

The Texas A&M University System Internal Audit Department

**INTERNAL AUDIT ANNUAL REPORT
FOR FISCAL YEAR 2014**

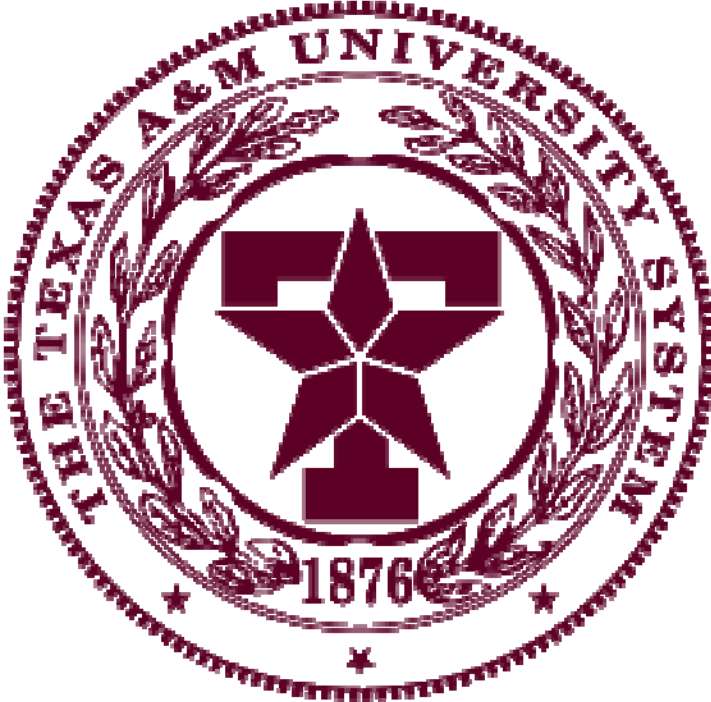


TABLE OF CONTENTS

	SECTION
Compliance with House Bill 16: (Texas Government Code, Section 2102.015): Posting the Internal Audit Plan, Internal Audit Annual Report, and Other Audit Information on Internet Web Site	I
Planned Work Related to the Proportionality of Higher Education Benefits	II
Internal Audit Plan for Fiscal Year 2014	III
Consulting Services and Nonaudit Services Completed	IV
External Quality Assurance Review (Peer Review)	V
Internal Audit Plan for Fiscal Year 2015	VI
External Audit Services Procured in Fiscal Year 2014	VII
Reporting Suspected Fraud and Abuse	VIII

I. Compliance with House Bill 16: (Texas Government Code, Section 2102.015): Posting the Internal Audit Plan, Internal Audit Annual Report, and Other Audit Information on Internet Web Site

Compliance with House Bill 16: Posting Audit Information on Internet Web Site

House Bill 16 requires state agencies and higher education institutions to post their annual internal audit plan and their internal audit annual report on their Internet web site. It also requires a detailed summary of the issues identified in the audit reports and management's response to the audit issues be included on the web site.

To comply with the requirements of House Bill 16, the Internal Audit Department will include all required audit information on their Internet web site. The annual internal audit plan, the internal audit annual report, and the quarterly audit reports are included in the "electronic reports" section of the web site. The quarterly audit report includes individual audit report observations along with management's responses. All of the required audit information as defined in House Bill 16 will be added to the Internal Audit Department's Internet web site within 30 days of completion.

The purpose of the Internal Audit Department's web site is to inform viewers about "who we are, what we do, and how we help" the A&M System. Currently, the web site includes several sections of information including mission and responsibilities, code of ethics, controls, types of reviews, standards, audit staff, report fraud, and electronic reports.

II. Planned Work Related to the Proportionality of Higher Education Benefits

Audit Work Related to the Proportionality of Higher Education Benefits

As requested by the Governor, we conducted a review of state benefit practices for all twenty-one Texas A&M University System members in order to ensure that benefits proportionality is being applied according to the established guidelines set forth in Article IX, Section 6.08 of the General Appropriations Act (82nd Legislature). The review focused on the following:

- Determining whether the *Benefits Proportional by Fund Reports* (APS 011) for each system member were complete and accurate for appropriation year 2013.
- Determining the appropriateness of the deposits made into each system member's General Revenue (Fund 0001) accounts at the State Treasury for appropriation year 2013, and the accuracy and completeness of the related reconciliations between each member's accounting system and the State's Uniform Statewide Accounting System (USAS) to identify ineligible salary and/or benefit expenses.
- Determining the eligibility of individual employees paid from General Revenue funding to identify ineligible salary and/or benefit expenses.

