

The University of Texas MD Anderson Cancer Center
Internal Audit Annual Report for FY 2017

Purpose of the Annual Report

The purpose of the internal audit annual report is to provide information on the assurance services, consulting services, and other activities of the internal audit function. In addition, the annual report assists oversight agencies in their planning and coordination efforts.

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I. Compliance with Texas Government Code, Section 2102.015: Posting the Internal Audit Plan, Internal Audit Annual Report, and Other Audit information on Internet Website

The Fiscal Year 2018 Audit Plan, as approved by the Institutional Audit Committee, will be posted on the MD Anderson external website as part of the Fiscal Year 2017 SAO Annual Report. The Fiscal Year 2017 SAO Annual Report, including summaries of reports, will be posted on the MD Anderson external website within 30 days of approval by the President but not later than November 1, 2017, as required.

The following matrix provides a summary of the weaknesses and action taken by management for projects on the Fiscal Year 2017 Audit Plan, as required by Texas Government Code, Section 2102.015:

Report No.	Report Date	Name of Report	Recommendations	Summary of Action Taken	Progress: <ul style="list-style-type: none"> · Fully Implemented · Substantially Implemented · Incomplete/Ongoing · Not Implemented
16-106	N/A	Excepted from public disclosure			
16-306	03/17/2017	Excepted from public disclosure			
16-401	03/16/2017	Excepted from public disclosure			
16-402	10/5/2016	ICD-10 Program Close Out Assessment	No recommendations – MD Anderson performed necessary tasks to convert from ICD-9 to ICD-10 code set and experienced minimal to no impact, no known degradation of performance and key metrics normalized at or above baseline levels within 90-120 days following cut over. Internal Audit did not identify any risks for Management to consider.	Management agreed with the results of the assessment.	No action plan required

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Report No.	Report Date	Name of Report	Recommendations	Summary of Action Taken	Progress: <ul style="list-style-type: none"> • Fully Implemented • Substantially Implemented • Incomplete/Ongoing • Not Implemented
17-100	3/17/2017	Division of Anesthesiology, Critical Care and Pain Medicine Review	We recommended enhanced controls over revenue reconciliation, procurement card administration, drug charges, controlled substances, annual conferences, chairman funds expenditures, asset management, encryption, extramural leave, timecard approvals, material transfer agreements, shared cost allocation and financial incentives.	Management agreed to enhance controls in the recommended areas.	Fully Implemented as of September 1, 2017
17-102	10/04/2017	Division of Nursing Inpatient Charge Capture Review	We recommended improvements related to dialysis charge reconciliation and an enhancement to the daily inpatient charge reconciliation.	Management agreed to enhance controls in the recommended areas.	Substantially Implemented Full Implementation is expected by 12/31/2017
17-106	7/3/2017	Division of Pediatrics Review	We recommended improvements in processes and controls relating to patient access, account deficits, revenue reconciliation, cash receipts, effort reporting, material transfer agreements, procurement card purchases, shipping activity, research incentives, encryption, clinical trial invoicing, and leave management.	Management agreed to enhance controls in the recommended areas.	Incomplete/Ongoing Full Implementation is expected by March 31, 2018
17-107	7/3/2017	Infectious Diseases, Infection Control and Employee Health Department Review	We recommended improvements in processes and controls relating to revenue reconciliation, asset management, extramural leave, compensatory time, employee leave approval, utilization of time clocks, recognition leave, effort reporting, clinical trial billing, shared cost allocation, grant expenditures, subrecipient progress reports, account deficits, procurement card administration, and monitoring of expenses.	Management agreed to enhance controls in the recommended areas.	Incomplete/Ongoing Full Implementation is expected by December 31, 2017.

