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First Quarter Report for Fiscal Year 2014

TEXAS A&M ENGINEERING EXPERIMENT STATION

Review of Health, Safety, and Environmental Management

Catherine A. Smock, C.P.A.
Chief Auditor
Overall Conclusion

The Texas A&M Engineering Experiment Station (TEES) has established processes and controls that provide reasonable assurance that a safe and secure environment exists for employees and visitors. While generally in compliance with applicable laws and policies, there is an opportunity to improve the efficiency and effectiveness of health and safety resources used by TEES. Currently, Texas A&M University’s (TAMU) Environmental Health and Safety Department (EHSD) provides the majority of health and safety functions for TEES operations and facilities located in the Brazos County area. The TEES Office of Engineering Safety monitors the services provided by TAMU as well as administers similar employee training courses and health and safety web sites as those already in place at TAMU. Improvements are needed in the TEES web sites and employee safety training program.

TEES is the research affiliate for the College of Engineering at Texas A&M University and has 590 research laboratories and shops located on the TAMU campus.

Detailed Results

More Efficient Use of Health and Safety Resources

An opportunity exists for more efficient use of health and safety resources between TEES and TAMU. TAMU provides the majority of health and safety functions for TEES with the exception of TEES’ health and safety web sites and employee safety training which both require improvement. TAMU’s Environmental Health and Safety Department (EHSD) provides the following services to TEES:

- Laboratory and shop safety inspections and fire and life safety inspections for TEES research and office facilities located in the Brazos County area
• Development and maintenance of employee safety manuals and environmental management plan

• Maintenance of the emergency notification program

In addition, the TAMU Division of Research provides biosafety training and regulatory compliance services for TEES operations. The TAMU Division of Student Affairs provides oversight for TEES programs involving minors.

The TEES Office of Engineering Safety maintains a web site to serve as a resource for employees of TEES and the TAMU Dwight Look College of Engineering. The TEES web site duplicates information that is already included on the TAMU EHSD web site. In addition, the TEES web site contains outdated information and broken links. The EHSD web site includes current information in an organized format. An effective web site providing relevant health and safety information reduces the risk that students, employees and visitors will be exposed to hazards and suffer injuries.

TEES has developed employee safety training courses similar to training courses provided by EHSD, duplicating training efforts. In addition, nine of 30 (30%) new TEES employees tested did not complete required hazard awareness training in a timely manner, and five of 30 (17%) new employees did not receive additional laboratory safety and/or shop and tool safety training as required for their assigned duties. The risk of injuries to employees from exposure to hazardous materials or improper use of workplace equipment is increased when timely training is not provided.

If EHSD provided all health and safety functions for TEES operations, duplication of web sites and safety training efforts would be eliminated. A single environmental health and safety office overseeing all areas of health and safety services for TEES would provide more effective monitoring and coordination.

**Recommendation**

Review the relationship between TEES and TAMU’s environmental health and safety office and determine if it would be more efficient for all environmental health and safety functions at TEES to be managed by TAMU through an agreement between the two institutions. Consider using TAMU’s environmental health and safety web site rather than maintaining a separate Office of Engineering Safety web site. If a separate TEES web site is maintained then review and update the web site to eliminate duplicate and unnecessary information and ensure all links are working properly. Enhance monitoring controls of the required safety trainings to ensure that employees and student
workers receive required safety training prior to initial exposure to workplace hazards.

Management’s Response

By May 31, 2014, TEES and TAMU will review the relationship between their environmental health and safety offices. This will include a review of the safety website and safety training management and a determination as to whether it would be more efficient for health and safety functions to be managed by TAMU. As a result of this review, TEES will have a Memorandum of Agreement with the TAMU environmental health and safety office that will better define roles and responsibilities between the two members.

Basis of Review

Objective and Scope

The objective of the audit was to review the controls over health, safety and environmental management to determine if TEES is in compliance with laws and policies, and provides reasonable assurance that a safe environment exists for employees and visitors. The review of health and safety at TEES focused on laboratory safety inspections, biological safety program, project safety analysis, and safety training. The audit period focused primarily on activities from September 1, 2012 to August 31, 2013. Fieldwork was conducted from September to October 2013. According to the System Office of Risk Management, the agency has submitted their environmental management plan in compliance with A&M System requirements.