The methodology for conducting our work was as follows:

Benefits Proportional by Fund Reports (APS 011): Accuracy of system members' APS 011 reports was determined by reviewing source information from each system member's internal accounting system, USAS, and the General Appropriations Act Method of Financing. This source information was then compared to what was provided to the State Comptroller's Office on the appropriation year 2013 APS 011 report. Other steps followed included reviewing each member's APS 011 report preparation process, including associated procedures, reviewing legal citations supporting exclusion of certain funds from the proportionality calculation, and reviewing adjustment calculations and posting of accounting journal entries for those adjustments.

Deposits and Reconciliations: Deposits into each system member's General Revenue accounts at the State Treasury were reviewed to ensure that members were not obtaining excess state funding that could inappropriately provide for additional state salaries and benefits funding opportunities. A report of payroll reimbursement deposits to General Revenue accounts for each member was obtained from the A&M System Office of Budgets and Accounting. These reports were reviewed for reasonableness regarding the nature and purpose of the deposits. Reconciliations between each member's accounting system and USAS were obtained and reviewed for accuracy and completeness.

Employee Eligibility: Payroll processes and controls in place at each system member were reviewed to ensure that only eligible employees are paid from General Revenue funds. Additionally, data analytics was used to obtain a listing of all system member employees paid on General Revenue accounts, including employees paid from multiple funding sources, during fiscal year 2013. Each member's listing was reviewed and a judgmental sample of employees was selected to review for eligibility to receive General Revenue funded salaries and benefits.

We determined that all twenty-one A&M System members' *Benefits Proportional by Fund Reports* (APS 011) submitted to the Office of the Comptroller of Public Accounts for appropriation year 2013 were completed accurately and in compliance with guidelines provided within the General Appropriations Act. Deposits made into each system member's General Revenue accounts in fiscal year 2013 were reasonable and consistent with appropriate business practices and did not result in system members obtaining excess state funding for salaries and/or benefits. No ineligible employees were found to have been paid out of system members' General Revenue funds in fiscal year 2013.

III. Internal Audit Plan for Fiscal Year 2014

In this section is the status of audits in the internal audit plan for fiscal year 2014.

**Texas A University System
Status of Internal Audit Plan for Fiscal Year 2014**

Audit Name By System Member	Report #	Report Date
<i>Prairie View A&M University</i>		
Review of Health, Safety and Environmental Management	20140501	4/17/2014
Review of Enrollment Management Operations	20140504	In Progress
<i>Tarleton State University</i>		
Review of Contract Administration and Sponsored Programs	20140403	In Progress
<i>Texas A&M International University</i>		
Review of the Norman Hackerman Advanced Research Program Grant Awards		Cancelled
Review of Contract Administration and Sponsored Programs	20141601	8/20/2014
<i>Texas A&M University</i>		
Review of Cancer Prevention and Research Institute of Texas (CPRIT) Grant Awards	20140211	4/17/2014
Review of Human Resources - Faculty	20140217	In Progress
Review of Human Subject Research Compliance	20140201	4/17/2014
Review of Cash Controls	20140209	8/20/2014
Review of Contract Administration	20140202	8/20/2014
Review of Management Controls - Texas A&M University at Galveston	20140208	8/20/2014
Learning Management System General and Application Controls Review	20140206	8/20/2014
Student Information System General and Application Controls Review		Cancelled
Southern Association of Colleges & Schools Accreditation Financial Statement Review	20140205	1/16/2014
<i>Texas A&M University-Commerce</i>		
Learning Management System General and Application Controls Review	20142101	4/17/2014
Student Information System General and Application Controls Review	20142106	In Progress
Southern Association of Colleges & Schools Accreditation Financial Statement Review	20142102	1/16/2014
<i>Texas A&M University-Corpus Christi</i>		
Review of Financial Management Services	20141503	10/24/2014
<i>Texas A&M University-Kingsville</i>		
Review of Student Housing Operations	20141702	4/17/2014
<i>Texas A&M University-San Antonio</i>		
Review of Health, Safety, and Environmental Management	20142502	In Progress
<i>Texas A&M University -Texarkana</i>		
Review of Student Financial Aid and Enrollment Management Operations		Cancelled