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Report No.	Report Date	Name of Report	Recommendations	Summary of Action Taken	Progress: <ul style="list-style-type: none"> · Fully Implemented · Substantially Implemented · Incomplete/Ongoing · Not Implemented
17-204	10/31/2016	Segregation of Duties and Account Reconciliations	We recommended that Financial Controls continue to work on improving processes to ensure compliance with the Monitoring Plan.	Management agreed to enhance controls in the recommended areas.	Fully Implemented
17-207	09/28/2017	Executive Travel and Entertainment	We recommended that management revise policy to align with current practice.		
17-402	10/03/2017	Excepted from public disclosure			
17-403					
17-405	9/14/2017	Excepted from public disclosure			
17-901	6/8/2017	Excepted from public disclosure			
17-902	7/5/2017	Excepted from public disclosure			

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II. Internal Audit Plan for Fiscal Year 2017

The following matrix details the status of the Fiscal Year 2017 Audit Plan:

Project No.	Project Title	Report Date	Project Status
<u>Risk-Based Audits</u>			
17-100	Charge Capture - Division of Anesthesiology and Critical Care	03/17/2017	Complete
17-101	Charge Capture - Houston Area Locations	Pending	In Progress
17-102	Nursing Charge Capture	10/04/2017	Complete
17-103	Denials Management	N/A	Postponed
17-104	Pharmacy Pricing Review	N/A	Cancelled
17-105	Payroll Review	N/A	Cancelled
17-106	Division of Pediatrics Review	07/03/2017	Complete
17-107	Departmental Review - Infectious Diseases, Infection Control & Employee Health	07/03/2017	Complete
17-108	Grants Management Review	N/A	Cancelled
17-109	Clinical Research Billing	N/A	Cancelled
17-110	Physicians Referral Service (PRS) Practice Plan	N/A	Cancelled
17-111	Lyda Hill Foundation Audit	Pending	In Progress
17-901	Excepted from public disclosure		
17-902	Excepted from public disclosure		
17-307	Construction Activities	Pending	In Progress
17-308	Management Involvement on Co-Sourced Construction Projects	N/A	Complete
<u>Information Technology Audits</u>			
17-400	PeopleSoft 9.2 Upgrade	N/A	Cancelled
17-401	Protection of Research Data	Pending	In Progress
17-402	Excepted from public disclosure		
17-403			
17-404	Epic – Post Implementation and Governance Process	N/A	Cancelled
17-405	Excepted from public disclosure		
17-406	Management Involvement on Co-Sourced IT Projects	N/A	Complete
<u>Carry-Forward Audits</u>			
16-106	Excepted from public disclosure		
16-306	Excepted from public disclosure		
16-209	Charge Capture – Division of Pharmacy	Memorandum 12/01/2016 provided to Management	Complete
16-401	Excepted from public disclosure		
16-402	Post ICD-10 Audit / Epic Integration	10/5/2016	Complete

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Project No.	Project Title	Report Date	Project Status
16-407	Excepted from Public Disclosure		
<i>Required Audits (Externally and Internally)</i>			
17-200	FY 2016 Financial Statement Audit (year-end)	Report issued by Deloitte at UT System level	Complete
17-201	FY 2017 Financial Statement Audit (interim)	Report issued by Deloitte at UT System level	Complete
17-202	Deloitte Financial Audit Support - IT	Report issued by Deloitte at UT System level	Complete
17-203	Texas Administrative Code (TAC) 202	Pending	In Progress
17-204	Segregation of Duties and Account Reconciliations	10/31/2016	Complete
17-205	Economic Development Agreement	Consulting Project – Verbal comments provided to management	Complete
17-207	Executive Travel and Entertainment	09/28/2017	Complete
<i>Consulting Projects</i>			
17-206	Presidential Housing, Travel, and Entertainment	N/A – assistance provided to UT System	Complete
17-300	Employee and Faculty Criminal Background Checks	Consulting Project – Verbal comments provided to management	Complete
17-301	Drug Diversion	N/A	Postponed
17-302	Strategic Industry Ventures Contracting Process	N/A	Cancelled
17-303	Excepted from Public Disclosure		
17-309	Division of Nursing - OneConnect Reporting	Consulting Project – Verbal comments provided to management	Complete
17-310	RayCare Implementation (Mosaik Replacement)	Consulting Project – Verbal comments provided to management	Complete
17-900	Cash Count	Memorandum dated 05/25/2017 provided to Management	Complete
-	General Consultation with Management	N/A	Complete
-	Institutional Committee Participation	N/A	Complete
-	All-Hazards Risk Leadership Council	N/A	Complete

