

Contact: Patrice Sayre

FY 2018 AUDIT PROGRESS AND FY 2019 INTERNAL AUDIT PLANS

Action Requested: Receive the progress reports for the universities' FY 2018 audit plans and approve the internal audit plans for FY 2019.

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

FY 2018 Progress	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>	<u>Total</u>
Audits:				
Original Audits Planned	42	15	7	64
Added During Year	5	0	2	7
Totals	47	15	9	71
Completed	32	9	7	48
In Progress	9	4	2	15
Deferred	2	2	0	4
Cancelled	4	0	0	4
Totals	47	15	9	71

FY 2019 Plans	<u>Scheduled Audits</u>	<u>Total Hours Budgeted*</u>
University of Iowa	48	18,656
Iowa State University	17	6,944
University of Northern Iowa	<u>9</u>	<u>3,472</u>
Total	74	29,072

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

Internal audit plans for FY 2019 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, 2018	<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 2019 plans and FY 2018 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 2019 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 2019 identified the following high risk areas:

- Effectiveness and efficiency of operational processes;
- Governance and regulatory compliance;
- IT governance, security and data protection, and data privacy;
- New and changed business operations;
- Alignment of operations to strategic plans and objectives; and
- Organization-wide initiatives.

UNIVERSITY OF IOWA
Proposed Internal Audit Plan for FY 2019

<u>Audits and Reviews</u>	<u>Hours</u>	<u>Percent</u>
Biology	250	1.3%
Building Access Security Carry Over	20	0.1%
Charge Master Maintenance Process	250	1.3%
Clinical Staff Office	250	1.3%
College of Engineering	300	1.7%
Computer Management	300	1.7%
Creative Writing	200	1.1%
Department of Earth and Environmental Sciences Carry Over	200	1.1%
Division of Public Safety IT	250	1.3%
Facilities Management Bidding Processes	250	1.3%
Family Medical Leave Act	250	1.3%
Genetic Counseling	150	0.9%
HCIS Cherwell System Carry Over	50	0.3%
Holden Comprehensive Cancer Center	250	1.3%
Home Ticket Revenue FY18 Carry Over	20	0.1%
Home Ticket Revenue FY19	100	0.6%
Inpatient Nurse Charges	250	1.3%
Institutional Review Boards	250	1.3%
NCAA Compliance - Camps and Clinics	100	0.6%
NCAA Compliance - Playing and Practice Seasons	40	0.3%
Office of Fraternity and Sorority Life	250	1.3%
Office of the State Archaeologist	250	1.3%
Paciolan Ticket System	250	1.3%
Paid Leave	250	1.3%
Payroll	350	1.9%
Pre-Paid Services Carry Over	100	0.6%
Radiology Department	250	1.3%
Rape Victim Advocacy Program (RVAP)	250	1.3%
School of Social Work Carry Over	40	0.3%
Stanley Museum of Art	250	1.3%
Stratajazz	250	1.3%
Student Athlete Academic Services	250	1.3%
Student Health and Wellness Carry Over	100	0.6%
Taleo	300	1.7%
Tenant Properties	250	1.3%
UI Health Care Finance	250	1.3%
UI Health Care Infusion Center	250	1.3%
UI Health Care New Product Review Committee	250	1.3%
UI Health Care Post Acute Strategies	250	1.3%
UI Health Care Research Data Security	250	1.3%
UI Health Care Research Laboratory IT Security	250	1.3%
UIHC Emergency Management Carry Over	200	1.1%
UIHC Internet of Things	250	1.3%
UIHC Pharmacy Diversion Controls	250	1.3%
UIHC Processed Stores	250	1.3%
University of Iowa Research Information System (UIRIS)	250	1.3%
University of Iowa Construction Change Orders	250	1.3%
Vulnerability Scanning	250	1.3%
Annual Risk Assessment	450	2.5%
EthicsPoint	300	1.7%
Follow-Up Audits	994	5.4%
Unallocated Hours	1,742	9.4%
Subtotal	13,806	74.0%
Other Audit Responsibilities	Hours	Percent
Administration	2,910	15.6%
Committee Participation	450	2.4%
Performance Evaluations	116	0.6%
Professional Development	640	3.4%
Staff Meetings	734	4.0%
Subtotal	4,850	26.0%
Total	18,656	100.0%