**Texas A University System
Status of Internal Audit Plan for Fiscal Year 2014**

Audit Name By System Member	Report #	Report Date
<i>West Texas A&M University</i>		
Review of Health, Safety and Environmental Management	20141802	8/20/2014
Financial Accounting System General and Application Controls Review	20141803	10/24/2014
<i>Texas A&M Health Science Center</i>		
Review of Human Resources - Faculty and Staff	20142304	In Progress
Review of Cancer Prevention and Research Institute of Texas (CPRIT) Grant Awards	20142302	4/17/2014
Review of Patient Billing and Collection Processes	20142302	10/24/2014
Review of the Texas A&M Center for Innovation in Advanced Development and Manufacturing	20142303	10/24/2014
<i>Texas A&M AgriLife Research</i>		
Review of Norman Hackerman Advanced Research Program Grant Awards		Cancelled
Review of Cancer Prevention and Research Institute of Texas (CPRIT) Grant Awards	20140601	4/17/2014
<i>Texas A&M AgriLife Extension Service</i>		
Review of Cancer Prevention and Research Institute of Texas (CPRIT) Grant Awards	20140701	4/17/2014
<i>Texas A&M Veterinary Medical Diagnostic Laboratory</i>		
Review of Health, Safety and Environmental Management	20142001	8/20/2014
<i>Texas A&M Engineering Experiment Station</i>		
Review of Cancer Prevention and Research Institute of Texas (CPRIT) Grant Awards	20140802	4/17/2014
Review of Norman Hackerman Advanced Research Program Grant Awards		Cancelled
Review of Health, Safety and Environmental Management	20140801	1/16/2014
<i>Texas A&M Engineering Extension Service</i>		
Review of Financial Management Services	20140901	In Progress
<i>Texas A&M Transportation Institute</i>		
Review of Proving Grounds Research Facility Compliance for International Standards ISO Accreditation	20131203	1/16/2014
<i>A&M System Offices</i>		
Review of Financial Management Services		Not Yet Started

**Texas A University System
Status of Internal Audit Plan for Fiscal Year 2014**

Audit Name By System Member	Report #	Report Date
<i>System-Wide Audits</i>		
Review of EmpowerU Accountability Information System	20140114	8/23/2014
Review of Youth Safety	20140102	In Progress
Review of Human Subject Research Compliance Outside Brazos County	20140104	10/24/2014
Review of Trademark Licensing Programs	20140115	10/24/2014

Deviations to Fiscal Year 2014 Audit Plan

The following audits were cancelled during fiscal year 2014:

- Texas A&M International University – Review of Norman Hackerman Advanced Research Program Grant Awards – *The Texas Higher Education Coordinating Board no longer requires this audit.*
- Texas A&M University - Texarkana - Review of Student Financial Aid and Enrollment Management Operations – *This audit was cancelled because the university hired a consultant to review its enrollment management operations and received a comprehensive report with recommendations for improvement in December 2013.*
- Texas A&M AgriLife Research - Review of Norman Hackerman Advanced Research Program Grant Awards – *The Texas Higher Education Coordinating Board no longer requires this audit.*
- Texas A&M Engineering Experiment Station - Review of Norman Hackerman Advanced Research Program Grant Awards - *The Texas Higher Education Coordinating Board no longer requires this audit.*
- Texas A&M University Student Information Systems General and Application Controls Review – *This audit was cancelled due to the consolidation of the Texas A&M Health Science Center's student information system with the Texas A&M University's student information system. With the completion of this consolidation process, this audit has been included in our fiscal year 2015 audit plan.*

A review of the fiscal year 2013 financial statements and agreed-upon procedures for Texas A&M University was added to the fiscal year 2014 audit plan during the year. This work was performed under the direction of the State Auditor's Office for the Southern Association of Colleges and Schools (SACS) Accreditation Review. SACS required this review due to the merger of the Health Science Center with the university.