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Project No.	Project Title	Report Date	Project Status
<u>Investigations</u>			
Various investigations – Excepted from public disclosure		Consulting Projects – Verbal Comments provided to management	
<u>Follow-up</u>			
-	Quarterly Reporting/Monitoring Activities	N/A	Complete
-	Validation Activities	N/A	Complete
-	IT Follow-up Validation Activities	N/A	Complete
<u>Development – Operations</u>			
-	Internal / External Quality Assurance Activities	N/A	Complete
-	Internal Audit Committee Preparation / Participation	N/A	Complete
-	Institutional Risk Assessment & Work Plan Development	N/A	Complete
-	Audit Strategic Planning	N/A	Complete
-	IT Risk Assessment FY 17	N/A	Complete
-	IT Administrative Activities	N/A	Complete
<u>Development – Initiatives & Education</u>			
-	UT System Coordination	N/A	Complete
-	Professional Organization / Association Participation	N/A	Complete
-	Training / Continuing Professional Education	N/A	Complete
-	IT Knowledge Sharing and/or Training Documentation Projects	N/A	Complete
-	IT Liaison Activities	N/A	Complete

	Audit / Project cancelled or postponed
	Audit / Project added to Plan

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Compliance with the Benefits Proportionality Audit Requirements for Higher Education Institutions:

At the request of the Governor, an internal audit of the proportionality of higher education benefits process was performed during fiscal year 2016. This audit covered appropriations years (AY) 2012, 2013, and 2014. The audit methodology was determined to be acceptable by the State Auditor's Office. In accordance with Rider 8, Section a, page III-44 of the General Appropriations Act (85th Legislature, S.B. 1), an audit of fiscal years 2015, 2016, and 2017 will be performed by August 31, 2018.

Compliance with the Purchasing and Contracting Requirements for Higher Education Institutions:

Senate Bill 20 (84th Legislative Session) made several modifications and additions to Texas Government Code (TGC) and Texas Education Code (TEC) related to purchasing and contracting. Effective September 1, 2015, TEC 51.9337 requires that, *"The chief auditor of an institution of higher education shall annually assess whether the institution has adopted the rules and policies required by this section and shall submit a report of findings to the state auditor."*

The MD Anderson Cancer Center Internal Audit Department conducted this required assessment for fiscal year 2016. No significant changes were made during fiscal year 2017. As a result, the following conclusions from fiscal year 2016 remain the same:

Based on review of current institutional policy and the UT System Board of Regents' Rules and Regulations, MD Anderson Cancer Center has generally adopted all of the rules and policies required by TEC 51.9337. Review and revision of institutional and System policy is an ongoing process. These rules and policies will continue to be assessed annually to ensure continued compliance with TEC 51.9337.

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III. Consulting Services and Non-audit Services Completed

