

November 2016

Office of Internal Audit & Compliance, BOR — USG, (404) 962-3020

The Office of Internal Audit & Compliance’s (OIAC) mission is to support the University System of Georgia management in meeting its governance, risk management and compliance and internal control (GRCC) responsibilities while helping to improve organizational and operational effectiveness and efficiency. The OIAC is a core activity that provides management with timely information, advice and guidance that is objective, accurate, balanced and useful. The OIAC promotes an organizational culture that encourages ethical conduct.

We have three strategic priorities:

1. Anticipate and help to prevent and to mitigate significant USG GRCC issues.
2. Foster enduring cultural change that results in consistent and quality management of USG operations and GRCC practices.
3. Build and develop the OIAC team.

Inside this issue:

From the Chief Audit Officer	1
Presidents Compensation	2
Administrative Stipends	3
Membership Dues / Fees	4
Impact of Social Media	5
New Overtime Regulation	7
Managing IT	8
3 Lines of Defense	10
Contact Us	12

From the Chief Audit Officer, John Fuchko

November 1, 2016

As I transition from the role of Vice Chancellor for Internal Audit & Compliance to Vice Chancellor for Organizational Effectiveness, I would like to share a few words with my colleagues and fellow auditors.

First, I would like to share how extremely honored I have been to work with such a fine group of talented public servants. I say public servants as opposed to professionals or auditors because the work we perform is, by its nature, a public service first. I feel those of us who are public servants in higher education believe in and understand how the value of our profession translates into achieving success for academic programming, enrollment management and financial stability. We use our expertise as audit professionals to safeguard resources and to ensure that our analytical skills are used to directly benefit students through maintaining both access and quality.

Second, I would like to share how extremely proud I am to have worked with the internal auditors employed by our University System. I believe and have experienced that the USG audit team is second to none in higher education. Our auditors work tirelessly to defend our resources, to support our institutional academic programs and when necessary to “fill the gap” on special analytical projects. As a group, they are dedicated and resourceful and work diligently and fearlessly for their institutions. This is what has made our audit team strong.

Last, I would like to share how overwhelmed I have been with the outpouring of support during my military leave. USG Presidents, USO system personnel, and institutional auditors communicated their thoughts, prayers and well wishes for the entire year. I very much appreciated the opportunity to stay in touch with so many of you while I was overseas. The sentiment was especially personal to me because it made me realize that my colleagues valued my interaction and input.

As I look to the future, I believe the USG Audit Team will continue to perform extremely well. The USG Audit Team is credentialed, well trained, and strong advocates for higher education. Serving as the USG Chief Audit Officer has been both a gratifying and humbling experience for me. I will value and appreciate this role for a lifetime.

I am just an email or telephone call away in my new role as Vice Chancellor for Organizational Effectiveness. My email address and telephone number will remain the same – John.Fuchko@usg.edu and 404-962-3025. I am now located on the 8th floor of the Trinity-Washington Building. I look forward to working with all of you in this new role.

John M. Fuchko, III
 Chief Audit Officer and Vice Chancellor for Internal Audit & Compliance

Board of Regents Policy Manual

Official Policies of the University System of Georgia

Board Policy 2.8
Compensation of
Presidents ([http://
www.usg.edu/
policymanual/section2/
C324](http://www.usg.edu/policymanual/section2/C324))

The salaries, taxable income and associated fringe benefits for USG presidents and the Chancellor, as approved annually by the Board of Regents, shall be paid exclusively from state appropriations allocated to each institution.....

Board Policy 12.5
Cooperative Organizations
([http://www.usg.edu/
policymanual/section12/
C1768](http://www.usg.edu/policymanual/section12/C1768)) in addition to the
Guiding Principles for
Cooperative Organizations.