IV. Consulting Services and Nonaudit Services

This section contains a listing of consulting and nonaudit services completed in fiscal year 2014.

**Consulting Services and Nonaudit Services
Completed in Fiscal Year 2014**

Report No.	Report Date	Project Name	Project Objective(s)	Observations/Results and/or Recommendations
20130102	12/04/2013	System-wide Quick Review of Export Controls	The objective was to review the processes and controls developed to address export control requirements at each A&M System member to determine if the related federal laws and A&M System policy are appropriately addressed and managed.	Based on survey responses, export control processes currently in place generally appear thorough at A&M System members. Most members either had processes in place or were in the process of implementing processes to ensure compliance with export control guidelines.
20132404	12/17/2013	Review of Counseling Services at Texas A&M University – Central Texas	The objective was to review processes to determine if management has established appropriate controls related to providing counseling services to students, faculty, and staff.	Overall, the university has established counseling services to meet the immediate counseling needs of its students, faculty, and staff. Suggested improvements were noted in the organizational structure and alignment of the Counseling Services program. In addition, cash management controls should be strengthened.
20140210	3/25/2014	Review of the Student Information System (Compass) at Texas A&M University	The objective was to review the logical security controls of the Compass student information system to determine if a secure environment exists.	Overall, security controls over supporting systems and infrastructure for Compass were strong in most areas reviewed including university compliant password settings and consistent patching processes.
20141603	7/31/2014	Review of the Cash/Revenue Management Controls in the Office of Institutional Advancement at Texas A&M International University	The objective was to review the operational controls over the institutional advancement and development program to provide management with feedback on the control environment.	Overall, the controls over cash in the Office of Institutional Advancement (OIA) were weak and needed improvement to ensure assets are securely managed in compliance with A&M System regulations and university rules. Business Office staff should actively assist OIA to establish a stronger control environment.

**Consulting Services and Nonaudit Services
Completed in Fiscal Year 2014**

Report No.	Report Date	Project Name	Project Objective(s)	Observations/Results and/or Recommendations
20141804	8/27/2014	Change in Management Review of the Vice President for Business and Finance Position at West Texas A&M University	The objective was to review and assess certain organizational, fiscal and operational information to provide the incoming Vice President for Business and Finance a current assessment of operations.	Suggestions for improvement were made related to enhancing the budgeting process, using technology to be more efficient, improving relationships between the Business Office and other areas of the campus, and delegating more responsibility to the Finance Division departments.

V. External Quality Assurance Review (Peer Review)

This section contains the most recent peer review report for the System Internal Audit Department, dated August 1, 2012.

UTSA The University of Texas at San Antonio
AUDIT, COMPLIANCE AND RISK SERVICES

Ms. Catherine Smock, CPA
Chief Auditor
Texas A&M University System Internal Audit Department

August 1, 2012


Dear Ms. Smock:

We have completed a Quality Assurance Review of the Texas A&M University System Internal Audit Department (SIAD). The review was conducted on July 23-26, 2012 and covered the period from September 2010 through July 23, 2012. The objective of the Quality Assurance Review was to provide reasonable assurance that the internal auditing program at the Texas A&M University System conformed to the Institute of Internal Auditor's *International Standards for the Professional Practice of Internal Auditing (IIA Standards)* and *Code of Ethics* as well as additional standards imposed by the Texas Internal Auditing Act. The objective was achieved by means of interviews with selected clients, key administrators at the Texas A&M University System and related agencies and institutions, the Chair of the Regents' Committee on Audit, and members of the SIAD staff and management; review of the self-assessment performed by SIAD; review of the quality control processes implemented by the Department; and evaluation of the Department's work products.

In our opinion, the Texas A&M University System Internal Audit Department "**Generally Conforms**" to the *IIA Standards* in all material respects during the period under review.

We appreciate the cooperation and assistance provided to us throughout the course of our review by the members of the System Internal Audit Department and the Texas A&M University System community.