Project No.	Project Title	Report Date	Project Objective	Services / Observations / Results / Recommendations
2016-106	Excepted from public disclosure			
2016-209	Charge Capture Assessment- Pharmacy	Consulting – Memorandum 12/1/2016 provided to Management	To assess whether drugs administered were captured, recorded appropriately, and accurately charged to the patient account in OneConnect.	Internal Audit completed an assessment of charge capture activities for the Division of Pharmacy. The scope of this review covered March 4, 2016 through June 10, 2016, which followed the go-live of OneConnect. Procedures included testing transactions as well as reviewing reconciliation activities. We recommended that management continue its efforts to identify and resolve unreconciled drug administrations and dispenses, as well as enhance controls and processes for reconciling revenue.
2017-205	Texas Economic Development Agreement	Consulting – Verbal Comments provided to Management	To review the reporting methodology and schedules for the annual compliance verification of job creation for the Texas Economic Development Agreement.	The methodology appeared consistent with previous submissions. Nothing came to IA's attention that would indicate the Annual Compliance Verification was materially misstated. No opinion was requested or provided.
2017-206	Presidential Housing, Travel and Entertainment	Consulting – Assisted University of Texas System Audit Office	To assist/coordinate audits by UT System to determine if travel and entertainment activities and expenditures of the President and his spouse are conducted in accordance with UT System and MDACC policy.	Internal Audit assisted The University of Texas System Audit Office (UT System) by providing documentation from institutional systems for review. Any recommendations for improvement were made by UT System.
2017-300	Employee and Faculty Criminal Background Checks	Consulting – Verbal Comments provided to Management	To partner with key stakeholders to ensure a comprehensive background check is conducted for all employees, including faculty, as part of the on-boarding process.	Internal Audit conducted an assessment of the current state of the criminal background check process for employees and faculty. To address the risks identified, we are facilitating meetings with the representatives to develop possible solutions. The solutions will be presented to the All Hazards Risk Leadership Council for consideration.

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Project No.	Project Title	Report Date	Project Objective	Services / Observations / Results / Recommendations
2017-303	Grants and Contracts Consulting	Consulting – Verbal Comments provided to Management	In coordination with Institutional Compliance, Internal Audit provided guidance in the development and implementation of control processes, both centralized and decentralized, to ensure allowability of costs charged to grants, including but not limited to the accuracy of effort reporting.	In coordination with Institutional Compliance and Grants and Contracts, Internal Audit provided guidance in the development and implementation of control processes, both centralized and decentralized, to ensure allowability of costs charged to grants, including but not limited to the accuracy of effort reporting.
2017-309	Nursing OneConnect Reporting	Consulting – Verbal Comments provided to Management	At management’s request, Internal Audit facilitated efforts to improve the efficiency of Nursing’s daily reconciliation process for inpatient revenue.	Internal Audit coordinated with Nursing management and the OneConnect team and provided feedback on proposed alternative sources and processes.
2017-310	RayCare Implementation – Mosaiq Replacement	Consulting – Verbal Comments provided to Management	At management’s request, Internal Audit participated in initial meetings with the implementation team regarding the implementation of a replacement for Mosaiq, the Division of Radiation Oncology’s treatment planning and billing system for technical charges.	Consulting services, including feedback, were provided to process owners.
2017-900	Cash Count	Consulting – Memorandum dated 5/25/17 provided to Management	To confirm the accuracy of the cash on hand.	Internal Audit conducted surprise cash counts of all cashier drawers and vaults. We noted no discrepancies in the cash counted. We recommended that management continue to ensure that periodic cash counts occur and that all amounts are regularly reconciled to accounting records.
2017-901	Excepted from public disclosure			
-	Various investigations	N/A	To conduct investigations as necessary.	Information was provided to appropriate levels of management.

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IV. External Quality Assurance Review (Peer Review)



June 30, 2014

Ms. Sherri Magnus, Vice President and Chief Audit Officer
The University of Texas MD Anderson Cancer Center
7007 Bertner Avenue
Houston, Texas 77030

We have completed an External Quality Assessment (“EQA”) of The University of Texas MD Anderson Cancer Center (“MD Anderson”) Office of Internal Audit (“IA”). The EQA included an assessment of the level of conformance with the Institute of Internal Auditors’ International Standards for the Professional Practice of Internal Auditing (“the IIA Standards”), the Generally Accepted Government Auditing Standards (“GAGAS”) as well as the relevant requirements of the Texas Internal Auditing Act (“TIAA”). Listed below is our overall assessment of IA’s adherence with these Standards and requirements:

- IIA Standards - Based on our work, overall IA generally conforms. We did identify process enhancement opportunities.
- GAGAS - Our assessment of GAGAS was limited, based on IA’s disclosure that no internal audits were performed during our assessment period under GAGAS. Based on our work, we identified a conformance observation that IA deferred the external peer review as directed by the UT System in order to coordinate the process System wide. We also identified process enhancement opportunities.
- TIAA – Other than the observations related to IIA Standards and GAGAS, no conformance observations were identified during our work.