Criteria

Our audit was based upon standards as set forth in the System Policy and Regulation Manual of the Texas A&M University System and other sound administrative practices. This audit was conducted in conformance with the Institute of Internal Auditors’ “International Standards for the Professional Practice of Internal Auditing.”

Additionally, we conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that
the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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TEXAS A&M UNIVERSITY – CENTRAL TEXAS

Review of Enrollment Management

Catherine A. Smock, C.P.A.
Chief Auditor

Project #20132402
Overall Conclusion

Texas A&M University - Central Texas has established processes and controls that provide reasonable assurance that enrollment goals are achieved and managed in compliance with applicable laws and policies. Improvements are needed in the areas of student enrollment reporting, enrollment management process efficiencies, and in appropriately documenting the student admissions and graduation processes.

The university had an enrollment of 2,454 students for the fall 2013 semester which represents a 6% increase from the prior year. Enrollment included 1,767 undergraduate students and 687 graduate students. Part-time students make up 85% of the total student population, and over one-half of the students have a military affiliation. The university delivers one-third of total semester credit hours through online instruction.

Summary of Management’s Response

The university has reviewed the audit findings and concurs with recommendations for improvements regarding the areas of student enrollment reporting, enrollment management process efficiencies, and in appropriately documenting the student admissions and graduation processes. All recommendations are scheduled to be implemented by December 31, 2014.
Detailed Results

1. Student Enrollment Reporting

The university’s process for reporting student enrollment to the state for formula funding purposes is not compliant with state law related to the payment of tuition and fees. One of 30 (3%) student records reviewed for financial status compliance on the official census date was incorrectly included for state funding on the fall 2012 Semester Student Report (CBM001). This report is submitted to the Texas Higher Education Coordinating Board, and is used in calculating the university’s formula funding appropriation. The student still owed $2,100 in tuition and fees on the official census data and did not have a valid installment payment contract on file, as required by state law. Discussion with university management identified that students that have paid at least 25 percent of their tuition and fees by the official census date are not being dropped from the official enrollment records. As a result, this process does not comply with Chapter 54, Section 54.007 of the Texas Education Code which requires students to be registered as of the official census date and the institution must collect tuition and fees in full from the student or have a valid installment payment contract on record.

Recommendation

Management should take corrective actions to:

- Ensure that the university student tuition and fee payment processes are in compliance with Chapter 54, Section 54.007 of the Texas Education Code.

- Align the university’s student financial drop process to comply with Chapter 54 mentioned above, and train staff on how to administer the new process.

- Require students to have a valid installment payment contract on file for any unpaid tuition and fees as of the official census date for each semester.

- For the most recent formula funding base period, determine if there are any more students that were not in compliance with the tuition and fee payment requirements in the Texas Education Code, and report any necessary corrections to the Texas Higher Education Coordinating Board.
Management’s Response

The university has reviewed the audit findings and concurs with the recommendations for improvements regarding student enrollment reporting. We are committed to satisfactorily addressing these issues.

The university will ensure that student tuition and fee payment processes are in compliance with Chapter 54, Section 54.007 of the Texas Education Code. We appreciate learning from this review that all students were not being correctly identified. The decision to not drop students that have paid at least 25 percent of their tuition and fees by the official census date was made at Tarleton State University several years ago and we were not aware of this practice.

Estimated Completion Date: September 30, 2014

The University will align the financial drop process to comply with Chapter 54 and will conduct in-service training for Business Affairs staff on how to administer the new process.

Estimated Completion Date: September 30, 2014

The university will require students to have a valid installment payment contract on file for any unpaid tuition and fees as of the official census date for each semester. This will be a manual process until our separate Banner system is operational. When our new Banner system is in place, it will include a financial obligation agreement that the student must agree to prior to registration. This agreement will state that an installment plan will be established for any tuition and fees not paid by the census date.

Estimated Completion Date: September 30, 2014

The university will determine, via a report provided by Tarleton State University to the Office of Business Affairs, if there are any more students that were not in compliance with the tuition and fee payment requirements for the most recent formula funding base period. Any necessary corrections will be reported to the Texas Higher Education Coordinating Board.