Business Procedures
Manual Section 17.0:
Affiliated Organizations
([http://www.usg.edu/
business_procedures_manu
al/section17/](http://www.usg.edu/business_procedures_manual/section17/))

*An organization is a cooperative organization if it:
Is organized or operated primarily for the purpose of soliciting gifts or assisting a USG institution in soliciting gifts from third persons in the name of the USG institution or any of the institution's programs; or.....*

One of the primary goals of the Straight and Narrow Newsletter is to inform and remind our Institution personnel about policy and procedural issues that impact auditing in Higher Education and in general about University System policy. We typically use these articles to: 1) to explain the importance of federal regulations that impact our financial well-being, such as Issuance of Financial Aid and 2) to discuss issues and published articles about federal grant regulations, pending federal regulations around Affordable Care Act and recent or upcoming system audits, etc.

These articles are important as the information shared through the S & N help institutions safeguard their resources as well as “prepare” the institutions to implement necessary regulatory and procedural requirements.

One very significant issue for the University System is our relationship with cooperative organizations. Our Cooperative Organizations [Foundations] play a pivotal role in funding certain expenses more appropriately covered with private funds and in subsidizing compensation of University System of Georgia (USG) employees, including president’s compensation. However, there are clear state and Board Policy requirements that must be adhered to by our institutions and employees. Ultimately, it is the responsibility of each Institution President to ensure that the institution’s practices, and those of the institution’s cooperative organizations, conform to the Board Policy and legal requirements.

Some key points include:

- ⇒ All taxable compensation to any state employee must be paid through institutional accounts and properly reflected on tax fillings and Open Georgia reporting. Cooperative organizations should never be in the position of paying a state employee direct compensation for his or her state job. Cooperative organizations may provide funds directly to the institution as a means to cover state expenses. Examples of taxable compensation includes base salary and allowance and also includes membership dues in clubs, etc. All of these compensation types must be reported as taxable income for the employee.
- ⇒ Any agreement on the part of a cooperative organization to fund any aspect of your compensation as president must be pre-approved in writing by the Chancellor. Additionally, your total compensation must be approved by the Board and be paid through institutional accounts in the same fashion as other employees. Compensation consists of any taxable income to include base pay, allowances (housing, subsistence, auto, etc.), deferred compensation, etc. .

Questions may be directed to Marion Fedrick, Vice Chancellor for Human Resources at marion.fedrick@usg.edu.

Administrative Stipends

Board of Regents Policy regarding Administrative Stipends discusses the importance of differentiating between the faculty portion of an administrator's salary and the administrative portion. The Board Policy requires the contract to distinguish each component of the salary. Below are policy highlights. Please review its entirety.

Section 4.3.5 of the Academic & Student Affairs Handbook – http://www.usg.edu/academic_affairs_handbook/section4/C682/#p4.3.5_salary_conversion_guidelines_for_fiscal_and_academic_year_faculty_app

“When a faculty member on an academic year contract is given a fiscal year administrative appointment, institutions should pay the faculty member an administrative stipend based on the job description and responsibilities related to their administrative role. The administrative stipend should be identified separately from the base salary amount in the faculty member's contract and the date the administrative appointment ends.”

Board of Regents Policy Manual 3.2.1.2 Administrative Officers - http://www.usg.edu/policymanual/section3/C337/#p3.2.1_faculty_membership

“The additional salary, if any, for the administrative position shall be stated in the employment contract and shall not be paid to the faculty member when he/she ceases to hold the administrative position. ...”

Board of Regents Policy Manual 8.3.12.2 Criteria for Determining Salaries - http://www.usg.edu/policymanual/section8/C245/#p8.3.12_compensation

“When a fiscal year administrative employee returns to an academic appointment as a faculty member, the salary shall be determined on the same basis as other faculty members with similar rank and experience within the department to which s/he returns or in similar positions within the institution.”

It is important to remember that administrative stipends are temporary increases to an faculty's salary during the time when s/he assumes administrative responsibilities. A number of administrative appointments carry an administrative augmentation of the individual's base salary for the period of the administrative appointment. The increase relates to the administrative position and not to the individual. Thus, as the administrative position is relinquished, the individual's salary reverts to the base salary. Any salary adjustments during the term of administrative office are appropriately divided between the base and the augmentation. Although faculty duties may be performed while serving in an administrative capacity, it is important to remember that the teaching duties must be properly factored in proportion to administrative duties and appropriately reflected in the faculty member's contract.