Our Services were performed and this report was developed in accordance with our contract dated February 18, 2014 and are subject to the terms and conditions included therein. Our Services were performed in accordance with the Standards for Consulting Services established by the American Institute of Certified Public Accountants (“AICPA”). Accordingly, we are providing no opinion, attestation or other form of assurance with respect to our work and we did not verify or audit any information provided to us. Our work was limited to the specific procedures and analysis described herein and was based only on the information made available through May 2, 2014, when field work was substantially completed. Accordingly, changes in circumstances after this date could affect the findings outlined in this report. This information has been prepared solely for the use and benefit of, and pursuant to a client relationship exclusively with The University of Texas System Administration. PwC disclaims any contractual or other responsibility to others based on its use and, accordingly, this information may not be relied upon by anyone other than The University of Texas System Administration and MD Anderson.

We would like to offer a sincere thank you to you and your staff, and the Internal Audit Committee and management of MD Anderson, for the time and attention they provided during this assessment. We appreciate the opportunity to serve The University of Texas System Administration on this important engagement.

Very truly yours,

A handwritten signature in black ink, appearing to read "PricewaterhouseCoopers", written over a light blue horizontal line.

PricewaterhouseCoopers, LLP

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Information contained herein is for the sole benefit and use of MD Anderson

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V. Internal Audit Plan for Fiscal Year 2018

FY 2018 Audit Plan	Budgeted	% of	
Audit/Project	Hours	Total	Description
Risk-Based Audits			
Charge Capture - Medical Supplies	700		To conduct a charge capture audit to determine if medical supplies provided were captured and recorded appropriately. Sustainability - Charge Capture
Pharmacy Controlled Substances Inventory	500		To assess the control processes in place over ordering, receiving, administering, and accounting for controlled substances located in various Pharmacy locations. This will include reviewing the process established to account for waste. People We Serve - Medication Management
Financial Clearance Center	500		Using a risk-based approach, assess the effectiveness of the operational controls surrounding the determination of eligibility and benefits, including but not limited to, pre-authorization and financial collections. People We Serve - Patient Registration
Revenue Reconciliation	300		Identify physicians and departments where encounters are not being closed timely and daily revenue is not reconciled timely. Sustainability - Charge Capture
Emergency Center	700		To conduct an operational review of the Emergency Center, including but not limited to, charge capture, wait times, and other high risk areas. People We Serve, Sustainability
Departmental Review - Perioperative Services	700		To provide a general assessment of the financial, administrative, and compliance controls within the selected department. People Who Serve, Science That Enables, Systems That Support

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FY 2018 Audit Plan	Budgeted	% of	
Audit/Project	Hours	Total	Description
Animal Safety Training and Education	400		To ensure safety of animals by verifying that faculty and staff maintain the appropriate training to handle animal and research subjects and reviewing processes to address adverse events from a training and education perspective. Science That Enables - Institutional Animal Care and Use Committee
Dental Billing - Thoracic Head and Neck Surgery	250		To perform a review of charge capture and collection of payments for dental services in Thoracic Head and Neck Surgery. This will include an assessment of internal controls, such as segregation of duties, as well as proper accounting of the accounts receivable, as applicable. Sustainability
Procurement Audit	300		To perform an audit of contract management processes, including but not limited to, sole source purchases, emergency purchases, competitive bidding and the selection process, and any other related areas. Systems That Support
<u>Information Technology Audits</u>			
Mobile Device Management	450		Perform an evaluation of the mobile device management policies and procedures to evaluate the controls in place to limit usage to appropriate levels. Assess overall inventorying of mobile devices to determine that management is providing proper levels of oversight. Evaluate the implementation of the policies as it relates to securing the devices. Systems That Support
Epic - Charge Capture or Compliance Analytics	750		Evaluate the completeness and accuracy of charges and billing from a medical division utilizing Epic. Assess the completeness and accuracy of the charges to determine over billing or under billing of specific goods or services. Placeholder to work with management on exploring opportunities to utilize analytically analysis in charge capture and compliance areas. Systems That Support