Sincerely,



J. Richard Dawson, CPA, CIA, CRMA
Team Leader
Executive Director, Audit, Compliance & Risk Services
The University of Texas at San Antonio

Sharon M. Kurek, CPA, CFE
Director of Internal Audit
Virginia Tech

Barry White, MBA, CISM, CISA
Director of Information Technology Auditing
John Hopkins Institutions

Chad Brackin, CPA, CFE
Director of Internal Audit
Louisiana State University

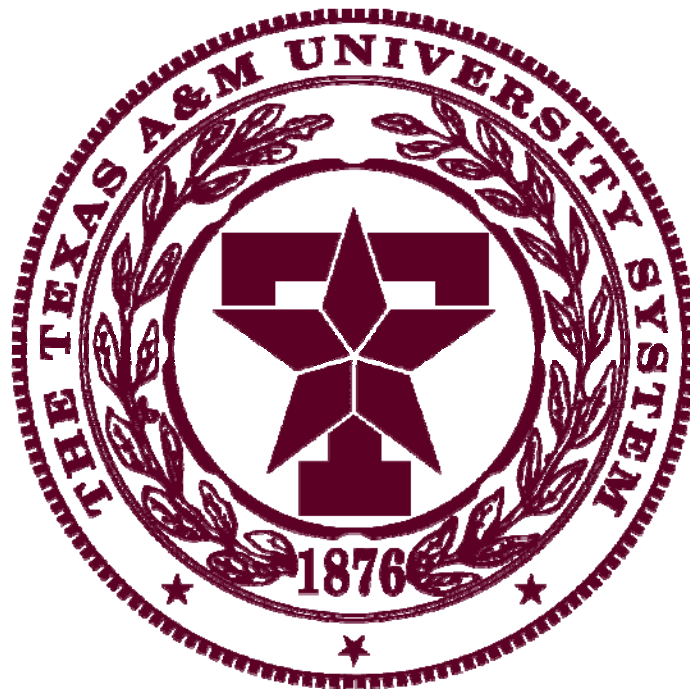
VI. Internal Audit Plan for Fiscal Year 2015

In this section is the approved internal audit plan for fiscal year 2015. The total budgeted hours for the audit plan is 33,905.

The Texas A&M University System

Internal Audit Department

Fiscal Year 2015 Audit Plan



**The Texas A&M University System
Internal Audit Department**

Fiscal Year 2015 Audit Plan

Introduction

The purpose of the Audit Plan is to outline audits and other activities the System Internal Audit Department will conduct during fiscal year 2015. The plan is developed to satisfy responsibilities established by the Board of Regents Bylaws, System Policy 10.01, Section 2102.008 of the Government Code, and applicable auditing standards. The Chief Auditor is authorized to make changes to the Plan, as she deems necessary, to address changes in identified risks. The Committee on Audit and the Chancellor will be notified of any significant additions, deletions, or other changes to the Audit Plan.

The types of audits listed in this Plan demonstrate the variety of approaches the System Internal Audit Department takes to address its mission of helping The Texas A&M University System achieve its goals and objectives in an efficient and effective manner. To accomplish this, deliverables for audits may include a variety of services, including audit reports, technical assistance, data analysis, and other written and oral communications.

Audits included in this Plan were primarily identified through a system-wide risk assessment process. However, some of the audits included are performed to assist the A&M System in complying with other external requirements.

The specific scope of each audit in the Plan will be determined once the audit team has completed its audit planning process for each engagement. The audit planning process includes consideration of the risk management, control, and governance processes that provide reasonable assurance that:

- Risks are appropriately identified and managed.
- Information is accurate, reliable, and timely.
- Employee actions are in compliance with policies, standards, procedures, and applicable laws and regulations.
- Operations are efficient and effective.
- Resources are acquired economically, used efficiently, and adequately protected.
- Accountability systems are in place to ensure organizational and program missions, goals, plans, and objectives are achieved.

Planned audits for fiscal year 2015 are listed on the following pages. Audits approved in the Audit Plan for fiscal year 2014 that are not completed by August 31, 2014, will also be considered part of this Plan.

