



Board of Regents OETC Conference Revenue Audit

Audit Period: July 2014 through October 2014

Results Summary:

Objective	Conclusion
Attendee Registration Revenue	Well-Controlled with Improvement Needed
Exhibitor Registration Revenue	Well-Controlled with Improvement Needed



Executive Summary

Background

The Ohio Educational Technology Conference (OETC) is the largest P-20 state educational technology conference in the nation. Each year, more than 5,000 educational technology professionals and enthusiasts come together to explore the forefront of P-20 learning and innovation in Ohio. Registrations can be completed online or by mail and paid with a credit card or check.

The OETC Conference utilizes three different systems to process attendee and exhibitor registrations. Attendees register electronically through an online application (Cvent), which interfaces with CyberSource to accept online payments. Exhibitors register via paper forms which are then entered by OETC staff into the A2Z Inc. System. Payments from exhibitors are processed in one of two ways: electronically through CyberSource, if credit card information is provided or manually when payment is sent directly to OETC.

During the audit, OIA identified opportunities for Board of Regents to strengthen internal controls and improve business operations. This audit conforms to the *International Standards for the Professional Practice of Internal Auditing*. OIA would like to thank Board of Regents staff and management for their cooperation and time in support of this audit.

This report is solely intended for the information and use of agency management and the State Audit Committee. It is not intended for anyone other than these specified parties.

Scope and Objectives

OIA staff was engaged to perform assurance work related to the OETC Conference. This work was completed between July 2014 and October 2014. The scope of this audit was limited to a review of the Ohio Education Technology Conference (OETC) registration and revenue collection process. The following detailed audit objectives included:

- Evaluate the design and effectiveness of controls over the collection of conference attendee registration revenue.
- Evaluate the design and effectiveness of controls over the collection of conference exhibitor registration revenue.



Detailed Observations and Recommendations

The Observations and Recommendations include only those risks which were deemed high or moderate. Low risk observations and consulting recommendations were discussed with individual agency management and are not part of this report. However, the low risk observations were considered as part of the audit objective conclusions.

Observation 1 – Safeguarding of Information

Ohio Revised Code provides that each agency adopt rules regulating access to confidential personal information (CPI) the agency keeps, whether electronically or on paper. Agencies should develop controls to address the protection of information deemed as personally identifiable from intentional or unintentional disclosure or misuse.

CPI is retained by the Education Technology Section in several ways. CPI is retained in electronic form when registrations are emailed to OETC and then saved on a secured computer drive. The security rights to the secured drive are given by IT and are on a folder basis; therefore access to the OETC folders is limited to only the OETC staff, Conference Director, and Chief of Staff. Information that is maintained includes credit card numbers, expiration dates, CVV number, name and billing address.

During our review, CPI was being retained in paper form when registrations were received by mail and then secured in a locked area only accessible by one staff member. OETC also received registrations and credit card payment information via e-mail. It was noted at a later meeting with the OETC staff that they started scanning credit card information into a secured drive and shredding the paper copies to help eliminate the possibility of information being accessed inappropriately.

In addition, the Educational Technology section does not have any policies or procedures currently in place to outline how access to this information should be handled.

Retaining sensitive information and not documenting procedures for handling sensitive information, increases the risk that confidential information is compromised or inappropriately accessed/used.

Recommendation

OETC is exploring a new registration system that will encompass all registration types and payment methods versus having separate systems for attendees and exhibitors. In the meantime, consider ways to limit exposure to sensitive information (such as credit card numbers) to include:

- If a copy of the document is needed, consider redacting sensitive information (credit card numbers, CVVs, etc.) after the transaction has been processed, or if the document is not



needed consider shredding the hard copy;

- Require exhibitors and attendees who choose to submit paper forms to call with their payment information so OETC staff can enter payments directly into CyberSource;
- Explore an online option that would allow exhibitors to enter information after an invoice has been created specifically for them;
- Remove the option for attendees to pay by credit card when submitting a paper form, since Cvent allows payments to be made without OETC obtaining any sensitive information; and,
- Restrict the use of e-mails to only include registration information and exclude sensitive information (payment information).

Implementation of these recommendations would assist in OETC not maintaining any unnecessary sensitive information and to ensure that any sensitive information that is required to be retained is appropriately secured.

Management Response

Recognizing the need to secure and maintain control over confidential personal information, as it pertains to credit card data, the Ohio Board of Regents has instituted, and will continue to improve upon several procedures related to conference planning.

Short Term (we have already implemented for paperwork still onsite, which covers the last six years including information for the current year):

- All printed paperwork containing credit card information that is required to be retained onsite per a record retention schedule, has been electronically scanned and stored on a secure drive with limited access.
- All other hard copies of paperwork not required to be retained per records retention schedules and containing credit card information have been promptly securely destroyed.
- All documents retained at off-site storage per the records retention schedule will be securely destroyed when the retention period ends.

Long Term:

- OBR is currently researching registration systems that will allow for all transactions to be performed online eliminating the need for OBR staff to handle credit card information. We anticipate a new contract will start on July 1, 2015.
- If an online transaction is not possible, requiring the use of a virtual terminal, OBR staff will receive the credit card information over the phone and enter it directly into the terminal. No record of the confidential personal information will be recorded or retained.



- If a registrant’s only option is for manual processing via standard mail OBR will make available a credit card payment authorization form. Registrants will have the opportunity to provide their information via a credit card authorization form. This information will be received utilizing the same procedure used for checks. The transaction will be processed via a virtual terminal and the authorization form will be shredded.

Risk*	Remediation Owner	Estimated Completion Date
Moderate	OETC Conference Planner	March 2015

Due to the limited nature of our audit, we have not fully assessed the cost-benefit relationship of implementing the observations and recommendations suggested above. However, these observations reflect our continuing desire to assist your department in achieving improvements in internal controls, compliance, and operational efficiencies.

* Refer to Appendix A for classification of audit observations.



Appendix A – Classification of Conclusions and Observations

Classification of Audit Objective Conclusions

Conclusion	Description of Factors
Well-Controlled	The processes are appropriately designed and/or are operating effectively to manage risks. Control issues may exist, but are minor.
Well-Controlled with Improvement Needed	The processes have design or operating effectiveness deficiencies but do not compromise achievement of important control objectives.
Improvement Needed	Weaknesses are present that compromise achievement of one or more control objectives but do not prevent the process from achieving its overall purpose. While important weaknesses exist, their impact is not widespread.
Major Improvement Needed	Weaknesses are present that could potentially compromise achievement of its overall purpose. The impact of weaknesses on management of risks is widespread due to the number or nature of the weaknesses.

Classification of Audit Observations

Rating	Description of Factors	Reporting Level
Low	Observation poses relatively minor exposure to an agency under review. Represents a process improvement opportunity.	Agency Management; State Audit Committee (Not reported)
Moderate	Observation has moderate impact to the agency. Exposure may be significant to unit within an agency, but not to the agency as a whole. Compensating controls may exist but are not operating as designed. Requires near-term agency attention.	Agency Management and State Audit Committee
High	Observation has broad (state or agency wide) impact and possible or existing material exposure requiring immediate agency attention and remediation.	Agency Management and State Audit Committee