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FY 2018 Audit Plan	Budgeted	% of	
Audit/Project	Hours	Total	Description
Procurement Analytics	350		To perform data analytics of contract management processes, including but not limited to, sole source purchases, emergency purchases, competitive bidding and the selection process, and any other related areas, in support of the Procurement Audit. Systems That Support
Identity Management Assessment	400		Evaluate the policies and technologies for ensuring that the proper people in an enterprise have the appropriate access to technology resources. Systems That Support
RayCare Pre-Implementation/Mosaiq Upgrade Assessment	500		Perform a post-implementation review for the Mosaiq upgrade to evaluate functionality and assess the controls in place post go live related to the application from the following perspectives: operating effectiveness, ITGC's, security, and compliance. In addition, perform pre-implementation review for the RayCare application set to replace Mosaiq. Leverage lessons learned from the Mosaiq assessment to apply to RayCare prior to go-live Systems That Support
Management Involvement on Co-Sourced IT Projects	150		To oversee/facilitate audits of IT activities.
Construction Activities	500		To conduct a review of key construction activities and/or processes. Reviews will be co-sourced, utilizing staff with construction expertise. Systems That Support - Facilities Management
Management Involvement on Co-Sourced Construction Projects	50		To oversee/facilitate audits of construction activities.
<u>Carry-Forward Audits</u>			
Carry Forward Audits - To Be Determined	250		To complete outstanding projects at year-end.
Risk Based Audits Subtotal	7,750	48%	
Required Audits (External and Internal)			

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FY 2018 Audit Plan	Budgeted	% of	Description
Audit/Project	Hours	Total	Description
FY 2017 Financial Statement Audit (year-end)	250		To assist Deloitte with testing relating to the External Financial Statement Audit. Systems That Support - Financial Reporting
FY 2018 Financial Statement Audit (interim)	250		To assist Deloitte with testing relating to the External Financial Statement Audit. Systems That Support - Financial Reporting
FY 2018 Deloitte Financial Audit Support - IT	100		Perform IT general controls procedures as requested by MDACC to support the Deloitte Financial Audit of MDACC. Systems That Support - Financial Reporting
Segregation of Duties and Account Reconciliations	200		To review the institution's Monitoring Plan and departmental subcertifications and validate the assertions made by management regarding segregation of duties and account reconciliations, as required by UTS 142.1. Systems That Support - Financial Reporting
Economic Development Agreement	50		To review the reporting methodology and schedules prepared for the annual compliance verification of job creation targets associated with the Economic Development Agreement between MDACC, UT HSC-Houston, and the State of Texas. Systems That Support - Corporate Compliance
Presidential Housing, Travel, and Entertainment	50		To assist/coordinate audits by UT System to determine if travel and entertainment activities and expenditures of the President and his spouse are conducted in accordance with UT System and MDACC policy. Systems That Support - Expenses/Accounts Payable
Required Audits Subtotal	900	6%	
Risk-Based Consulting Projects			
Epic Upgrade - Risk Oversight Council	250		Consult with management and external consultants, and coordinate with Institutional Compliance, the Chief Information Security Officer, and Financial Controls, regarding the design and implementation of the upgrade to the electronic health record to ensure controls are in place. People We Serve, Systems That Support, Sustainability