**The Texas A&M University System
Internal Audit Department**

Fiscal Year 2015 Audit Plan

UNIVERSITIES

Prairie View A&M University

Student Information System General and Application Controls Review
Review of Contract Administration
Review of Research Compliance

Tarleton State University

Learning Management System General and Application Controls Review
Review of Student Financial Aid

Texas A&M International University

Southern Association of Colleges & Schools Accreditation Financial Statement Review*
Student Information System General and Application Controls Review
Review of Financial Management Services

Texas A&M University

Student Information System General and Application Controls Review
Logical Security Review of Decentralized Information Systems
Review of Animal Care and Use Compliance
Review of Enrollment Management, Recruitment and Admissions
Review of the Department of Residence Life
Review of Code Maroon Emergency Notification System
Review of Special Events Safety Processes

Texas A&M University - Central Texas

Review of Health, Safety and Environmental Management

Texas A&M University - Commerce

Review of Tuition and Fees
Review of Financial Management Services

Texas A&M University - Corpus Christi

Learning Management System General and Application Controls Review
Review of Contract Administration

*These audits are required to be done to comply with external audit requirements.

**The Texas A&M University System
Internal Audit Department**

Fiscal Year 2015 Audit Plan

Texas A&M University - Kingsville

Southern Association of Colleges & Schools Accreditation Financial Statement Review*
Student Information System General and Application Controls Review
Review of Enrollment Management, Recruitment and Admissions

Texas A&M University - San Antonio

Review of Tuition and Fees
Review of Financial Management Services

Texas A&M University - Texarkana

No audits planned.

West Texas A&M University

Logical Security Review of Information Systems
Review of Auxiliary Services - Bookstore, Housing, and Athletics

AGENCIES

Texas A&M AgriLife Research

Review of Off-Campus Agriculture Animal Care and Use Compliance

Texas A&M AgriLife Extension Service

No audits planned.

Texas A&M Forest Service

Review of Transportation and Fleet Management

Texas A&M Veterinary Medical Diagnostic Laboratory

No audits planned.

Texas A&M Engineering Experiment Station

Review of Selected Centers and Institutes

*These audits are required to be done to comply with external audit requirements.

**The Texas A&M University System
Internal Audit Department**

Fiscal Year 2015 Audit Plan

Texas A&M Engineering Extension Service

Review of Health, Safety and Environmental Management
Logical Security Review of Information Systems

Texas A&M Transportation Institute

Review of Proving Grounds Research Facility Compliance for International Standards
ISO Accreditation*
Logical Security Review of Information Systems

A&M SYSTEM OFFICES

A&M System Offices

Review of Treasury Services - Cash and Investments
Review of Single Sign-On System-wide Applications
Review of the Financial Accounting Management Information System (FAMIS)
Review of the Budget/Payroll/Personnel (BPP) Information System
Review of Texas A&M University System Technology Commercialization

SYSTEM-WIDE AUDITS

The following audits will include applicable Texas A&M University System members:

Review of Disaster Recovery Planning Processes
Desk Review Audit of Clery Act Annual Campus Security Reports
Review of Capital Planning Processes
Review of Title IX Campus Sexual Violence Policies and Procedures
Review of Animal Care and Use Compliance Outside Brazos County

OTHER TYPES OF AUDITS/ACTIVITIES

Follow-up Audits

Conduct follow-up audits on management's implementation of prior audit recommendations to determine if management has adequately addressed the issues.

*These audits are required to be done to comply with external audit requirements.

**The Texas A&M University System
Internal Audit Department**

Fiscal Year 2015 Audit Plan

Change in Management Reviews

Conduct change in management reviews, on an as-needed basis, when there is a change in an executive management position within the A&M System.

Continuous Auditing

Continuous auditing is the application of computer assisted audit tools and techniques on organizational processes, transactions, systems and/or controls to provide greater audit coverage. Areas for consideration of continuous auditing include payroll, student financial aid, procurement card, and other purchasing expenditures. Benefits of continuous auditing include the review of 100% of auditable transactions/data versus a sampling, the identification of errors or other issues through frequent monitoring and review, and the facilitation of trend analysis to identify problems and/or other concerns.

Participation and/or Assistance

Internal audit staff may participate and/or assist A&M System members in developing and maintaining strong governance, risk management, and control processes and systems. Activities may include serving as a member of a work group, participating in the design of a major information system, or providing consultative advice on financial, operational, and compliance issues. The staff may also perform work to support external audit requirements.