Estimated Completion Date: December 15, 2013
2. **Enrollment Management Process Efficiencies**

   **Current enrollment management processes are not working as efficiently as possible.** Many of the current enrollment management processes are manually performed, largely due to the university not being able to take advantage of all the automated functionality in the student information system (Banner). As a result, the student online admission applications are printed and then manually keyed into Banner rather than being automatically uploaded into the system. In addition, the university does not have a system to capture recruiting information and manage communications with students while Banner does have an enrollment management module; it is not currently available for the university to access. This inability to access the functionality within Banner is a result of the university originating as a branch campus of Tarleton State University (Tarleton) in 1999. Tarleton has continued to process student information for the university. However, the transition from managing student information for a branch campus relationship, to that of a separate stand-alone university, has created processing difficulties in clearly identifying students as belonging to either the university or Tarleton. These difficulties have limited the availability of Banner’s automated enrollment management processes for the university.

   The tracking of students that have applied for graduation is also a manual process that uses spreadsheets created to track each semester’s graduates. There is a lack of consistency between the information provided on the tracking documents. There has been turnover of employees responsible for tracking graduating students which has resulted in different tracking procedures and spreadsheet formats being used.

   The university is currently in the process of implementing their own instance of Banner, which will allow them to stop relying on Tarleton for this service. This new Banner system should be fully implemented by the fall of 2014, and will result in changes to many of the university’s enrollment management processes. It is important to automate processes as much as possible, and use the Banner system to create efficiencies and reduce the possibility of manual errors. It is equally important to create up-to-date procedures for stability and consistency in processing student information.

   **Recommendation**

   To improve the enrollment management processes, management should:
• Make every effort to leverage the automated functionality within the new Banner system to reduce manual processes in order to create efficiencies and reduce errors.

• Implement the Banner recruiting module to provide information for enrollment management decisions.

• Ensure that documented procedures are updated to reflect current processes.

• Provide the necessary training for employees to understand their job responsibilities.

Management’s Response

The university has reviewed the audit findings and concurs with the recommendations for improvements regarding admissions application processing. We are committed to satisfactorily addressing these issues.

All recommendations are scheduled to be implemented by December 2014.

The university will make every effort to leverage the automated functionality within the new Banner system to reduce manual processes in order to create efficiencies and reduce errors.

The university is currently in the process of creating our own Banner system, separate from Tarleton. As we separate, we will be utilizing the Edi/Speede functionalities and will be uploading the applications for admissions (both undergraduate and graduate) directly into Banner. We plan to begin the upload of applications into the system in June 2014 for our fall 2014 students.

Estimated Completion Date: September 30, 2014

The university will implement the Banner recruiting module (BRM) to provide information for enrollment management decisions. The Banner recruiting module will allow for the capture of information and the management of communications with students.

Estimated Completion Date: December 31, 2014

The university will ensure that documented procedures are updated to reflect current processes.
Process manuals are updated annually to reflect current processes. Manuals include screen shots and step-by-step procedures for each staff member’s respective area of responsibility. Updates occur each spring unless other changes occur that require updates to be made other times during the year.

Estimated Completion Date: September 30, 2014

The university will provide the necessary training for employees to understand their job responsibilities.

Each new employee sits with a current staff member to review our processes and procedures. Cross-training occurs between staff with similar duties.

Estimated Completion Date: September 30, 2014

3. Admission Documentation

Documentation of student admissions records needs improvement. Five of 26 (19%) undergraduate admission records reviewed did not contain documentation to support the information in Banner. Four student files were missing the required Provisional Admissions Contract for the term in which they received a provisional admission. One student file had no evidence of a Contract of Conditional Enrollment when the student was admitted with a probation admission decision.

While these student files were missing supporting documentation, none of the discrepancies resulted in an unqualified student being admitted. A turnover of employees involved in the admissions process and their inexperience in non-standard admissions may have contributed to the lack of the additional documentation that was required for these admission decisions.

Recommendation

To improve admission documentation processes, management should:

- Enhance the admission decision monitoring process to ensure that required admissions contracts and documentation are obtained.
- Ensure formal admissions procedures include obtaining and filing required documentation.
• Provide training to employees involved in the admissions process so that they are clear on the importance of accurately including the proper documentation in the student files.

Management’s Response

The university has reviewed the audit findings and concurs with the recommendations for improvements regarding admissions documentation. We are committed to satisfactorily addressing these issues.