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FY 2018 Audit Plan	Budgeted	% of	
Audit/Project	Hours	Total	Description
Epic Optimization	750		Participate in the risk oversight committee and perform other assessment procedures as it relates to the Epic upgrade/optimization efforts. Systems That Support
Denials Management	250		Internal Audit will partner with key stakeholders to determine the root cause of denials and assist management with identifying possible solutions to reduce future denials. People We Serve - Patient Registration
Employee and Faculty Criminal Background Checks	250		Internal Audit will partner with key stakeholders to ensure a comprehensive background check is conducted for all employees, including faculty, as part of the on-boarding process. People Who Serve - Personnel Management
	200		Excepted from public disclosure
RayCare Implementation - Radiation Oncology	150		To partner with management in Radiation Oncology to review controls during the implementation of the replacement of their radiation treatment planning system from Mosaiq to RayCare. Sustainability
General Consultation with Management	150		To consult with management on various high-risk topics.
IT Liaison Activities	80		Participation in staff meetings, the UT InfoSec, IT Leaders meetings, etc.
Institutional Committee Participation	225		To participate, in a consulting role, on committees within the institution.
All-Hazards Risk Leadership Council	120		
Risk-Based Consulting Projects Subtotal	2,425	15%	
Follow-up			
Quarterly Reporting / Monitoring Activities	200		
Validation Activities	700		
IT Follow-up Validation Activities	250		
Follow-up Subtotal	1,150	7%	

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FY 2018 Audit Plan	Budgeted	% of	
Audit/Project	Hours	Total	Description
<i>Risk-Based Reserve</i>			
Reserve for Risk-Based Just-In-Time Auditing/Advisory Services	700		Reserve will be used to respond to management's requests in high-risk areas, as well as to address changing risks in our environment throughout the year.
Reserve for Risk-Based Investigations	425		Reserve will be used to respond to any investigative requests throughout the year.
IT Reserve Risk-Based Just-in-Time Auditing/Advisory Services	160		Reserve Just-in-Time Auditing/Advisory Services will be used to respond to management and Internal Audit's requests for assessments in emerging high-risk areas related to IT.
IT Financial and Operational Audit Assistance	100		Participation in high-risk limited scope activities with the Internal Audit team.
Risk-Based Reserve Subtotal	1,385	9%	
<i>Development - Operations</i>			
Internal / External Quality Assurance Activities	200		To conduct on-going reviews of audits/projects for compliance with the International Institute of Internal Auditors (IIA) standards. In addition, to conduct an External Quality Assurance Review.
Internal Audit Committee Preparation / Participation	174		To prepare audit committee packets and participate in quarterly meetings.
Institutional Risk Assessment and Work Plan Development	350		To update the comprehensive risk assessment and Work Plan
Audit Strategic Planning	633		To perform strategic planning and manage the overall audit activity.
IT Risk Assessment FY 18	250		Updating of the IT risk assessment and audit plan.
IT Administrative Activities	150		
Development - Operations Subtotal	1,757	11%	
<i>Development - Initiatives & Education</i>			
UT System Coordination	100		To participate in UT System initiatives.
Professional Organization / Association Participation	75		To participate in the IIA Houston Chapter Annual Conference
Training / Continuing Professional Education	670		

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FY 2018 Audit Plan	Budgeted	% of	Description
Audit/Project	Hours	Total	Description
IT Knowledge Sharing and/or Training Documentation Projects	80		Sharing thought leadership, perspective, and bringing in technical resources to assist where needed
Development - Initiatives & Education Subtotal	925	6%	
Total Hours	16,292	100%	

Projects addressing Benefits proportionality, expenditure transfers, capital budget controls, any other limitation or restriction in the General Appropriations Act, or Contract management and other requirements.

