

National Automated Clearing House Association Rules Compliance

August 2021



**The University of Texas at Austin
Office of Internal Audits
UTA 2.302
(512) 471-7117**



OFFICE OF INTERNAL AUDITS
THE UNIVERSITY OF TEXAS AT AUSTIN

1616 Guadalupe St. Suite 2.302 · Austin, Texas 78701 · (512) 471-7117 · FAX (512) 471-8099
audit.utexas.edu • internal.audits@austin.utexas.edu

August 5, 2021

President Jay C. Hartzell
The University of Texas at Austin
Office of the President
P.O. Box T
Austin, Texas 78713

Dear President Hartzell,

We have completed our audit of National Automated Clearing House Association Rules Compliance as part of our Fiscal Year 2021 Audit Plan. The objectives of the audit were to determine whether The University of Texas at Austin's (UT Austin) eCheck payment option complies with the *National Automated Clearing House Association (Nacha) 2020 Operating Rules for Internet Initiated/Mobile Entries*. The audit is required and was part of our Fiscal Year 2021 Audit Plan.

The eCheck payment option complies with the *Nacha Rules*, eCheck access is controlled, and appropriate processes are in place and supported by UT Austin Enterprise Business Information Technology Solutions (eBITS).

We appreciate the cooperation and assistance of the eBITS team throughout the audit. Please let me know if you have questions or comments regarding this audit.

Sincerely,

A handwritten signature in blue ink that reads "Sandy Jansen".

Sandy Jansen, CIA, CCSA, CRMA
Chief Audit Executive

cc: Mr. Mark Barber, Assistant Director, eBITS
Mr. Darrell Bazzell, Senior Vice President and Chief Financial Officer
Ms. Dana Chapman, Associate Vice President, EBITS
Ms. Monica Horvat, Director of Administration, Office of the President
Ms. Melissa Loe, Interim Chief of Staff, Financial and Administrative Services
Mr. Juan Ortiz, Director, eBITS



National Automated Clearing House Association (Nacha) Rules Compliance

Project Number: 21.038

Audit Objective

The objective of this audit was to determine compliance with the *National Automated Clearing House Association (Nacha)*¹ 2020 Operating Rules for Internet Initiated/Mobile Entries.

Conclusion

The University of Texas at Austin's (UT Austin) eCheck payment option complies with the *Nacha Rules*, eCheck access is controlled, and appropriate processes are established and supported by UT Austin Enterprise Business Information Technology Solutions' (eBITS).

Scope and Methodology

The scope of this audit included current controls for the eCheck payment option, including physical security, personnel controls, access controls, and network security.

To achieve the audit objectives, we reviewed *Nacha Rules*; UT Austin policies, procedures, and guidelines; the current list of users with access to *DEFINE related eCheck information; and supporting documentation. In addition, we conducted interviews and performed limited testing on information systems.

Background

UT Austin allows for online payments (e.g., tuition, housing, and dining) through an eCheck. Monetary transfers via eCheck rather than by debit or credit card are processed through the Automated Clearing House (ACH) Network. Because UT Austin creates ACH entries, it is considered an Originator.

Audit Observations

No recommendations were provided.

¹ Nacha is a trade association responsible for overseeing the ACH Network. Nacha requires an annual audit of each Originator to ensure financial information is protected. Nacha Website - <https://www.nacha.org/>



Engagement Team²

Mr. Jeff D. Bennett, CISA, CISSP, CCSFP, IT Audit Associate Director
Mr. Paul Douglas, CISA, CCSFP, IT Audit Director
Ms. Madelyne Puyau, CISA, IT Audit Senior
Mr. Matt Stewart, CISA, IT Audit Manager

Report Distribution

The University of Texas at Austin Institutional Audit Committee

Mr. Darrell Bazzell, Senior Vice President and Chief Financial Officer
Mr. Cameron Beasley, Chief Information Security Officer
Mr. James Davis, Vice President for Legal Affairs
Mr. Jeffery Graves, Chief Compliance Officer, University Compliance Services
Dr. Jay C. Hartzell, President
Dr. John Medellin, External Member
Mr. J. Michael Peppers, CAE, The University of Texas System Audit Office
Dr. Alison Preston, Interim Vice President for Research
Ms. Christine Plonsky, Chief of Staff/Executive Sr. Associate Athletics Director
Dr. Soncia Reagins-Lilly, Vice President for Student Affairs and Dean of Students
Ms. Susan Whittaker, External Member
Dr. Sharon Wood, Executive Vice President and Provost
Ms. Elizabeth Yant, External Member, Chair

The University of Texas System Audit Office
Legislative Budget Board
Governor's Office
State Auditor's Office

² This project was co-sourced with Postlethwaite & Netterville, APAC (P&N).