All recommendations are scheduled to be implemented by September 2014.

The university will enhance the admissions decision monitoring process to ensure that required admissions contracts and documentation are obtained.

With enhanced Banner functionality, we will be able to create working reports which allow us to quickly identify missing items in the admissions checklist.

Estimated Completion Date: September 30, 2014

The university will ensure formal admissions procedures include obtaining and filing required documentation.

Obtained items are immediately logged in and imaged into the student’s file. The university will ensure information is included in employee manuals on the collection and filing of submitted documentation.

Estimated Completion Date: December 15, 2013

The university will provide training to employees involved in the admissions process so that they are clear on the importance of accurately including the proper documentation in the student files.

Each employee will receive instruction in the proper collection and filing of submitted documentation. New employees will be trained on the collection and filing process.

Estimated Completion Date: December 15, 2013
4. Graduation Documentation

Documentation of student graduation records needs improvement. Fourteen of 38 (37%) student graduation records (undergraduate and graduate) reviewed had missing and/or incomplete documentation. The missing documentation included missing or incomplete applications for graduation, missing graduation checkout forms, missing or incomplete final check sheets, final degree audit forms that do not agree with the GPA recorded in Banner, missing comprehensive exam forms, and incomplete or missing graduate degree plans.

Although the student files were missing supporting documentation, a review of their academic records indicates that they all met their graduation requirements. An effective monitoring process was not in place to verify that all necessary supporting documentation was completed and included in the student files.

Recommendation

To improve the graduation documentation processes, management should:

- Enhance monitoring of the graduation review process to ensure that supporting documentation is completed and maintained for graduation decisions.
- Ensure documented graduation procedures include obtaining and filing required documentation.
- Provide training on the graduation procedures and documentation requirements to employees so that they are clear on the importance of accurately including the proper documentation in the student files.

Management’s Response

The university has reviewed the audit findings and concurs with the recommendations for improvements regarding graduation documentation. We are committed to satisfactorily addressing these issues. All recommendations are scheduled to be implemented by September 2014.

The university will enhance the monitoring of the graduation review process to ensure that supporting documentation is completed and maintained for graduation decisions.

Our current and totally manual processes will be automated through the use of the Banner Self-Service Graduation application (submitted by students) and in the
generation of Banner reports regarding ceremony, diplomas, etc. We will also be implementing the DegreeWorks audit system, which will allow for the “check out” on student requirements for graduation.

**Estimated Completion Date: September 30, 2014**

The university will ensure documented graduation procedures include obtaining and filing required documentation.

With the implementation of the Self-Service Graduation application, we will no longer have the need to collect paper documentation (receipts for payment of fees will be noted in the Banner system and will be required before a student may submit the electronic application).

**Estimated Completion Date: September 30, 2014**

The university will provide training on the graduation procedures and documentation requirements to employees so that they are clear on the importance of accurately including the proper documentation in the student files.

Implementation of the Self-Service Graduation application will negate the need for training on collection of and filing of documentation. Training will focus on new functionalities within the Banner and DegreeWorks systems.

**Estimated Completion Date: September 30, 2014**
Basis of Review

Objective and Scope

The objective of the audit was to review the university's enrollment management processes and controls to determine if strategic and operational results and outcomes are achieved in an efficient and effective manner and to determine compliance with laws, policies, regulations, and rules.

The review of enrollment management at Texas A&M University - Central Texas focused on student enrollment reporting, admission processes, graduation processes, and compliance with bacterial meningitis requirements. The audit period focused primarily on activities from September 1, 2012 to May 31, 2013. Fieldwork was conducted from July to August 2013.

Criteria

Our audit was based upon standards as set forth in the System Policy and Regulation Manual of the Texas A&M University System; Texas A&M University – Central Texas rules and administrative procedures; the Texas Education Code; and other sound administrative practices. This audit was conducted in conformance with the Institute of Internal Auditors’ “International Standards for the Professional Practice of Internal Auditing.”

