Academic Training Affiliation Agreements Audit
Engagement Number: 2019-006

Background

Academic Training Affiliation Agreements establish relationships of a continuing nature with an outside academic, clinical or training site. All student and resident training affiliations between the University of Texas Medical Branch (UTMB Health) and another entity require both a master affiliation agreement and a program agreement. Institutional Affiliation Agreements are governed at The University of Texas System (UT System) level through the UTS 108 Affiliation Agreement Policy (UTS 108). This policy establishes the procedures for the use of standard and non-standard agreements, required approval process for non-standard agreements and delegation of authorities. UTS 108 requires institutions to execute a master affiliation agreement with the outside entity and then execute specific program agreements as subordinate agreements under the master agreement. The UT System Board of Regents have delegated the authority to execute affiliation agreements to the institutional presidents. Additionally, the UT System has authorized the president to delegate the authority to execute affiliation agreements to the provost, deans, and CEO of UTMB Health, except for international agreements.

Audit Services completed an operational review of the affiliation agreement processes and workflows within the School of Health Professions (SHP), School of Medicine (SOM) Medical Doctor (MD), SOM Physician Assistant (PA), School of Nursing (SON) and the Graduate Medical Education (GME) programs. Collectively, the five programs.

Audit Objectives

The primary objective of this audit is to assess the efficiency and effectiveness of the processes for executing Academic Training Affiliation Agreements.

Scope of Work and Methodology

The engagement scope included a review of the academic training affiliation agreement process and workflows for the five programs. Our audit methodology included interviews with key personnel, review and analysis of pertinent documentation, and sample selection and testing of Affiliation Agreements to determine effectiveness of operations. Testing focused on the assessment of expected processes and procedures.

The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing as promulgated by the Institute of Internal Auditors.

Audit Results

Policies and Procedures

Policies and procedures provide a minimum level of guidance to personnel for establishing effective internal controls to ensure compliance with applicable laws and regulations and management directives. Audit Services interviews with key personnel and audit test work indicated that overall the five programs follow UTS 108; however

Academic Training Affiliation Agreements Audit
Engagement Number: 2019-006

institutional specific policies and procedures have not been formalized or documented. Based on our interviews and walkthroughs of the documented workflow processes, Audit Services noted each program has established different workflows, the SOM-MD documented program workflow was inconsistent with their current practice, and SON administrative personnel articulated a lack of back-up personnel to perform the job when necessary.

> **Recommendation 2019-006-01-RM:**
> The Executive Vice President and Provost should establish standardized policies and procedures related to affiliation agreements to ensure consistent practices and processes by each of the programs.
>
> **Management's Response:**
> The Provost Office will work directly with the 5 programs and UTMB IS to ensure efficient workflows for each program within Contract Insight/Cobblestone or similar contract management system. Each program's workflow and policies & procedures will be documented and we will strive for standardization, where possible, between the 5 programs.
>
> **Implementation Date:**
> The Provost Office will formally request UTMB IS to provide a "Test Environment" for Contract Insight/Cobblestone in order to increase utilization and leverage of the available software tool before the end of the 1st Quarter FY 2020. Preliminary cost is approximately $8,000.
>
> Workflows to be documented, standardization of workflows and policies & procedures, where possible, between the 5 programs are to be implemented no later than August 31, 2020.

Affiliation Agreement Process
Audit Services reviewed relevant Affiliation Agreement documentation and interviewed key administrative personnel from each of the programs to assess roles and responsibilities within the workflow process. Audit Services noted each program is responsible for maintaining a current active inventory of their academic training affiliation agreements. During our review, Audit Services noted instances of insufficient oversight and monitoring to ensure the timeliness of required sign off executions and updating of the inventory of agreements to ensure completeness and accuracy.

Affiliation Agreement Master Listing
Audit Services requested a master affiliation agreement inventory listing from each program to assess appropriate oversight, and if a complete inventory was readily available. Each program provided an inventory of agreements, except for the SOM-MD. The SOM-MD program's master listing of agreements was unavailable; however, they created a partial listing after our request. While the GME program maintains a listing, it

Academic Training Affiliation Agreements Audit
Engagement Number: 2019-006

included items that were later identified as pending or cancelled during Audit Services testing. Additionally, the SOM-PA program master listing was unclear and/or inconsistent resulting in the inability to identify the standard vs. non-standard agreements.

Affiliation Agreements Repository
Through interview's and walkthroughs, Audit Services determined that each program primarily maintains their affiliation agreements on departmental shared drives rather than in a central repository. Additionally, we noted some, not all, agreements are maintained within the Departments of Legal Affairs and Contract Administration. The Academic Enterprise maintains a contract management system, Cobblestone, with the ability to create automated workflows and serve as a central repository. While some programs are using Cobblestone, it's use is inconsistent and not to its full capabilities. Additionally, we noted the SOM-MD program used personal folders, not available for back up or access by others, to maintain pending affiliation agreements.

Audit Services sampled 50 affiliation agreements, 10 from each program, to ensure they were maintained appropriately. All 50 affiliation agreements were located either within Cobblestone or the departmental shared drives. Currently, there are no documented guidelines for maintaining, outside basic records retention, to ensure future accessibility of the final executed copy of the affiliation agreements.

