

Contact: Todd Stewart

FY 2017 AUDIT PROGRESS AND FY 2018 INTERNAL AUDIT PLANS

Action Requested: Receive the progress reports for the universities' FY 2017 audit plans and approve the internal audit plans for FY 2018.

Executive Summary: On an annual basis, the Regent universities compile and submit audit plans to the Audit/Compliance and Investment Committee. In accordance with Board policy, these plans review past accomplishments and identify the next fiscal year's internal audit focuses.

FY 2017 Progress	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>	<u>Total</u>
Audits:				
Original Audits Planned	50	19	8	77
Added During Year	5	2	2	9
Totals	55	21	10	86
Completed	46	13	7	66
In Progress	5	3	2	10
Deferred	2	2	0	4
Cancelled	2	3	1	6
Totals	55	21	10	86

FY 2018 Plans	<u>Scheduled Audits</u>	<u>Total Hours Budgeted*</u>
University of Iowa	42	18,378
Iowa State University	14	6,784
University of Northern Iowa	<u>7</u>	<u>3,472</u>
Total	63	28,634

*Includes budgeted hours for recurring reported audits/reviews, original audits, follow-up audits, non-audit activities, and other responsibilities.

Internal audit plans for FY 2018 are based on known circumstances and certain areas needing routine audit coverage. Portions of the plans are unannounced and unplanned to allow the internal auditors flexibility to respond to events that transpire throughout the year and to add audits throughout the year as necessary. In addition, our ethics hotline identifies possible instances of fraud or financial misconduct that would need to be investigated.

Internal Audit Staff as of June 30, 2017	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>	<u>TOTAL</u>
Full-Time Professional Audit Positions	10	4	2	16
Support / Intern / Student Positions	1	0	0	1

Tables detailing FY 2018 plans and FY 2017 progress for each university are included in this document. Tables containing audits completed for the past three fiscal years may be found on the following pages.

The FY 2018 Internal Audit Plan for all three Regent institutions is based on the following:

- Regent Chief Audit Executive evaluation of plans and guidance from the Board;
- The input of university management personnel, the Auditor of State, and information shared between the three internal audit departments;
- Compilation of institutional risk concerns;
- Risk assessment based on the application of certain risk measurement criteria to the compiled risk concerns; and
- Prioritization based on risk criteria and management input.

The risk assessment performed for FY 2018 identified the following high risk areas:

- Business processes;
- Computing services;
- New business operations;
- Compliance with departmental policies and procedures in areas where there has been a change of top management and complex office processes; and
- Information technology, particularly in areas of new system development and implementation.

UNIVERSITY OF IOWA
Proposed Internal Audit Plan for FY 2018

<u>Audits and Reviews</u>	<u>Hours</u>	<u>Percent</u>
Annual Risk Assessment	450	2.4%
EthicsPoint	300	1.6%
Auto Audit Upgrade	100	0.5%
BioVentures	300	1.6%
Building Access Security	250	1.4%
Campus Volunteers	300	1.6%
Capital Assets Management	300	1.6%
Computer Management	300	1.6%
Contracting Authority	250	1.4%
Department of Earth and Environmental Sciences	250	1.4%
Division of Performing Arts Carry Over	300	1.6%
Division of Student Life	300	1.6%
Durable Medical Equipment	250	1.4%
Emergency Preparedness	400	2.2%
Environmental Health & Safety Office	300	1.6%
Family Medicine	250	1.4%
Flexible Work Arrangements	250	1.4%
FY 17 Home Ticket Revenue Carry Over	80	0.4%
HCIS Cherwell System	250	1.4%
Home Ticket Revenue FY18	100	0.5%
Hospital Late Charges	250	1.4%
Hygienic Lab IT	300	1.6%
ITS Data Center Operations	300	1.6%
Java House Carry Over	50	0.3%
Joint Office of Compliance	250	1.4%
NCAA Compliance Camps and Clinics	80	0.4%
Neurosurgery	250	1.4%
Occupational Health	250	1.4%
Office of Animal Resources Compliance	250	1.4%
Office of Student Financial Aid	300	1.6%
Patient Access Center	250	1.4%
PCI Compliance	300	1.6%
PHI on Mobile Devices	250	1.4%
School of Social Work	300	1.6%
Stead Family Children's Hospital Physical Security	250	1.4%
Student Disability Services	250	1.4%
Telehealth	250	1.4%
UI Home Care Carry Over	100	0.5%
UIHC Capital Management New Clinic Build	250	1.4%
UIHC Environmental Services	250	1.4%
UIHC User Access	300	1.6%
UIHC Violence Protocols	250	1.4%
UIHC Volunteer Services	250	1.4%
University of Iowa Physicians	250	1.4%
VPMA Bonus Structure	250	1.4%
Follow-Up Audits	903	4.9%
Unallocated Hours	1,392	7.5%
Subtotal	13,605	74.2%
<u>Other Audit Responsibilities</u>	<u>Hours</u>	<u>Percent</u>
Administration	2,857	15.5%
Committee Participation	446	2.4%
Performance Evaluations	115	0.6%
Professional Development	630	3.4%
Staff Meetings	725	3.9%
Subtotal	4,773	25.8%
Total	18,378	100.0%

