










**INTERNAL AUDIT REPORTS ISSUED**

**Action Requested:** Receive the original and follow-up internal audit reports.

**Executive Summary:** Completed institutional internal audit reports are reported to the Audit and Compliance Committee as required by Board policy.

<b>ORIGINAL REPORTS</b>	<b>CEA*</b>	<b>Status</b>
UNIVERSITY OF IOWA		
• College of Engineering		Open
• Department of Anesthesia		Open
• Department of Surgery		Open
• Intercollegiate Athletics – Home Game Ticket Revenue FY 2020		Closed
• Orthopedics Department		Open
• Pharmacy Inventory		Open
• Title IX		Open
• UI Health Care Operating Rooms		Open
IOWA STATE UNIVERSITY		
• Department of Music and Theatre		Open

*\*Assessment of Controls/Efficiencies (CEA) are defined on the following page.*

**FOLLOW-UP REPORTS**

UNIVERSITY OF IOWA




- Building Access Security Closed
- College of Dentistry Revenue Cycle Closed
- Facilities Management Bidding Process Closed
- Iowa Consortium for Substance Abuse Closed
- Sleep Disorders Clinic Closed
- UIHC Diversion and Impairment Investigations Closed
- Youth Programs Closed

IOWA STATE UNIVERSITY

- Center for Survey Statistics and Methodology Closed

UNIVERSITY OF NORTHERN IOWA

- University Relations Closed

<p><b>HIGH</b></p> 	<ul style="list-style-type: none"> <li>• Could seriously affect several areas within the university. Exposes the university to unacceptable risks or liability if not corrected OR</li> <li>• Involves difficult issues requiring the attention of executive management OR</li> <li>• Involves compliance with Federal, State, or other laws and could result in serious consequences if not implemented OR</li> <li>• Unacceptable weakness in the internal and/or accounting controls OR</li> <li>• Substantial savings (perhaps millions) can potentially be realized by correcting.</li> </ul>
<p><b>MODERATE</b></p> 	<ul style="list-style-type: none"> <li>• Could seriously affect a department or area within the university OR</li> <li>• Involves a difficult issue requiring the attention of upper management OR</li> <li>• Involves compliance with Federal, State or other law and could result in minor consequences if not implemented OR</li> <li>• Weakness in the internal and/or accounting controls OR</li> <li>• Savings (perhaps thousands) can potentially be realized by correcting.</li> </ul>
<p><b>LOW</b></p> 	<ul style="list-style-type: none"> <li>• Can affect a department or may be common to several areas OR</li> <li>• Could result in improved internal and accounting control OR</li> <li>• Can be corrected relatively easily OR</li> <li>• Could result in improved efficiency or effectiveness of operations OR</li> <li>• No reportable observations or corrective action taken prior to report issuance.</li> </ul>

*The internal auditors have utilized the colors for the CEA in evaluating each overall audit report.*



**University of Iowa  
College of Engineering**

*Issued September 23, 2020*

Status: Open

In the 2018-2019 academic year, enrollment at the College of Engineering included 2,176 undergraduates and 269 graduate students. This audit was performed to review financial, purchasing, and human resources processes to determine whether controls were in place and operating to adequately manage risk. Primary audit recommendations include constraining the size of balances in student course fee accounts, seeking information to ensure faculty are properly utilizing summer appointments when working on sponsored programs, and establishing new control procedures to ensure employee time and leave is being reported accurately. Other recommendations included areas regarding the shop transaction management system, official travel approvals, monthly transaction detail report reconciliations, and AMAG electronic door locks. Management expects to complete its action plans by January 2021.



**University of Iowa  
Department of Anesthesia**

*Issued September 23, 2020*

Status: Open

The Department of Anesthesia audit was completed to examine Anesthesia's business processes to ensure proper internal controls are in place and working as intended. Audit recommendations include analyzing operating room case delays to improve scheduling or other operational efficiencies, working with the university's Tax Office on special compensation practices, and following appropriate hiring processes. Management expects to complete its action plans by June 2021.



**University of Iowa  
Department of Surgery**

*Issued September 23, 2020*

Status: Open

The Department of Surgery audit was completed to determine whether controls are effective over operating room (OR) scheduling processes and whether opportunities exist to improve utilization of OR space. Significant action plans developed in response to the audit include re-evaluating how unused operating room slots are re-distributed, working with Main OR administration to improve utilization in the Ambulatory Service Center, re-evaluating how allocated OR space is distributed across the department, and looking for opportunities to reduce the number of delays to surgery starts. Management expects to complete its action plans by May 2021.



**University of Iowa  
Intercollegiate Athletics – Home Game Ticket Revenue FY 2020**

*Issued September 23, 2020*

Status: Closed

This audit is performed annually to provide an independent verification and reconciliation of regular season home game athletic ticket revenue, ensure accurate payment of sales tax, ensure completion of guaranteed payments according to Big Ten revenue-sharing regulations or contractual terms to visiting institutions, and reconcile complimentary ticket listings. No material audit findings or weaknesses were noted during the course of this audit. This audit is closed.



**University of Iowa  
Orthopedics Department**

*Issued September 23, 2020*

Status: Open

The Orthopedics Department audit was completed to provide reasonable assurance that departmental business processes and financial transactions have appropriate internal controls and are operating as intended. Primary audit recommendations include documenting Operating Room (OR) scheduling guidelines, tracking causes for and reducing first start delays in the OR when possible, monitoring staff with overdue compliances and escalating as needed for continued non-compliance, and updating the departmental cash handling policy. Management expects to complete its action plans by July 2020.