Payment of Professional Membership Dues and Fees Attorney General Opinion 68-110

During the course of the year many institutions ask the OIAC and/or the BOR Accounting and Reporting Department about the accurate expense treatment for payment of membership dues and fees to institutions, agencies and/or national organizations. This article provides a brief reminder about the treatment of these type of expenses. The source document is Attorney General Opinion 68-110.

In his March 13, 1968 opinion regarding payment of membership dues and fees the Attorney General ruled: *“he could not find any Constitutional provision or State statute or court decision which prohibited payment of membership dues and fees. Therefore, it was his opinion that payment of dues and fees from properly appropriated State funds may be made”*. While the Attorney General stated that payment of dues and fees may be made, the Attorney General went on to limit times in which such payments would be appropriate. These include:

- Institutions are funded by State appropriation, through taxation of public funds to meet current expenses of state agencies and public institutions.
- Membership dues/fees must be in the name of the State department, institution or agency. If a membership is paid on behalf of an individual, the individual must be required by his department, institution or agency to be a member of the organization as part of his employment. Examples of this type of membership dues/fees would include membership in professional organizations, such as BAR Association dues, Georgia Society of Certified Public Accountants (CPA's)
- Membership dues/fees for an organization must be related to the functions of the State agency involved and the membership must be beneficial to that State agency. For example, professional designations such as PMP (Project Management Professional) certification for agencies involved in construction management. The credential benefits the staff and is related to the organizational function in which the employee works.

The Accounting and Reporting Department will conduct the mid-year AFR workshop December 6 – 7 in Macon. During this workshop, Staff will discuss the expense treatment of membership fees to professional organizations. Additional information will be forthcoming in November.

For additional information contact: Claire M. Arnold, Associate Vice Chancellor, Accounting and Reporting
Claire.Arnold@usg.edu

Workshop On Fringe Benefits

The Human Resources Office will conduct a Fringe Benefits training with CBOs and CHROs on **December 1st** in Atlanta. The workshop will share substantive information regarding the treatment of senior management compensation and will focus on the taxation of various senior-level fringe benefits.

In addition, the Accounting and Reporting Department will also address the tax implication of senior compensation at the mid-year AFR workshop December 6 – 7 in Macon.

For additional information on the Fringe Benefits training contact Marion Fedrick, Vice Chancellor for Human Resources Marion.Fedrick@usg.edu.

The Business Impact of Social Media by Eric Smith, University of West Georgia

What is Social Media? Social media consists of electronic online communication channels through which people create online communities to interact, share information, ideas, personal messages and collaborate around various issues. The communication channels may include: websites and applications dedicated forums, microblogging, social networking, social bookmarking, social curation, and wikis. Facebook, Twitter, Google+, LinkedIn are different forms of social media.

Social media is defying the limitations of communication channels and drastically changing the way in which consumers and organizations interact. As audit professionals we need to ensure we are at the forefront of this phenomenal new mode of communication. What is the role of Internal Audit in the atmosphere of social media communication? Several opportunities come to mind.

First, Internal audit can be active in the process by ensuring management is aware of and addressing the risks and benefits of social media. Second, Internal audit can partner with management to show the likely pervasive use of social media through consulting engagements, particularly if there are no governance, operational, or technical structures in place. Third, Internal audit can play a more traditional role to provide assurance on the health of existing social media operations at the enterprise level and reveal opportunities for improvements.

Social media facilitates communication that is one-on-one and completely public at the same time. It provides access to information and resources when the consumer needs it, which is often outside business hours. Consumers have come to expect these features. While the benefits are numerous, these platforms, services, and products present new and increasingly pervasive risks to individuals and organizations

STRATEGY
is a fancy word for coming up
with a long term plan and
putting it into action

ELLIE PIDOT

both personally and professionally. In this article, I will focus on four significant risks discussed in the *Institute of Internal Auditors' (IIA), Auditing Social Media: A Governance and Risk Guide*, which is a set of best practices and audit guides on the topic of social media.