IOWA STATE UNIVERSITY
Proposed Audit Plan for FY 2018

<u>Audits and Reviews</u>	<u>Hours</u>	<u>Percent</u>
Athletics Department Labor Expenses	250	3.7%
Athletics Department Ticket Operations	250	3.7%
Capital Projects Payment Process	265	3.9%
College of Human Sciences - Dean's Office	240	3.5%
Department of Apparel, Events, and Hospitality Management	250	3.7%
Department of Biochemistry, Biophysics, and Molecular Biology	250	3.7%
Department of Sociology	250	3.7%
Greenlee School of Journalism and Communication	250	3.7%
International Travel for Employees	300	4.4%
NCAA Compliance - Camps and Clinics	150	2.2%
Office of Student Financial Aid Professional Judgement Reviews	200	2.9%
Recreation Services	300	4.4%
Study Abroad Center	300	4.4%
Thielen Student Health Center	300	4.4%
Annual Risk Assessment and Audit Planning	250	3.7%
Follow-up Audits	585	8.7%
Fraud/Special Investigations	125	1.8%
Unassigned/Unplanned	685	10.1%
Subtotal	5,200	76.6%
<u>Other Audit Responsibilities</u>	<u>Hours</u>	<u>Percent</u>
Administration	640	9.5%
Committee Participation	330	4.9%
Performance Evaluations	50	0.7%
Professional Development	260	3.8%
Staff Meetings	304	4.5%
Subtotal	1,584	23.4%
Total	6,784	100%

UNIVERSITY OF NORTHERN IOWA
Proposed Audit Plan for FY 2018

<u>Audits and Reviews</u>	<u>Hours</u>	<u>Percent</u>
Annual Risk Assessment	225	6.5%
Academic Learning Center	188	5.4%
College of Business	300	8.6%
Fixed Assets	280	8.1%
Environmental Health and Safety	280	8.1%
Regents Early Development Center	300	8.6%
School of Music	320	9.2%
UNItix	166	4.8%
Follow-up Audits	400	11.5%
Unassigned/Unplanned	364	10.5%
Subtotal	2,823	81.3%
<u>Other Audit Responsibilities</u>	<u>Hours</u>	<u>Percent</u>
Administration	300	8.6%
Committee Participation	95	2.7%
Performance Evaluations	24	0.7%
Professional Development	120	3.5%
Staff Meetings	110	3.2%
Subtotal	649	18.7%
Total	3,472	100.0%