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Additional “high” risks not included in the FY 2018 Work Plan are found in the following areas:

- Timely patient access to services
- Updating of patient records
- Management of patient safety
- Management of medications
- Documentation to support hiring decisions
- Maintenance of DRG-exempt status
- Governance, culture, and strategic planning
- Business continuity
- Billing and reimbursement
- Privacy and Information security regulated activities and work force training
- Regulated research activities
- Operational efficiencies
- Quality and performance metrics
- IT governance and regulatory requirements
- Budget control

Our risk assessment methodology included interviews with and/or questionnaires with various levels of management in the institution. Identified risks were organized into institution-wide auditable units. For each identified risk, impact and probability were assessed. Our work plan was developed from the highest risk areas in the institution that are not already being addressed by other mitigation strategies.

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VI. External Audit Services Procured in Fiscal Year 2017

Service	Provider
Opinion on financial statements of UT MD Anderson Cancer Center	Deloitte
Opinion on financial statements of UT MD Anderson Physicians Network	Deloitte
Opinion on financial statements of UT MD Anderson Services Corporation	Deloitte
Information Technology Internal Audit Co-Sourcing	PricewaterhouseCoopers
Electronic Health Record Consulting	PricewaterhouseCoopers
Construction Internal Audit Co-Sourcing	Protiviti
Construction Internal Audit Co-Sourcing	Townsend

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VII. Reporting Suspected Fraud and Abuse

Thur, September 28, 2017

Home : Departments : Institutional Compliance

Fraud & Abuse Hotline

The Fraud and Abuse Hotline is a toll-free number available to all staff and faculty to anonymously report suspected wrongdoing, including waste, fraud, abuse and violations of any federal or state laws.

The Hotline

- A toll-free number you can call to report suspected wrongdoing, fraud, waste, abuse and violations of any federal or state laws.
- Available 24 hours a day, 365 days a year by calling 1-800-789-4448.
- All calls are confidential and you don't need to identify yourself.
- Reports all allegations to the MD Anderson Institutional Compliance Office.

Individuals may also report suspected fraud, waste, and abuse involving state resources to the State Auditor's Office's Hotline at 1-800-TX-AUDIT (1-800-892-8348). The [State Auditor's Office](#) provides additional information at its website, <http://sao.fraud.state.tx.us>.

Question: What is the hotline's purpose?

Answer: The purpose of the hotline is to provide MD Anderson's workforce members an additional method of reporting instances of wrongdoing, fraud, waste and abuse. While you are encouraged to report compliance issues directly to your immediate supervisor or the Institutional Compliance Office, we recognize that this may not always be an option.

Question: How does the hotline work?

Answer: The hotline is a resource available to MD Anderson's workforce members 24 hours a day, 365 days a year. An outside company is staffed with specially trained personnel to answer all incoming Hotline calls. When you call into the Hotline you will be asked to describe the suspected compliance issue in as much detail as possible. You do not need to tell them who you are. Upon completion of your call, the information will be sent to the Institutional Compliance Office for investigation.

Question: Am I required to identify myself?

Answer: No. You do not have to reveal your identity. Calls are not traced and are not recorded.

Question: Can the call be traced back to me?

Answer: No. The Hotline does not record calls and does not have caller ID capability. Calls cannot be traced.

Question: What type of situations should be reported to the Hotline?

Answer: Even if you only suspect fraud or abuse in patient care, research, billing or any other work area, it is important that you share your concerns with the Institutional Compliance Office, either at 713-745-6636 or via the Hotline. All reports will be thoroughly investigated.

Question: What will happen to my job if I call?

Answer: Federal and state laws protect individuals who provide confidential information regarding possible illegal activities in the workplace. Therefore, workforce members providing good-faith reports of possible fraud or abuse are protected from retaliation or retribution. See MD Anderson's [Non-Retaliation Policy \(UTMDACC Institutional Policy # ADM0254\)](#).

Question: How do I know an investigation is taking place based on my call?

Answer: MD Anderson is committed to investigating all reports promptly and will maintain the confidentiality and anonymity of all parties involved to the fullest extent possible. Because of this, investigations are kept confidential. Results of the investigation are reported to the Chief Compliance Officer, and corrective action plans, when necessary, are implemented as soon as possible.

For more information, please contact the Institutional Compliance Office at 713-745-6636.