Enterprise Social Media Strategy

Organizations seeking to effectively utilize social media require an overarching strategy to guide implementation and



protect resources. Best practices suggest the most successful organizations implement enterprise social media programs that are strategic first, and then tactical. Those organizations identify business objectives and determine the ones that may be advanced through the use of social media. The strategy should also be a component of a larger communication strategy.

Popular business strategies for higher education include increased stakeholder engagement- e.g., students, employees, alumni, and community, as well as improved fundraising and student recruitment- e.g., influencing prospective students' institution of choice. Institutions like Florida State University and Rochester Institute of Technology have seen real results by effectively utilizing

Social Media, Cont'd

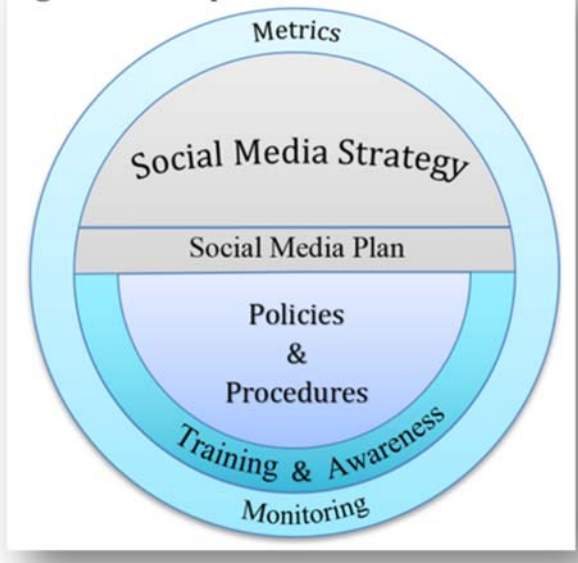
social media and are featured in a collection of case studies in, *Social Works: How #HigherEd Uses #SocialMedia to Raise Money, Build Awareness, Recruit Students and Get Results*.

Policies and Procedures

Organizational policies and procedures that support a social media strategy help communicate roles, responsibilities, and expectations for online etiquette interactions. Policies and procedures also communicate and provide awareness that image, reputation, and brand are all impacted by social media activities. Additionally, the policies provide a reminder of social media rules and laws.

Policies and procedures, when designed as control

Figure 2: Enterprise Social Media Structure



mechanisms, should establish the rights of individuals and not create barriers to conducting business. Stringent policies and procedures can create greater risks for organizations than policies needing mitigation. Individuals may try to manipulate controls inviting unnecessary scrutiny from those who defend individuals' protected rights.

Organizations most successfully leverage social media when it is recognized and embraced as part of the culture. Those organizations communicate an understanding that social media exists in a way that is significant to its stakeholders, and then establish reasonable boundaries that protect all parties involved. These policies and procedures are typically

developed with broad organizational representation and input since social media impacts everyone and not specific departments alone.

Training and Awareness

Training and awareness serve to communicate the organization's point of view between the organization and those with whom it interacts. Social media affects individuals and organizations regardless of their level of active participation. The organization must communicate the intended use for social media, how it will fit into the organization's culture, and the etiquette of differing roles, responsibilities, and expectations. In addition, it is necessary for management to carefully consider those who will be responsible for social media functions in their organizations. Management should consider not only how individuals are impacted by the existence and use of social media, but also the appropriate skillsets, and credentials needed for employees to operate in roles which sustain the organization's virtual presence.

Metrics and Monitoring

Metrics and monitoring activities are critical for the organization to remain aware of emerging events. Listening, learning, and responding are three categories upon which organizations can focus monitoring activities. These categories highlight indicators the organization can use regularly to show genuine engagement and care. These present opportunities for organizations to proactively respond to the attitudes, thoughts, and feelings of virtual audiences before they become critical, negative, or charged.