**IOWA STATE UNIVERSITY
Proposed Internal Audit Plan for FY 2019**

<u>Audits and Reviews</u>	<u>Hours</u>	<u>Percent</u>
Athletics Department Expenses	250	3.6%
Athletics Department Ticket Operations Carry Over	160	2.3%
Center for Survey Statistics and Methodology	250	3.6%
Construction Change Orders	250	3.6%
Controlled Substances in Laboratories	250	3.6%
Department of Apparel Events and Hospitality Management Carry Over	60	0.9%
Department of Computer Science	250	3.6%
Department of Natural Resource Ecology and Management	300	4.3%
Department of Psychology	250	3.6%
Department of Sociology Carry Over	20	0.3%
Emergency Preparedness	300	4.3%
Extension and Outreach	250	3.6%
International Travel for Employees	300	4.3%
Memorial Union	300	4.3%
NCAA Compliance - Extra Benefits	250	3.6%
NCAA Compliance - Financial Aid Administration	250	3.6%
Study Abroad Center Carry Over	70	1.0%
Annual Risk Assessment and Audit Planning	250	3.6%
Fraud and Special Investigations	100	1.4%
Follow-up Audits	295	4.2%
Unassigned/Unplanned	559	8.1%
Subtotal	4,964	71.5%
<u>Other Audit Responsibilities</u>	<u>Hours</u>	<u>Percent</u>
Administration	665	9.6%
Committee Participation	475	6.8%
Performance Evaluations	50	0.7%
Professional Development	400	5.8%
Staff Meetings	390	5.6%
Subtotal	1,980	28.5%
Total	6,944	100%

UNIVERSITY OF NORTHERN IOWA
Proposed Internal Audit Plan for FY 2019

<u>Audits and Reviews</u>	<u>Hours</u>	<u>Percent</u>
ACH and Wire Transfer Process Carry Over	176	5.0%
Active Directory Security	220	6.3%
Construction Change Orders	250	7.2%
Disposal of Equipment and Technology	300	8.7%
Dome Operations	320	9.2%
Department of Residence Hall Security	7	0.2%
Financial Aid Special Circumstances	250	7.2%
School of Music Carry Over	20	0.6%
University Relations	300	8.7%
Annual Risk Assessment	250	7.2%
Follow-up Audits	390	11.2%
Unassigned/Unplanned	300	8.7%
Subtotal	2,783	80.2%
<u>Other Audit Responsibilities</u>	<u>Hours</u>	<u>Percent</u>
Administration	325	9.4%
Committee Participation	75	2.1%
Performance Evaluations	24	0.7%
Professional Development	120	3.4%
Staff Meetings	145	4.2%
Subtotal	689	19.8%
Total	3,472	100.0%

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

ORIGINAL REPORTS	FY15	FY16	FY17	FY18
Intercollegiate Athletics - Home Game Ticket Revenue	√	√	√	√
2015 Early Retirement Incentive Program		√		
Accounts Payable and Purchasing	√			
Admission and Transfer Center			√	
Affordable Care Act		√		
Anesthesia		√		
Animal Research Compliance				√
Athletics			√	
Benefits			√	
BioVentures				√
Biology Information Technology	√			
Bowen Science Building Information Technology	√			
Campus Social Security Number Remediation		√		
Campus Volunteers				√
Capital Assets Management				√
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 Education			√	
College of Engineering IT			√	
College of Pharmacy	√			
Communication Sciences and Disorders	√			
Community Connect			√	
Compliance and Qualifications System			√	
Controlled Substances in Laboratories		√		
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 Psychiatry		√		
Department of Public Safety		√		
Department of Risk Management, Insurance and Loss Prevention	√			
Division of Performing Arts				√
Division of Pulmonary Medicine	√			
Division of Sponsored Programs			√	
Division of Student Life				√
Dual Degree Programs		√		
Durable Medical Equipment				√
EPIC Beacker	√			
Emergency Preparedness				√
Environmental Health and Safety Office				√
Epic Willow Ambulatory System			√	
Extra Compensation for Teaching Academic Courses			√	
Facilities Management Information Technology	√			

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

ORIGINAL REPORTS	FY15	FY16	FY17	FY18
Finance and Business Information Services IT		√		
Finkbine Golf Course		√		
Fleet Services	√			
Flexible Benefits	√			
Fraternal Order of Eagles Diabetes Research Center	√			
Grade Entry and Grade Changes	√			
Grant Accounting			√	
H-1B Immigration Processes			√	
Hancher			√	
Health Information Management			√	
Heart and Vascular Center		√		
Hematology, Oncology, and Blood & Marrow Transplantation	√			
Hospital Late Charges				√
Hospital Supply Chain Management			√	
Internal Medicine		√		
International Programs		√		
International Writing Program			√	
Iowa Courses Online (ICON)		√		
Iowa House Hotel	√			
Iowa Lakeside Laboratory Regents Resource Center		√		
Iowa River Landing Procedure Billing			√	
ITS Data Center Operations				√
Joint Office for Compliance				√
Maxient Student Discipline Database Software	√			
Mobile Device Encryption			√	
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	√			
Occupational Health				√
Office of Admissions	√			
Office of Student Financial Aid				√
Office of the Patient Experience		√		
Office of the President		√		
Off-site Medication Supply Chain			√	
Optiflex	√			
Orthopedics		√		
Pain Medicine Clinic	√			
Parking			√	
Payment Card Industry Compliance				√
Pediatrics		√		