Cobblestone Software
The programs have access to this Cobblestone Software tool that securely stores an unlimited number of contracts, provides tasks and goals with email and calendar alerts for key dates, increases collaboration and visibility, and improves contract cycle ties with automated workflow and electronic signatures. Audit Services observed a lack of clearly defined roles for key Cobblestone software functions with inconsistent operations within the program as follows:
- The SOM-MD program was unsure how to initiate an agreement in Cobblestone
- The SHP and SON programs are only using Cobblestone to obtain the standard affiliation agreement template and as a final repository
- The GME program was not uploading their executed agreements in Cobblestone.

Recommendation 2019-006-02-RH:
The Executive Vice President and Provost should consider establishing a standardized approach to maintaining a current inventory and repository of executed academic training affiliation agreements. Additionally, consideration should be given to increased utilization or leveraging of available software tools, such as Cobblestone, to create the efficiency of workflow processes and maintenance of documentation.

Academic Training Affiliation Agreements Audit
Engagement Number: 2019-006

Management's Response:
The Provost Office will work directly with the 5 programs, UTMB IS and the UTMB Department of Legal Affairs to ensure a standardized approach for current inventory and repository of executed affiliation agreements.

Implementation Date:
The Provost Office will formally request UTMB IS to provide a "Test Environment" for Contract Insight/Cobblestone in order to increase utilization and leverage of the available software tool before the end of the 1st Quarter FY 2020. Preliminary cost is approximately $8,000.

Standardized approach for current inventory and repository of executed affiliation agreements are to be implemented no later than August 31, 2020.

Affiliation Agreement Testing
UT System has established pre-approved standard agreements, which when used do not require additional levels of approval. Agreements not using the standard templates or those with changes, considered non-standard, require review and approval by the UTMB Department of Legal Affairs to ensure UT System Standards are met. Additionally, all non-standard educational agreements require a content reviewed stamp of the UT System Office of General Counsel (OGC) review or person authorized to review on behalf of UT System OGC and the UTMB Provost. There are established routing and approval processes to ensure proper approval of executed affiliation agreements within each program for both standard and non-standard agreements.

Audit Services sampled of 50 affiliation agreements to determine the types of templates used, if agreements were initiated and executed in Cobblestone, if the agreement was current, executed timely, contained all required content for its type, and if the affiliation agreement had been properly reviewed and signed off appropriately.

All 50 affiliation agreements had the proper approval signature located on the agreement; however, 29 of 50 agreements were signed after the effective date of the affiliation agreement. Although some affiliation agreements stated, "regardless of the effective date," best practice is to execute the affiliation agreement prior to the effective date. There are no documented guidelines, with targeted timelines including an escalation process within current workflows, except the GME program, to track approvals for timely execution of affiliation agreements before expiration and next effective date.

Additionally, we noted the current processes lack quality assurance procedures to ensure non-standard affiliation agreements are reviewed appropriately for accuracy and completeness of all required content. During our testing of 14 non-standard agreements, the programs were unable to provide appropriate documentation of the required Department of Legal Affairs review for 3 agreements and we noted a lack of

Academic Training Affiliation Agreements Audit
Engagement Number: 2019-006

documented Legal Affairs review for 3 of 14 non-standard agreements tested, and approval from Legal Affairs is not documented in the affiliation agreements as required. Approvals were received by email or by phone.

Audit Services identified data integrity and accuracy issues for 5 of 50 agreements with different effective dates between information contained within Cobblestone and the executed affiliation agreements. The agreements with the different effective dates were in the SOM-MD, SON, and GME programs.

Recommendation 2019-006-03-RM:
The Executive Vice President and Provost should establish standardize oversight and monitoring guidance and processes for all programs including appropriate reviews, accurate effective dates, and timely execution of affiliation agreements.

Management's Response:
The Provost Office will work directly with the 5 programs, UTMB IS and the UTMB Department of Legal Affairs to ensure a standardized oversight and monitoring guidance and processes for all programs.

Implementation Date:
The Provost Office will formally request UTMB IS to provide a "Test Environment" for Contract Insight/Cobblestone in order to increase utilization and leverage of the available software tool before the end of the 1st Quarter FY 2020. Preliminary cost is approximately $8,000.

Standardized oversight and monitoring guidance and processes for all programs are to be implemented no later than August 31, 2020.

Each program is responsible for ensuring there is an approved master affiliation agreement prior to the execution of a specific program agreement. Based our test work, Audit Services determined that approved program agreements were executed under an approved master affiliation agreement without exception.

The UTMB Health Enrollment Services, in coordination with each school's Program Managers has implemented a process to ensure active affiliation agreements and specific program agreements are executed prior to enrolling a student, resident, or fellow with other entities. Audit Services obtained a listing of student's, residents, and fellows participating with other entities from the five programs. We selected a sample of 50 students, specifically 10 students from each school or program, to determine if the students were participating under a current program and affiliation agreement. No exceptions were noted.

Academic Training Affiliation Agreements Audit
Engagement Number: 2019-006

Conclusion

Audit Services assessed the efficiency and effectiveness of the operational processes established within the five programs regarding their academic training affiliation agreement workflows. We identified opportunities for improvement including standardizing processes, establishing consistent workflows, ensuring data integrity specific to accurate inventory of agreements, leveraging available software tools, and oversight and monitoring.

We greatly appreciate the assistance provided by the Office of the Provost, School of Health Professions, School of Medicine, School of Nursing, and the Graduate Medical Education staff and hope that the information presented in our report is beneficial.

Kimberly K. Rogers, CPA, CIA, CISA, CHIAP, CRMA
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