The IIA's best practices referenced above recommend organizations develop specific metrics in five areas:

- Brand recognition and awareness – engagement and the voice of the conversations
- Customer service – customer satisfaction, engagement, and issue resolution
- Human resources – candidate, new-hire, and employee engagement, influence, and reach
- Innovation – conversations that lead to discussion and ideas that can improve the business

Social Media, Cont'd

- Sales and marketing – leads, revenue, customer/stakeholder acquisition, retention, and value

Conclusion

Social media is an ever-evolving communication channel and one whose popularity demands active participation to enable an organization to engage with its stakeholders. Participation is no longer optional because social media is pervasive throughout our community- i.e., stakeholders, students and competitors are using it. Organizations can most successfully engage with stakeholders and thrive in today's environment when social media operations are guided by a well-thought-out strategy and plan. Additionally, governance and control mechanisms can give purpose and direction to activities that critically impact the organization. Policies and procedures can help ensure social media support business activities in a manner consistent with management's expectations.

Eric Smith
IT Auditor - Internal Audit
Department
University of West Georgia



Social media statistics

- ◆ 7.3 billion worldwide population, July 2015
- ◆ 3.17 billion Internet users
- ◆ 2.3 billion active social media users
- ◆ 91% of retail brands use 2 or more social media channels
- ◆ Internet users have an average of 5.54 social media accounts
- ◆ Social media users have risen by 176 million in the last year
- ◆ 1 million new active mobile social users are added every day. That is 12 each second
- ◆ Facebook Messenger and Whatsapp handle 60 billion messages a day

Hot off the Press

USG FLSA Update

New Overtime Regulations

On May 18, 2016, the Department of Labor announced its final rule updating the FLSA overtime regulations to be implemented by December 1, 2016.

Since that time, the USG Office of Human Resources (OHR) has been working with institution campuses, the USG Shared Services Center and a number of System Office departments to facilitate a smooth transition for all USG institutions. These efforts included developing detailed communication templates, hosting regular strategy and implementation support meetings with Chief HR and Business Officers and providing briefings, updates and presentations to organizational administrators and stakeholders. The USG OHR, ITS and Communications departments, have also developed an informational website (<http://www.usg.edu/hr/flsa>) which provides the USG community with direct access to helpful tools to support the transition.

In Brief:

- The regulations define which white collar workers are protected by the FLSA's minimum wage and overtime standards.
- The rule will entitle most salaried white collar workers earning less than \$913 a week (\$47,476 a year) to overtime pay. The salary level is not prorated for part-time employees.
- These rules apply to most hourly and salaried workers, but not to some white collar workers whose salaries and duties exempt them from the overtime pay requirement.

Feel free to view the following webinars for additional detail.

DOL Final Rule Webinar FAQs excerpts available online at: <https://www.dol.gov/whd/overtime/final2016/webinarfaq.htm>

Special rules that apply to public agencies, please refer to the DOL State and Local Government Webinar available at <https://www.dol.gov/WHD/overtime/final2016/webinars.htm>

A Look at Managing IT From the Front Line

By Royce Hackett, Georgia Southwestern State University

Section 3.3 of the University System of Georgia (USG) Information Technology Handbook provides guidance to USG institutions on implementing and maintaining a continuity of operations plan to ensure critical business functions can continue through a wide range of emergencies and disasters. *And that is a tall order for any IT department focused on managing day-to-day technical operations often with limited staff and budget.* GSW decided to implement BANNER managed hosting services to augment their continuity of operations plan.

A major focus of the plan to operationalize the IT Handbook at Georgia Southwestern State University (GSW) addressed continuity of operations planning on critical information systems with the greatest risk and impact. The GSW enterprise risk assessment identified the Banner student information system as the most critical system supporting the business enterprise and determined that GSW could not withstand extended downtime of this system. Unplanned business interruptions would not only impact the student information system but also many of the ancillary IT solutions the institution relied upon.

GSW IT staff assessed resources needed to ensure Banner could be restored within twenty four hours of a worst case disaster scenario. GSW determined that many of the potential disaster recovery scenarios would be unmanageable at a small institution with a limited staff regardless of how successful they had been in dealing with past incidents.

When considering the backup/recovery and off-site storage requirements of the IT handbook, a cloud based solution made the most sense and the USG GeorgiaBest Managed Services met all of the requirements.

