

Controlled Substances

Dell Medical School

March 2022



The University of Texas at Austin
Office of Internal Audits
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February 28, 2022

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 controlled substances at Dell Medical School as part of our Fiscal Year 2021 Audit Plan. The objective of the audit was to determine whether Dell Medical School complies with federal, state, and University requirements and has sufficient internal controls to secure controlled substances. The report is attached for your review.

Overall, Dell Medical School complies with federal, state, and University requirements and has sufficient internal controls to secure controlled substances. A separate memorandum was issued regarding campus-wide oversight for controlled substances in research labs.

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. Timothy Boughal, Senior Compliance Officer, Dell Medical School
Mr. Paul Dubiel, Assistant Director, Shared Services, UT Health Austin
Ms. Jessica Hovland, Director, Ambulatory Surgery Center
Ms. Lisa Jackson, Executive Clinical Director, Dell Medical School
Dr. George Macones, Interim Dean, Dell Medical School
Mr. Dwain Morris, Chief Administrative Officer, Dell Medical School



Executive Summary

Controlled Substances

Dell Medical School

Project Number: 21.018

Audit Objective

The objective of this audit was to determine whether Dell Medical School (DMS) complies with federal, state, and University requirements and has sufficient internal controls to secure controlled substances.

Conclusion

Overall, DMS complies with federal, state, and University requirements and has sufficient internal controls to secure controlled substances.

Background

Controlled substances are identified by the federal Controlled Substances Act as pharmaceuticals or certain chemicals that present a high degree of risk to humans and a significant probability of abuse. Federal regulations govern the procurement, use, security, and disposal of controlled substances in order to minimize the risk that substances are diverted for improper use. DMS currently uses controlled substances in the Ambulatory Surgery Center and Advanced Imaging Center.

Audit Observations

No recommendations were provided.



Audit Results

Overall, Dell Medical School complies with federal, state, and University requirements and has sufficient internal controls to secure controlled substances. The Ambulatory Surgery Center (ASC) and Advanced Imaging Center (AIC) maintain appropriate physical security controls and responsibilities for handling substances are appropriately segregated. Inventories and records were complete and accurate for all substances reviewed.

At the AIC, a single individual was conducting the controlled substances inventory once per day; however, the policy requires multiple daily counts by two licensed staff. During the course of our review, the AIC updated processes to enhance security and comply with its policy.

Risk Considerations

The ASC and AIC have implemented multiple layers of access controls, including storing controlled substances in locking cabinets and securing rooms with Building Access and Security (BACS); however, several individuals had access to the ASC and AIC storage rooms without a requisite need. During this engagement, both areas reviewed their BACS access lists and updated access as needed. Additionally, neither area has a process to periodically update cabinet combinations, though we did not identify evidence that personnel with unnecessary room access were able to access the cabinets. DMS should consider implementing requirements to regularly review storage room access and to periodically update storage cabinet combinations.

Scope, Objectives, and Methodology

This audit was conducted in conformance with The Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*. Additionally, we conducted the audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions on our audit objectives.

The scope of this engagement included current processes in place at DMS.

To achieve the audit objective, we reviewed current policies and practices, verified background checks and required trainings were complete, performed site visits to observe security in place, and reviewed controlled substances inventory and related documentation.



Engagement Team

Mr. Patrick McKinney, CIA, Director

Mr. Brandon Morales, CISA, CGAP, Audit Manager

Report Distribution

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