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

ORIGINAL REPORTS	FY15	FY16	FY17	FY18
Physical Therapy and Rehabilitation Sciences	√			
Protected Health Information on Mobile Devices				√
Public Policy Center		√		
ReadySet System			√	
Recreational Services			√	
Reduction in Force	√			
Residence Hall Security	√			
Safety and Security's Video Surveillance System		√		
School of Art and Art History		√		
Sociology Information Technology		√		
State Hygienic Laboratory		√		
State Hygienic Lab IT				√
Stead Family Children's Hospital Physical Security				√
Student Activity Fees	√			
Student Disability Services				√
Surgery Preauthorization	√			
Telemedicine				√
The University Club		√		
UI Community HomeCare				√
UI Health Care Clinical Trial			√	
UI Health Care Patient Access Center				√
UI Health Care Marketing and Communications			√	
UI Health Care Outreach			√	
UI Health Care User Access				√
UI Health System Financial Management			√	
UIHC Bioengineering		√		
UIHC Capital Management		√		
UIHC Capital Management New Clinic Build				√
UIHC Cash Handling		√		
UIHC Charity Care			√	
UIHC Dialysis Services	√			
UIHC Engineering Services		√		
UIHC Environmental Services				√
UIHC Health System Governance and Processes			√	
UIHC Project Art	√			
UIHC Safety and Security	√			
UIHC - The Java House Contract				√
UIHC Violence Protocols				√
Universal Workflow			√	
University Book Store			√	
University of Iowa Alumni Association	√			
University of Iowa Physicians				√
University of Iowa Research Foundation			√	
University Surplus	√			
User Access			√	
Utilities Network			√	
Utilization Management		√		
Valet Services	√			
Voalte	√			
Volunteer Gift Shop	√			
Volunteer Services				√
Work Injury Recovery Center	√			

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

ORIGINAL REPORTS	FY15	FY16	FY17	FY18
America's Small Business Development Centers Iowa		√		
Capital Project Payments				√
College of Business	√			
College of Engineering	√			
College of Human Sciences				√
CVIS and Vetstar			√	
Department of Biomedical Science	√			
Department of Economics			√	
Department of Human Development and Family Studies			√	
Department of Residence	√			
Department of Statistics		√		
Employment Verification and Background Checks			√	
Facilities Planning and Management	√			
Federal Work Study	√			
Greenlee School of Journalism and Communication				√
InTrans	√			
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 - Financial Aid		√		
NCAA Compliance - Governance and Organization	√			
NCAA Compliance - Investigation and Self Reporting		√		
NCAA Compliance - Recruiting			√	
NCAA Compliance - Student-Athlete Eligibility				√
Office of Intellectual Property and Technology Transfer			√	
Office of Student Financial Aid Professional Judgement Reviews				√
Office of the Vice President for Research	√			
Recreation Services				√
Roy J. Carver Department of Biochemistry, Biophysics, and Molecular Biology				√
School of Education			√	
Storage and Transportation of Weapons			√	
Thielen Student Health Center				√
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	FY15	FY16	FY17	FY18
Academic Learning Center				√
Arctic, Remote, and Cold Territories Interdisciplinary Center			√	
Athletic Travel	√			
Campus Supply and Warehousing		√		
Capital Assets				√
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 Business Administration				√
College of Education			√	
Compensated Effort				√
Counseling Center	√			
Department of Technology		√		
Emeritus Controls	√			
Environmental Health and Safety				√
Event Center Beverages		√		
Institute for Decision Making			√	
Metal Casting Center	√			
Physical Plant Administration	√			
Regents' Center for Early Developmental Education				√
School of Kinesiology, Allied Health and Human Services		√		
Special and Summer Compensation		√		
Speech and Hearing Clinic		√		
Student Life and Event Services			√	
Study Abroad Programs	√			
Tall Grass Prairie Center			√	
Theatre Department		√		
UNItix				√