**University of Iowa  
Pharmacy Inventory**

*Issued September 23, 2020*

Status: Open

The Pharmacy Inventory audit was completed to evaluate whether opportunities exist to increase operational efficiencies. The Pharmacy Department provides care to inpatient and ambulatory patients throughout the hospital and all clinics. In fiscal year 2019, approximately \$280 million of drug inventory was purchased and distributed through the department's hospital and retail pharmacies. Demand for pharmacy services continues to increase in conjunction with hospital volumes, causing inventory volumes to increase. Primary audit recommendations include garnering senior-level support and resources for the implementation of Epic Willow for management of inpatient inventory, creating a report to assess and analyze total adjustments made throughout the year, and completing staff training to ensure that current processes and procedures are followed so that inventory is accurately tracked. Management expects to complete its action plans by June 2021.



**University of Iowa  
Title IX**

*Issued September 23, 2020*

Status: Open

Title IX of the Education Amendments of 1975 prohibits discrimination based on sex, in education programs and activities in federally funded schools. The law protects students, employees, applicants for admission and employment, and others from all forms of sex discrimination including sexual harassment, sexual misconduct, and retaliation. The university's Title IX complaint and investigation process is decentralized and supported by several departments and systems. Audit recommendations include consolidating and centralizing policies and procedures where possible; performing system reconciliations; establishing standards for Title IX job descriptions, training, report distribution and document retention; and improving physical and system access tracking and review. Management expects to complete all actions plans by January 2021.



**University of Iowa  
UI Health Care Operating Rooms**

*Issued September 23, 2020*

Status: Open

The UI Health Care Operating Rooms (ORs) audit was completed to evaluate controls over the UI Health Care OR processes and to determine whether opportunities exist to improve OR utilization and patient throughput. Recommendations include redefining OR case delay and cancelation reason codes, retraining staff to ensure accuracy of reason codes selected, and obtaining OR consent forms earlier to reduce delays. Other recommendations include changing first-case start time in the Stead Family Children's Hospital to accommodate nursing preoperative processes and reviewing surgeon scheduling processes to optimize case scheduling and reduce overbooking surgeons. Management expects to complete its action plans by August 2020.



**Iowa State University  
Department of Music and Theatre**














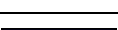
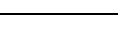




*Issued September 23, 2020*

Status: Open




The Iowa State University Department of Music and Theatre audit was completed to evaluate the adequacy of significant administrative and fiscal processes and provide reasonable assurance that internal controls are in place and operating as intended. Audit recommendations include developing procedures to track private music lessons for minors provided by faculty, providing more secure methods of handling cash, ensuring contracts are signed by individuals with appropriate signature authority, confirming completion of Conflict of Interest and Commitment Disclosures, and ensuring student fees have appropriate justification and documentation. Management expects to complete its action plans by December 2020.

**STATUS OF AUDIT FOLLOW-UPS**



**University of Iowa**

<b>Title</b>	<b>Report Date</b>	<b>Original Follow-Up Date</b>	<b>Revised Follow-Up Date</b>	<b>Action Status</b>
1. Emergency Preparedness	Oct 31, 2017	Nov 2019	Jan 2020	
2. Department of Internal Medicine	Sept 18, 2019	Feb 2020		
3. Obstetrics and Gynecology	April 1, 2020	March 2020		
4. Department of Radiology	June 5, 2019	April 2020		
5. Iowa Electronic Markets	Sept 18, 2019	April 2020		
6. Rape Victim Advocacy Program	Nov 13, 2019	May 2020		
7. University Billing Office	June 4, 2020	May 2020		
8. Student-Athlete Academic Services	Feb 5, 2020	June 2020		
9. University of Iowa Diagnostic Laboratories Revenue Cycle	June 4, 2020	June 2020		
10. Department of Public Safety Information Technology	June 5, 2019	Aug 2020		
11. Paciolan Ticket System	June 5, 2019	Aug 2020		
12. Department of Biology	Feb 5, 2020	Aug 2020		
13. Computer Management	Feb 27, 2019	Sept 2020		
14. Emergency Department	Feb 5, 2020	Nov 2020		
15. Human Subjects Office, Institutional Review Board, and Other Review Committees	Nov 13, 2019	Jan 2021		
16. UIHC Facility Preventative Maintenance	Nov 13, 2019	Jan 2021		
17. Pharmacy Prior Authorizations	Nov 13, 2019	Feb 2021		
18. Discharge Process	Feb 5, 2020	Feb 2021		
19. Vulnerability and Patch Management	Feb 5, 2020	Aug 2021		





**Iowa State University**

<b>Title</b>	<b>Report Date</b>	<b>Original Follow-Up Date</b>	<b>Revised Follow-Up Date</b>	<b>Action Status</b>
20. Disability Accommodations	Feb 5, 2020	Aug 2020		
21. Controlled Substances in Research Laboratories	Feb 5, 2020	Nov 2020		
22. Transportation Services	June 4, 2020	Aug 2021		

**University of Northern Iowa**

Title	Report Date	Original Follow-Up Date	Revised Follow-Up Date	Action Status
23. Active Directory	Feb 5, 2020	Sept 2020		
24. National Program for Playground Safety	June 4, 2020	April 2021		

**Follow-Up Legend**

	<ul style="list-style-type: none"> <li>Planned corrective action and/or follow-up report not completed within six months of originally scheduled date.</li> </ul>
	<ul style="list-style-type: none"> <li>Planned corrective action and/or follow-up report not completed within three months of originally scheduled date.</li> </ul>
	<ul style="list-style-type: none"> <li>Follow-up report is due and is within three months of originally scheduled completion date.</li> </ul>
	<ul style="list-style-type: none"> <li>Follow-up report not yet due.</li> </ul>