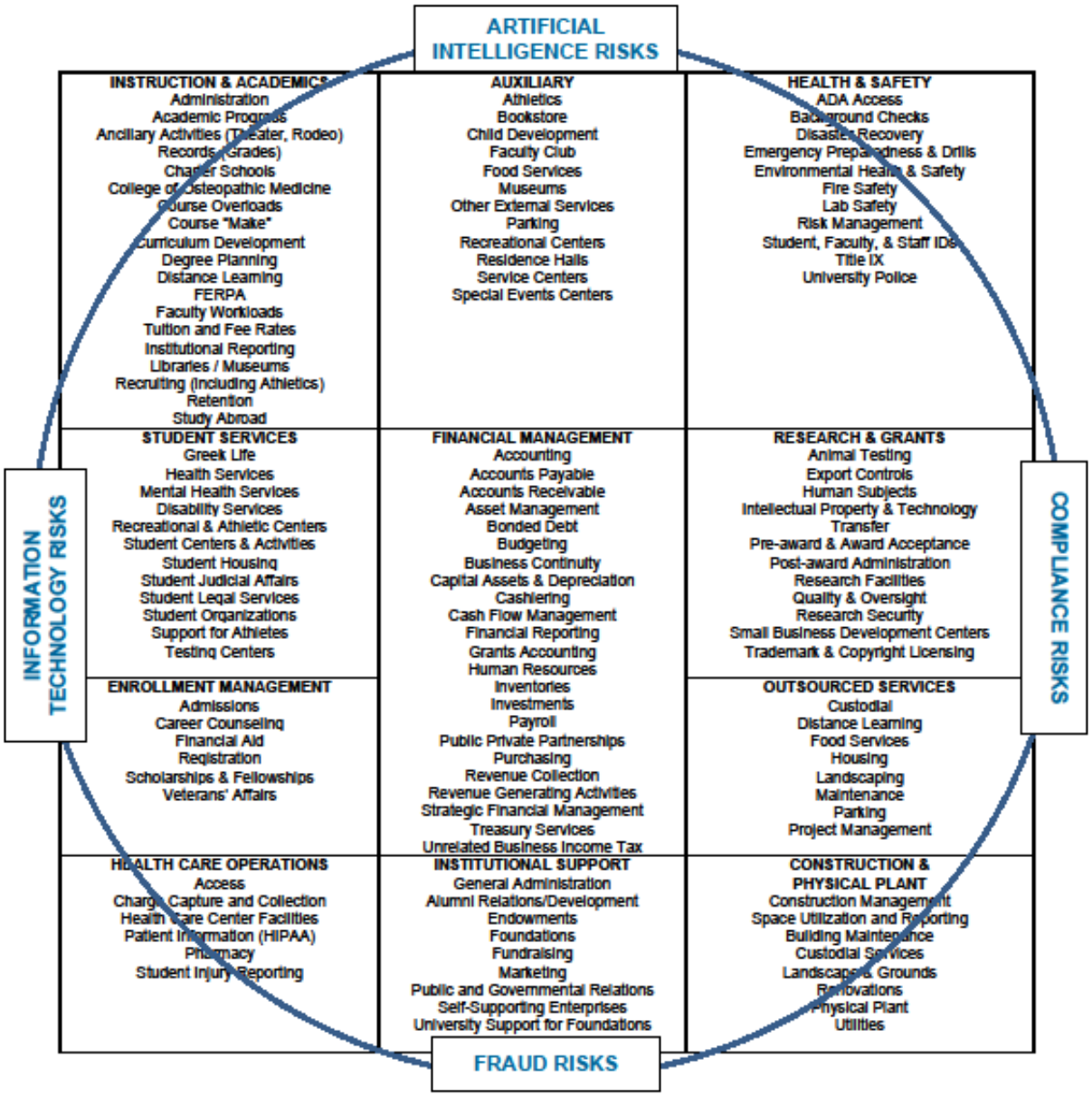
TEXAS STATE UNIVERSITY SYSTEM
AUDIT AND COMPLIANCE PLAN - FISCAL YEAR 2027

Activity	LU	SHSU	SRSU	TXST	LIT	LSCO	LSCPA	System Administration
STATUTORY/REQUIRED AUDITS AND ACTIVITIES								
SB 20 – Annual Policy Review & Contract Administration	A	A	A	A	A	A	A	A
Quarterly Follow-Up Reviews	A C	A C	A C	A C	A C	A C	A C	A C
Risk Assessment/Audit & Compliance Plan (for FY 2028)	A C	A C	A C	A C	A C	A C	A C	A C
Annual Internal Audit Report (for FY 2026)	A C	A C	A C	A C	A C	A C	A C	A C
THECB Facilities Audits					A		A	
NCAA Compilation		A						
Title IX Quarterly and Annual Reporting	C	C	C	C	C	C	C	C
Continuing Education	A C	A C	A C	A C	A C	A C	A C	A C
State-Mandated Training (Compliance Office)								C
RISK-BASED FUNCTIONAL AREAS (See Appendix A)								
Auxiliary Enterprises		A		A				
Instruction & Academics	C	A C	C	A C	C	C	C	C
Health & Safety	C	A C	A C	A C	C	C	C	C
Financial Management	A	A	A	A	A	A	A	
Student Services	C	A C	C	A C	C	C	C	C
Enrollment Management	C	A C	C	C	C	A C	C	C
Research & Grants	A	A		A				
Outsourced Services			A					
Construction & Physical Plant	A	A		A	A		A	A
Information Technology	A	A	A	A	A	A	A	A
Artificial Intelligence Governance				A				
Health Care Operations				A				
Institutional Support (including SB 17 audit)	A C	A C	A C	A C	A C	A C	A C	A C
OTHER ACTIVITIES								
Special Projects (Management Requests and Investigations)	A C	A C	A C	A C	A C	A C	A C	A C
Internal Audit Software Solution Project	A	A	A	A	A	A	A	A
Audit & Compliance Liaison Activities	A C	A C	A C	A C	A C	A C	A C	A C
System Administration Information Requests	A C	A C	A C	A C	A C	A C	A C	A C
Clery Act Reviews	C	C	C	C	C	C	C	C
State Due Date Database & Compliance Universe	C	C	C	C	C	C	C	C

A = One or more planned audit project(s) **C**= One or more planned compliance project(s)

APPENDIX A
RISK-BASED FUNCTIONAL AREAS

This chart depicts examples of (but not all) subprocesses/activities within each functional area, many of which overlap. These activities represent potential auditable units; however, some activities inherently have higher risks than others. Artificial intelligence, compliance, fraud, and information technology risks surround all of the functional areas and exist within all operations and were considered in the development of the Plan.



Appendix A: Risk-Based Functional Areas (Text Version)

The chart above depicts examples of (but not all) subprocesses/activities within each functional area, many of which overlap. These activities represent potential auditable units; however, some activities inherently have higher risks than others. Artificial intelligence, compliance, fraud, and information technology risks surround all of the functional areas, exist within all operations, and were considered in the development of the Plan.

Functional Area	Example Subprocesses/Activities