**The Texas A&M University System
Internal Audit Department**

Fiscal Year 2015 Audit Plan

DESCRIPTION OF RISK ASSESSMENT METHODOLOGY

The development of our annual audit plan is based on a rigorous risk-based approach. Our process includes meeting with each A&M System member CEO and their executive team. We also meet with members of the Chancellor's executive committee to get information on risks facing the A&M System in the upcoming 12 to 18 months. During the CEO meetings financial, strategic, compliance, and other potential significant risk areas are discussed. Using information gathered from these meetings, our members' most recent enterprise risk management information, and prior audit coverage we analyze risks associated with over 400 auditable units. The auditable units include areas such as governance, finance, research, information technology, auxiliary enterprises and student services. Our plan is not a static document; risks may change during the year and audits may need to be added or cancelled due to changing risks. Any significant changes to the plan are communicated to the Committee on Audit.

This collection of information provides the means to assess the risk for each auditable unit of each A&M System member, and ultimately prioritize the list of auditable units based upon their overall risk to the organization. Those auditable units with the highest calculated risk for the A&M System are included in the annual audit plan.

VII. External Audit Services Procured in Fiscal Year 2014

EXTERNAL AUDITS

External audits were conducted at the following A&M System members during fiscal year 2014:

Prairie View A&M University

NCAA Agreed-Upon Procedures Audit
Agreed-Upon Procedures Audit of KPVU Radio Station

Texas A&M University

Financial Audit of Cortina Lopez – Mexico City
NCAA Agreed-Upon Procedures Audit
Financial Audit of Federal Aviation Administration Passenger Facility Charge
Financial Audit of KAMU Radio Station
Financial Audit of KAMU TV Station
Financial Audit of the Texas A&M University - Qatar Annual Financial Report
Program Specific Audit related to Expenditures of the Cancer Prevention
and Research Institute of Texas Awards for fiscal year 2013

Texas A&M Health Science Center

Program Specific Audit related to Expenditures of the Cancer Prevention and
Research Institute of Texas Awards for fiscal year 2013

Texas A&M University – Commerce

Agreed-Upon Procedures Audit of the Texas A&M – Commerce Foundation
Agreed-Upon Procedures Audit of KETR-FM Radio Station
NCAA Agreed-Upon Procedures Audit

Texas A&M University – Corpus Christi

NCAA Agreed-Upon Procedures Audit

Texas A&M University – Kingsville

NCAA Agreed-Upon Procedures Audit

West Texas A&M University

Agreed-Upon Procedures Audit of the West Texas A&M University
Foundation
NCAA Agreed-Upon Procedures Audit

EXTERNAL AUDITS

Texas A&M AgriLife Research

Program Specific Audit related to Expenditures of the Cancer Prevention and Research Institute of Texas Awards for fiscal year 2013

Texas A&M AgriLife Extension Service

Program Specific Audit related to Expenditures of the Cancer Prevention and Research Institute of Texas Awards for fiscal year 2013

Texas A&M Engineering Experiment Station

Program Specific Audit related to Expenditures of the Cancer Prevention and Research Institute of Texas Awards for fiscal year 2013

VIII. Reporting Suspected Fraud and Abuse

This section includes information on reporting suspected fraud and abuse.

Reporting Suspected Fraud and Abuse

Texas Government Code reporting requirements:

The Texas A&M University System Internal Audit Department has a separate investigative unit responsible for investigating allegations of fraud, waste, abuse, and other forms of misconduct. The investigative unit reports to the State Auditor's Office significant incidences that the department believes involve fraud, misappropriation or misuse of money received by the A&M System from the state.

General Appropriations Act fraud reporting requirements:

Every member of the A&M System has placed the required fraud reporting information on their web sites. This includes a link to the A&M System's Risk, Fraud & Misconduct Hotline, as well as a link to the State Auditor's Office Fraud, Waste or Abuse Hotline website and toll-free telephone number. The A&M System's fraud policy, *Control of Fraud, Waste and Abuse*, establishes the responsibilities of the employees, management, and Internal Audit related to the prevention, deterrence, detection, and investigation of fraud, waste, and abuse. <http://policies.tamus.edu/10-02.pdf> .