**UNIVERSITY OF IOWA
Audits Completed in the Past Four Fiscal Years**

ORIGINAL REPORTS	FY14	FY15	FY16	FY17
Intercollegiate Athletics - Home Game Ticket Revenue	√	√	√	√
2014 Outback Bowl	√			
2015 Early Retirement Incentive Program			√	
340B Drug Pricing Program	√			
Accounts Payable and Purchasing		√		
AcuDose	√			
Admission and Transfer Center				√
AeroScout	√			
Affordable Care Act			√	
Anesthesia			√	
Athletics				√
Benefits				√
Biochemistry	√			
Biology Information Technology		√		
Bowen Science Building Information Technology		√		
BuildUI	√			
Campus Social Security Number Remediation			√	
Carver College of Medicine Administration	√			
Center for Biocatalysis and Bioprocessing	√			
Center for Digestive Disease Charge Capture			√	
Center for Disabilities and Development				√
Centralized Coding			√	
Centralized Management of Scheduling Program Audit		√		
Child Health Specialty Clinics				√
Claim Submission and Electronic Remittance Process			√	
Clinical Quality Safety and Performance Improvement			√	
Cloud Computing				√
College of Dentistry	√			
College of Education				√
College of Engineering IT				√
College of Engineering Sponsored Research Administration	√			
College of Nursing	√			
College of Pharmacy		√		
College of Public Health	√			
Communication Sciences and Disorders		√		
Community Connect				√
Compliance and Qualifications System				√
Controlled Substances in Laboratories			√	
Criminal Background Checks	√			
DeGowin Blood Center			√	
Denial Management and Follow-up Processes				√
Department of Anatomy and Cell Biology		√		
Department of Chemistry				√
Department of Family Medicine	√			
Department of Neurology				√
Department of Pathology	√			
Department of Psychiatry			√	
Department of Public Safety			√	
Department of Radiology	√			
Department of Risk Management, Insurance and Loss Prevention		√		
Division of Pulmonary Medicine		√		
Division of Sponsored Programs				√
Dual Degree Programs			√	
EPIC Beacker		√		
Epic Willow Ambulatory System				√

**UNIVERSITY OF IOWA
Audits Completed in the Past Four Fiscal Years**

ORIGINAL REPORTS	FY14	FY15	FY16	FY17
Extra Compensation for Teaching Academic Courses				√
Facilities Management Information Technology		√		
Finance and Business Information Services IT			√	
Finkbine Golf Course			√	
Fleet Services		√		
Flexible Benefits		√		
Fraternal Order of Eagles Diabetes Research Center		√		
Ghost Employees	√			
Grade Entry and Grade Changes		√		
Grant Accounting				√
H-1B Immigration Processes				√
Hancher				√
Hawkeye Express Cash Handling	√			
Health Information Management				√
Heart and Vascular Center			√	
Hematology, Oncology, and Blood & Marrow Transplantation		√		
Hospital Supply Chain Management				√
Internal Medicine			√	
International Programs			√	
International Writing Program				√
Iowa Comprehensive Lung Imaging Center	√			
Iowa Courses Online (ICON)			√	
Iowa House Hotel		√		
Iowa Lakeside Laboratory Regents Resource Center			√	
Iowa River Landing and Billing Financials	√			
Iowa River Landing Cash Handling	√			
Iowa River Landing Medication Security	√			
Iowa River Landing Procedure Billing				√
Iowa Testing Programs	√			
MAUI Billing	√			
MAUI Software Change Management	√			
Maxient Student Discipline Database Software		√		
Mobile Device Encryption				√
National Advanced Driving Simulator Information Technology	√			
NCAA Camps and Clinics	√			
NCAA Certification of Compliance			√	
NCAA Compliance - Coaching Staff Limits and Contracts	√			√
NCAA Compliance - Extra Benefits - Equipment and Apparel				√
NCAA Compliance - Extra Benefits - Representatives of the University's Athletic Interests	√			√
NCAA Compliance - Extra Benefits - Student-Athlete Vehicles		√		
NCAA Compliance - Extra Benefits - Team Travel				√
NCAA Compliance - Financial Aid Administration				√
NCAA Compliance - Playing and Practice Seasons		√		
NCAA Compliance - Student-Athlete Employment				√
NCAA Complimentary Admissions			√	
NCAA Eligibility, Amateurism, and Academic Performance			√	
NCAA General Compliance			√	
NCAA Recruiting On and Off Campus			√	
Observation Patient Status - Revenue Loss		√		
Office of Admissions		√		
Office of Animal Resources	√			
Office of Strategic Communication	√			
Office of the Patient Experience			√	
Office of the President			√	
Off-site Medicatio Supply Chain				√