Instruction & Academics	Administration; Academic Progress; Ancillary Activities (Theater, Rodeo); Records (Grades); Charter Schools; College of Osteopathic Medicine; Course Overloads; Course "Make"; Curriculum Development; Degree Planning; Distance Learning; FERPA; Faculty Workloads; Tuition and Fee Rates; Institutional Reporting; Libraries / Museums; Recruiting (including Athletics); Retention; Study Abroad
Auxiliary	Athletics; Bookstore; Child Development; Faculty Club; Food Services; Museums; Other External Services; Parking; Recreational Centers; Residence Halls; Service Centers; Special Events Centers
Health & Safety	ADA Access; Background Checks; Disaster Recovery; Emergency Preparedness & Drills; Environmental Health & Safety; Fire Safety; Lab Safety; Risk Management; Student, Faculty, & Staff IDs; Title IX; University Police
Student Services	Greek Life; Health Services; Mental Health Services; Disability Services; Recreational & Athletic Centers; Student Centers & Activities; Student Housing; Student Judicial Affairs; Student Legal Services; Student Organizations; Support for Athletes; Testing Centers
Financial Management	Accounting; Accounts Payable; Accounts Receivable; Asset Management; Bonded Debt; Budgeting; Business Continuity; Capital Assets & Depreciation; Cashiering; Cash Flow Management; Financial Reporting; Grants Accounting; Human Resources; Inventories; Investments; Payroll; Public Private Partnerships; Purchasing; Revenue Collection; Revenue Generating Activities; Strategic Financial Management; Treasury Services; Unrelated Business Income Tax
Research & Grants	Animal Testing; Export Controls; Human Subjects; Intellectual Property & Technology Transfer; Pre-award & Award Acceptance; Post-award Administration; Research Facilities; Quality & Oversight; Research Security; Small Business Development Centers; Trademark & Copyright Licensing
Enrollment Management	Admissions; Career Counseling; Financial Aid; Registration; Scholarships & Fellowships; Veterans' Affairs
Outsourced Services	Custodial; Distance Learning; Food Services; Housing; Landscaping; Maintenance; Parking; Project Management
Health Care Operations	Access; Charge Capture and Collection; Health Care Center Facilities; Patient Information (HIPAA); Pharmacy; Student Injury Reporting
Institutional Support	General Administration; Alumni Relations/Development; Endowments; Foundations; Fundraising; Marketing; Public and Governmental Relations; Self-Supporting Enterprises; University Support for Foundations
Construction & Physical Plant	Construction Management; Space Utilization and Reporting; Building Maintenance; Custodial Services; Landscape & Grounds; Renovations; Physical Plant; Utilities
Risks surrounding all areas	Artificial Intelligence Risks; Compliance Risks; Fraud Risks; Information Technology Risks