The business case for Banner Managed Services was built around the cost of trying to stand something up stout enough to meet recovery scenario standards, discussed Beverly Carroll, GSW Banner Database Administrator. "It just made sense when you looked at what USG Information Technology Services (ITS)

USG IT Handbook Standards

Excerpts.....

"3.3.1.1 Purpose

Continuity of Operations Planning (COOP), ensures the continuity of business and essential functions through a wide range of emergencies and disasters including localized acts of nature, accidents and technological or attack-related emergencies. COOP is an effort to ensure that at minimum, the general support system (GSS) continues to operate and be available."

"3.3.1.4 Standard

Recovery strategies must be developed for information technology (IT) systems. This includes network connectivity, servers, data and support systems. Priorities for IT recovery must be consistent with the priorities for recovery of network connectivity and other critical processes that were developed during the operational impact analysis.

All USG IT organizations must:

- ◆ *Create, implement, maintain and test a continuity of operations plan - COOP, that will allow appropriate response to a wide range of contingencies and disasters that may occur at all USG organizations.*
- ◆ *Describe the actions to be taken before, during and after events that disrupt critical information system operations.*
- ◆ *All plans must be tested every 24 months and evidence of testing must be available upon request, and part of the continuity of operations plan documentation."*

*Additional Text located IT Handbook
USG Policies and Procedures*

A Look at Managing IT From the Front Line, Cont'd

could offer with their experience, resources, and ability to provide a robust, stable Banner computing environment.”

In addition to the off-site benefit provided by managed services, ITS would be able to assume the burden for much of the day-to-day operation of the database including backups, patches and upgrades. There is also the added advantage of freeing up the limited GSW IT staff to focus on the backlog of Banner projects, enhancements, data requests and special scripts that interface with other systems.

A review of the total cost of ownership for GSW's Banner system strengthened the case for migrating Banner. Hosting services became a solid business investment after considering the expense of hardware refresh and renewal for a redundant computing environment, software licenses, off-site backup and recovery, as well as support and maintenance. The GeorgiaBEST Managed Services solution also provided GSW access to the next version of Banner without having to upgrade existing hardware, giving the institution a leg up on implementing the Banner XE environment.

Knowing that the managed services solution worked well for their DegreeWorks implementation, GSW reached out to several other University System hosted institutions for feedback concerning the technical support and performance of the hosted Banner solution. Based on the positive response, GSW made the decision to move forward with managed services.

Implementation kicked off on July 1, 2015 with an in-depth analysis of the existing system environment profile and operational procedures. The ITS team was committed to ensuring that all of GSW's Ellucian products and third party applications would migrate and function correctly in the new test and production instances. Local modifications, scripts, and scheduled jobs were all successfully migrated. The GSW technical support team met with the ITS implementation team via weekly status conference calls that clearly defined the technical roles of both GSW and ITS support staff. The project stayed on schedule throughout the entire implementation and GSW went live with hosted Banner on November 5 as originally planned.

“We are pleased with the seamless transition of Georgia Southwestern into the USG ITS Banner Managed Service,” said Karen Nunn, Director of Academic Services. “This was the result of an outstanding collaboration as well as the dedication of the talented team at GSW.” GSW is looking forward to operating in the more stable and secure computing environment with the focus on being more data centric and providing the administration with the information they need to make data-driven decisions for the institution.

Mr. Royce Hackett
Adjunct Faculty
Tel: (229) 931-2641
royce.hackett@gsw.edu Royce



THE THREE LINES OF DEFENSE IN EFFECTIVE RISK MANAGEMENT AND CONTROL

IIA Position Paper, January 2013

This month's article on Operational Effectiveness consists of a three part position paper on risk management and control published by the Institute of Internal Auditors. Part II is reprinted in this newsletter. Part I was previously printed in the S & N, and Part III will be reprinted in the next Straight and Narrow publication.