Additionally, we conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.
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TEXAS A&M UNIVERSITY – SAN ANTONIO

Review of Selected Governance Processes

Catherine A. Smock, C.P.A.
Chief Auditor
Overall Conclusion

Texas A&M University – San Antonio has taken steps to appropriately:

- Develop strategic goals that align with A&M System strategies;
- Assess the university's enterprise risks and significant compliance requirements, which could impact the achievement of these goals; and
- Develop performance measures and mitigating risk activities to manage these strategic risk areas.

Additional steps to gather, monitor, and report on performance data related to these university-wide strategic and risk management processes is important to determine the effectiveness of these efforts.

The university has implemented a process for managing the preparation and review of required university rules and procedures. Departmental operating procedures have also been prepared and communicated for key administrative areas. Further development of procedures will be important as the university continues to grow and expand its operations.

Detailed Results

1. Performance Measures

Tracking and reporting processes have not yet been developed for the thirty performance measures created to gauge the achievement of the university's strategic plan. Performance measure data has been collected or exists for 21 of the 30 (70%) performance measures, but the information has not been formally reported to executive management. A data collection process is currently being developed for four (13%) of the remaining performance measures and five (17%) will begin the data collection process in the fall of 2013.
The university’s strategic plan was updated in February 2013 and performance measures were added and/or revised to be more measureable and quantifiable. Implementation of formal processes to track and report data to determine the achievement of these measures is planned for December 2013. This will allow enough time to collect quality information. Operational and strategic issues inherent to a new university, along with rapid growth and staffing issues, have limited the amount of resources available to develop tracking and reporting processes. For instance, the university is currently going through a Southern Association of Colleges and Schools (SACS) accreditation process which is a top strategic priority for the university and has required a great deal of time and effort.

Performance measures are an important management tool to ensure the achievement of the university’s strategic initiatives and corresponding goals and objectives. The State of Texas Guide to Performance Measurement Management states that successful institutions use performance information to effectively and efficiently manage operations and strongly encourages that performance information be used as an integral part of the institution’s strategic management.

Recommendation

Continue identifying and revising performance measures as needed to ensure the measures remain effective, impactful and relevant to the achievement of the university’s mission, goals, objectives, and strategies. This includes elimination of performance measures which no longer meet these criteria. Complete current plans to collect data for these measures by December 2013. Analyze and report the progress in achieving these measures to executive management on a periodic basis. Periodically reassess the risk of not completing these performance measure processes as the university continues to develop and change its governance and operating structure and implement new strategic initiatives.

Management’s Response

For the fiscal year 2014 and 2015 school years, the President’s Executive Team has committed itself to review and discuss university strategic plan performance measurements on a prescribed schedule once each month focused on baseline performance measure outputs and beginning steps in trend identification. This review process will be implemented by end of month June 2014 and cover all performance measurements during the course of an academic year and include coordination with the update of the university’s strategic plan in fiscal year 2016. Generally, the adjustment of performance measurements will be reserved for this quinquennial strategic planning update process going forward.
2. **Enterprise Risk Management Monitoring Processes**

Formal monitoring processes have not been fully developed and implemented to ensure the enterprise risks identified for the university are being properly managed and mitigated. An enterprise risk management plan has been developed for the university which includes five enterprise risks with either a high probability of occurring or a high impact to the university and one risk with medium probability and impact. Each risk has corresponding mitigating efforts identified and responsible parties for monitoring and reporting activities to ensure these risks are properly managed. The university has created a template for a quarterly report to be used in reporting progress related to enterprise risks to executive management. However, additional discussions are still in progress to determine the best method to gather and report data related to this risk management plan.

As noted above, there are many competing operational and strategic issues the university is currently addressing which have limited the amount of resources available to develop tracking and reporting processes in this area. As a result, enterprise risks identified for the university may not be properly managed and mitigated which could impact the achievement of the university’s strategic plan. The Texas A&M University System’s suggested best practices for enterprise risk management include ongoing monitoring activities to periodically reassess risks and the effectiveness of controls to manage the risks. Quarterly reporting is also recommended with risk deficiencies reported upstream to departmental management and serious deficiencies reported to executive management.

**Recommendation**

Complete the development and implementation of formal monitoring and reporting activities as listed in the university’s enterprise risk management plan. Periodically reassess the risk of not completing these enterprise risk management monitoring processes and make changes, as needed, to address the identified risks.