HIGH-RISK ACTIVITIES IDENTIFIED DURING THE RISK ASSESSMENT NOT INCLUDED IN THE PLAN
LAMAR UNIVERSITY
TAC 202 - Compliance with Athletics Ticket Management Application
Financial Aid
Academic Integrity Risks in Online and Remote Learning Environments
IT - Security Awareness and Training
IT - Banner Logical Access (HR Users' Roles and Access)
IT - Audiology Clinic Software compliance with FERPA, HIPAA (third-party billing) and PCI DSS (debit or credit card payments)
Journal Vouchers
Prohibited Technologies

SAM HOUSTON STATE UNIVERSITY
Health-Care Programs
Charter School Activities & Operations
IT - Cloud Computing and Management of Third-Party IT Providers
Data Governance
IT - Access Control and Access Management
Name, Image, and Likeness (NIL) Compliance
Polytechnic College
Enrollment Cliff

SUL ROSS STATE UNIVERSITY
Various Financial Processes
Athletics - Move to Division II
Personnel Transitions
Prohibited Technologies
IT - Data Owners Responsibilities in User Provisioning Process
IT - Logical Access - Privileged Access (including network, server, and local administrator access)
IT - Disaster Recovery

TEXAS STATE UNIVERSITY
Accounts Payable
Business Continuity Plan
Chemicals and Hazardous Materials Purchasing, Storage, and Disposal
Background Checks, Conflicts of Interest, and Conflicts of Commitment
Cybersecurity
Data Breach and Ransomware Response Plans
Data Governance and Data Management
Deferred and Preventive Maintenance
Disposal of IT Assets/Data Destruction
Financial Aid Processes
Grants Management - Post Award
Health Care Programs
HIPAA Data and Information
Institutional Animal Care and Use Committee (IACUC) - Research
Institutional Review Board (IRB) - Research
IT - Backup and Recovery
Study Abroad and International Travel - Student Safety
Student Conduct and Student Behavioral Assessment Team

LAMAR INSTITUTE OF TECHNOLOGY
IT- Logical Access - Privileged Access (including network, server, and local administrator access)
IT - Disaster Recovery
Prohibited Technologies
Financial Aid
Camps

LAMAR STATE COLLEGE ORANGE
IT- Logical Access - Privileged Access (including network, server, and local administrator access)
IT - Disaster Recovery
Dual Credit

LAMAR STATE COLLEGE ORANGE
Prohibited Technologies

LAMAR STATE COLLEGE PORT ARTHUR
IT- Logical Access - Privileged Access (including network, server, and local administrator access)
IT - Disaster Recovery
Financial Aid
Dual Credit
Prohibited Technologies

SYSTEM ADMINISTRATION
Regulatory Uncertainty

VII. Reporting Suspected Fraud and Abuse

The TSUS has taken the following actions to ensure compliance with requirements of Section 7.09, page IX-41, the General Appropriations Act (89th Legislature, Conference Committee Report).

- The TSUS utilizes an internal internet-based confidential fraud reporting hotline and a telephone hotline, both of which are monitored by the Office of Internal Audit. On the main webpage for TSUS, there is a link entitled *Report Fraud & Abuse,* which redirects users to the internet-based portal and telephone line for reporting suspected fraud, waste, or abuse. The link also appears on each TSUS component's homepage. Further, each component sends periodic email reminders to its employees and students regarding confidential avenues for reporting concerns about potential fraud, waste, or abuse of resources; the lack of compliance with laws, regulations, and/or University policies and procedures; or violations of the TSUS's Code of Ethics. The most recent reminder was sent on 10-9-2026.

  In addition to the internal fraud reporting hotline, there is a link to the State Auditor's fraud reporting hotline on the TSUS webpage and each component's webpage.

  Lastly, Texas State University has a local hotline that is monitored by the Office of Internal Audit.

- The TSUS ***Rules and Regulations*** place specific requirements for employees to report suspected waste, fraud, or abuse and delegates responsibility to the Chief Audit Executive to report such matters to the State Auditor's Office. Such reports are filed via email, formal reports, and the State Auditor's Office fraud reporting portal. The ***Rules and Regulations*** also include information on how to report suspected fraud involving state funds to the State Auditor's Office.

- The TSUS is aware of and complies with the requirements of Texas Government Code, Section 321.022, regarding reporting to the State Auditor's Office those situations where a reasonable cause to believe that money received from the state may have been lost, misappropriated, or misused, or that other fraudulent or unlawful conduct has occurred. The TSUS ***Rules and Regulations*** explicitly state: "*Texas State University System, through the Chief Audit Executive, will report suspected fraud or unlawful conduct to the State Auditor's Office (SAO) if he or she knows of facts pointing to fraud or unlawful conduct.*" The Office of Internal Audit conducts reviews into complaints regarding potential waste, fraud, or abuse (including complaints forwarded to the TSUS by the State Auditor's Office) and provides a written response summarizing the results of those reviews.