Audits Completed in the Past Four Fiscal Years

ORIGINAL REPORTS	FY14	FY15	FY16	FY17
Onboarding	√			
Optiflex		√		
Orthopedics			√	
Pain Medicine Clinic		√		
Parking				√
Pediatrics			√	
Physical Therapy and Rehabilitation Sciences		√		
Public Policy Center			√	
ReadySet System				√
Recharge Centers	√			
Recreational Services				√
Reduction in Force		√		
Residence Hall Security		√		
Safety and Security's Video Surveillance System			√	
School of Art and Art History			√	
Sociology Information Technology			√	
Sports Clubs	√			
State Hygienic Laboratory			√	
Student Activity Fees		√		
Student Course Fees	√			
Surgery Preauthorization		√		
The University Club			√	
UI Health Care Clinical Trial				√
UI Health Care Marketing and Communications				√
UI Health Care Outreach				√
UI Health System Financial Management				√
UIHC Bioengineering			√	
UIHC Capital Management			√	
UIHC Cash Handling			√	
UIHC Charity Care				√
UIHC Contract Compliance	√			
UIHC Dialysis Services		√		
UIHC Engineering Services			√	
UIHC Food and Nutrition Services	√			
UIHC Health System Governance and Processes				√
UIHC Project Art		√		
UIHC Safety and Security		√		
Universal Workflow				√
University Book Store				√
University Counseling Services	√			
University Libraries	√			
University of Iowa Alumni Association		√		
University of Iowa Community Medical Services	√			
University of Iowa Research Foundation				√
University Surplus		√		
User Access				√
Utilities Network				√
Utilization Management			√	
Valet Services		√		
Voalte		√		
Volunteer Gift Shop		√		
Work Injury Recovery Center		√		

Audits Completed in the Past Four Fiscal Years

ORIGINAL REPORTS	FY14	FY15	FY16	FY17
America's Small Business Development Centers Iowa			√	
Bioeconomy Institute	√			
Clery Act (aka Campus Safety and Security Under the HEA)	√			
College of Business		√		
College of Design	√			
College of Engineering		√		
CVIS and Vetstar				√
Department of Animal Science Farms	√			
Department of Biomedical Science		√		
Department of Economics				√
Department of Human Development and Family Studies				√
Department of Physics and Astronomy	√			
Department of Residence		√		
Department of Statistics			√	
Employment Verification and Background Checks				√
Facilities Planning and Management		√		
Federal Work Study		√		
Global Programs - College of Agriculture and Life Sciences	√			
InTrans		√		
Iowa State Center	√			
ISU Dining	√			
ISU Dining - Cash Handling				√
ISU Flight Service and University Owned Aircraft				√
ISU Research and Demonstration Farms			√	
NCAA Compliance - Academic Performance Program				√
NCAA Compliance - Amateurism		√		
NCAA Compliance - Camps and Clinics	√			
NCAA Compliance - Commitment of Personnel to Rules Compliance	√			
NCAA Compliance - Financial Aid			√	
NCAA Compliance - Governance and Organization		√		
NCAA Compliance - Investigation and Self Reporting			√	
NCAA Compliance - Playing and Practice Seasons	√			
NCAA Compliance - Recruiting				√
NCAA Compliance - Rules Education	√			
NCAA Compliance - Student Athlete Employment	√			
Office of Intellectual Property and Technology Transfer				√
Office of the Vice President for Research		√		
Procure to Pay Process	√			
Property Control System Analysis (aka Control of Federal Equipment)	√			
School of Education				√
Storage and Transportation of Weapons				√
University Library		√		
Veenker Memorial Golf Course				√
Velocity Security Management System			√	
Veterinary Field Services				√
Veterinary Medical Center			√	

**UNIVERSITY OF NORTHERN IOWA
Audits Completed in the Past Four Fiscal Years**

ORIGINAL REPORTS	FY14	FY15	FY16	FY17
Arctic, Remote, and Cold Territories Interdisciplinary Center				√
Athletic Travel		√		
Campus Supply and Warehousing			√	
Career Services				√
Center for Business Growth and Development				√
Center for Energy & Environmental Education			√	
Center for Multicultural Education		√		
Center for Social and Behavioral Research			√	
Center for Teaching and Learning Mathematics			√	
Centers Administration		√		
College of Education				√
Counseling Center		√		
Department of Technology			√	
Emeritus Controls		√		
Event Center Beverages			√	
Institute for Decision Making				√
International Student Teaching	√			
Jacobson Center	√			
McNair Scholars Program	√			
Metal Casting Center		√		
National Agricultural-Based Lubricants	√			
Physical Plant Administration		√		
Psychological Assessment Clinic	√			
Public Safety	√			
Research & Sponsored Programs	√			
School of Kinesiology, Allied Health and Human Services			√	
Special and Summer Compensation			√	
Speech and Hearing Clinic			√	
Student Life and Event Services				√
Student Organizations and Intramural & Club Sports	√			
Study Abroad Programs		√		
Tall Grass Prairie Center				√
Theatre Department			√	
Wellness & Recreation Services	√			