**Management’s Response**

*TAMU-SA is in the middle of assessing enterprise risks for the university’s 2014 Enterprise Risk Management (ERM) matrix. The university anticipates this process being completed by the end of November 2013. The updated enterprise risk matrix will include establishing / updating the corresponding mitigation efforts and reporting requirements. Formal monitoring and reporting of these revised ERM mitigating efforts will be implemented by March 2014.*
Basis of Review

Objective and Scope

The overall objective of this audit was to review selected governance processes at Texas A&M University – San Antonio to determine if the processes were operating effectively and efficiently and in compliance with A&M System policies and regulations. The selected governance areas reviewed included the strategic plan, enterprise risk management, performance measures, university rules and procedures, and the compliance plan. The review focused on the development and implementation, and the corresponding monitoring and reporting processes in these areas. The audit period focused primarily on activities from September 1, 2012 to July 31, 2013. Fieldwork was conducted from July to August, 2013.

Criteria

Our audit was based upon standards as set forth in the System Policy and Regulation Manual of the Texas A&M University System; the State of Texas’ Guide to Performance Measurement Management; and other sound administrative practices. This audit was conducted in conformance with the Institute of Internal Auditors’ “International Standards for the Professional Practice of Internal Auditing.”

Additionally, we conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.
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First Quarter Report for Fiscal Year 2014

TEXAS A&M TRANSPORTATION INSTITUTE

Review of the Proving Grounds Research Facility Compliance for International Standards Accreditation

Catherine A. Smock, C.P.A.
Chief Auditor

Project #20141201
Overall Conclusion

Overall, the Texas A&M Transportation Institute’s (TTI) Proving Ground’s Research Facility testing documentation is in compliance with its quality management system developed to comply with testing services identified in the International Standard Organization (ISO) 17025 as required by the American Association for Laboratory Accreditation (A2LA). The management system was developed to document policies, systems, programs, procedures, and instructions to assure the quality of tests and results meets ISO 17025 management requirements. The Proving Grounds Research Facility could improve its operating efficiency by investing in digital imaging technology for record storage and document workflow.

The Proving Grounds Research Facility is located at TTI’s Riverside campus and conducts various mechanical and calibration testing activities related to vehicle and highway safety research. These tests are funded through federal contracts and grants which require the testing laboratories to go through an external accreditation process periodically to determine their compliance with the ISO 17025 standards. More than 100 vehicle and highway safety-related tests were performed at the Proving Grounds Research Facility during fiscal year 2013.

Detailed Results

Operating Efficiencies

There are opportunities to increase efficiencies in the Proving Grounds Research Facility testing documentation process. The current process uses numerous paper forms to document test results and project tracking. The 20 Proving Grounds tests reviewed were documented using a total of 368 paper forms. In addition, documents are not maintained and archived in an electronic format to reduce the risk of loss, damage, and deterioration. The use of electronic imaging
provides for more efficient operating processes by reducing physical space needed for storage and simplifying the records retention process.

**Recommendation**

Enhance the maintenance and retention of the Proving Grounds Research Facility’s documents through the use of an electronic system to reduce manual processes and paper documentation.

**Management’s Response**

_TTI agrees with the audit recommendation and will immediately begin evaluation and implementation of an electronic document imaging system within the TTI Proving Ground’s Research Facility. We believe an electronic-based system will increase operating efficiencies and reduce risks related to lost and damaged paper records. This process will also be used as a pilot program to identify potential electronic document imaging opportunities across other programs within TTI. The evaluation and implementation process for the TTI Proving Grounds Research Facility will be completed by September 30, 2014._

**Basis of Review**

**Objective and Scope**

The review of the TTI Proving Grounds quality assurance program for ISO 17025 accreditation purposes focused on compliance with the agency’s quality management system testing procedures and International Standard ISO 17025 General Requirements for the Competence of Testing and Calibration Laboratories requirements. The audit period focused primarily on activities from September 1, 2012 to June 30, 2013. Fieldwork was conducted from August to September, 2013.

**Criteria**

Our audit was based upon standards as set forth in the System Policy and Regulation Manual of the Texas A&M University System and other sound administrative practices. This audit was conducted in conformance with the Institute of Internal Auditors’ “International Standards for the Professional Practice of Internal Auditing.” The requirements of ISO 17025 were also used as criteria for this review.
Additionally, we conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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