Introduction

The Three Lines of Defense model provides a simple and effective way to enhance communications on risk management and control by clarifying essential roles and duties. It provides a fresh look at operations, helping to assure the ongoing success of risk management initiatives, and it is appropriate for any organization — regardless of size or complexity. Even in organizations where a formal risk management framework or system does not exist, the Three Lines of Defense model can enhance clarity regarding risks and controls and help improve the effectiveness of risk management systems.

Before The Three Lines: Risk Management Oversight and Strategy Setting

In the Three Lines of Defense model, management control is the first line of defense in risk management, the various risk control and compliance oversight functions established by management are the second line of defense, and independent assurance is the third. Each of these three “lines” plays a distinct role within the organization’s wider governance framework.

II. THE SECOND LINE OF DEFENSE: RISK MANAGEMENT AND COMPLIANCE FUNCTIONS

In a perfect world, perhaps only one line of defense would be needed to assure effective risk management. In the real world, however, a single line of defense often can prove inadequate. Management establishes various risk management and compliance functions to help build and/

or monitor the first line-of-defense controls. The specific functions will vary by organization and industry, but typical functions in this second line of defense include:

- A risk management function (and/or committee) that facilitates and monitors the implementation of effective risk management practices by operational management and assists risk owners in defining the target risk exposure and reporting adequate risk-related information throughout the organization.
- A compliance function to monitor various specific risks such as noncompliance with applicable laws and regulations. In this capacity, the separate function reports directly to senior management, and in some business sectors, directly to the governing body. Multiple compliance functions often exist in a single organization, with responsibility for specific types of compliance monitoring, such as health and safety, supply chain, environmental, or quality monitoring.
- A controllership function that monitors financial risks and financial reporting issues. Management establishes these functions to ensure the first line of defense is properly designed, in place, and operating as intended. Each of these functions has some degree of independence from the first line of defense, but they are by nature management functions. As management functions, they may intervene directly in modifying and developing the internal control and risk systems. Therefore, the second line of defense serves a vital purpose but cannot offer truly independent analyses to governing bodies regarding risk management and internal controls.

THE THREE LINES OF DEFENSE IN EFFECTIVE
RISK MANAGEMENT AND CONTROL, Cont'd
The Second Line

The Three Lines of Defense Model



Adapted from ECIIA/FERMA *Guidance on the 8th EU Company Law Directive, article 41*

The responsibilities of these functions vary on their specific nature, but can include:

- Supporting management policies, defining roles and responsibilities, and setting goals for implementation.
- Providing risk management frameworks.
- Identifying known and emerging issues.
- Identifying shifts in the organization's implicit risk appetite.
- Assisting management in developing processes and controls to manage risks and issues.
- Providing guidance and training on risk management processes.
- Facilitating and monitoring implementation of effective risk management practices by operational management.
- Alerting operational management to emerging issues and changing regulatory and risk scenarios.
- Monitoring the adequacy and effectiveness of internal control, accuracy and completeness of reporting, compliance with laws and regulations, and timely remediation of deficiencies.

Reference Information

**Board of Regents Policy Manual
Official Policies of the University System of Georgia
Board Policy 2.8 Compensation of Presidents; Board Policy 12.5 Cooperative Organizations; Business
Procedures Manual Section 17.0: Affiliated Organizations**

Attorney General Official Opinions, #68-110

**USG Information Technology Handbook
http://www.usg.edu/information_technology_handbook/**

**The Three Lines of Defense, Institute of Internal Auditors White Paper
<https://na.theiia.org/Pages/IIAHome.aspx>**



**Board of Regents of the
University System of Georgia**

**Office of Internal Audit &
Compliance (OIAC)**

270 Washington Street, SW
Suite 7093
Atlanta, GA 30334-1450

Phone:
(404) 962-3020

Fax:
(404) 962-3033

Website:
www.usg.edu/audit/



? Ask the Auditor ?

If you have a governance, risk management, compliance or control question that has been challenging you, let us help you find the answer. Your question can help us to become better auditors.

Want to Contribute to the Straight and Narrow?

We invite you to send your questions and ideas for future articles to us for feature in upcoming Straight and Narrow newsletters.

Contact Us: [USG OIAC Newsletter](#)