








**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		
• Biochemistry Stores		Open
• COVID-19 Pay Practices		Closed
• Joint Office of Outreach Clinical Services		Open
• NCAA Compliance – Extra Benefits – Student-Athlete Vehicles		Closed
• Salesforce		Open
• State Hygienic Laboratory Tests of Public Health Significance		Open
UNIVERSITY OF NORTHERN IOWA		
• UNI Bookstore		Open

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




**FOLLOW-UP REPORTS**

UNIVERSITY OF IOWA

- College of Engineering Closed
- Fraternity and Sorority Life Closed
- Housing and Dining Misconduct Protocols Closed

IOWA STATE UNIVERSITY

- Department of Kinesiology Closed

	<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  
Biochemistry Stores**

*Issued November 3, 2021*

Status: Open

The Biochemistry Stores audit was completed to evaluate controls over processes and determine if opportunities for improvement exist. Primary recommendations include assessing established reorder points to ensure ordering practices are consistent with demand, reviewing items scheduled for manual ordering to determine if automatic ordering can be utilized to improve efficiency, and documenting inventory count resolutions or manual adjustments needed. Management expects to complete its action plans by July 2022.



**University of Iowa  
COVID-19 Pay Practices**

*Issued November 3, 2021*

Status: Closed

The University of Iowa (UI) implemented changes to pay practices to manage the impact of COVID-19. Changes originated from the university itself as well as from the Iowa Board of Regents, State of Iowa, and federal government. This audit was performed to examine whether controls are in place to ensure the policy and pay practice changes are being applied consistently to affected employees. Certain policies were examined directly, including University Human Resources oversight of additional sick leave allocations for COVID-19-related purposes, and UI Health Care's fiscal year 2021 cost-saving measures that impacted approximately 11,485 workers. No material weaknesses were noted during the audit and the audit is closed.



**University of Iowa**  
**Joint Office of Outreach Clinical Services**

*Issued November 3, 2021*

Status: Open

The Joint Office of Outreach Clinical Services (Outreach) audit was completed to examine whether controls in place over administrative and operational processes are effective. Outreach manages the administrative and operational processes of the University of Iowa Hospitals & Clinics outreach clinics across Iowa. Significant recommendations include improving phone tree consistency, including the clinic cancellation fee policy in provider orientation, and implementing interim check-in processes to support the Fairfield Cardiology Specialty Clinic. Follow-up is expected to be completed in January 2022.



**University of Iowa**  
**NCAA Compliance – Extra Benefits – Student-Athlete Vehicles**

*Issued November 3, 2021*

Status: Closed

As a Division I institution, the University of Iowa is obligated to comply with National Collegiate Athletic Association (NCAA) rules and regulations. Bylaw 16.11.2 addresses unallowed extra benefits, which are any special arrangement by an institutional employee or representative of the institution's athletics interests (booster) to provide a benefit not expressly allowed by the NCAA. This audit was completed to determine whether the Athletics Department has controls in place to monitor student-athletes' use of personal vehicles to ensure the source of vehicles does not constitute an extra benefit. No material weaknesses were noted during the audit and the audit is closed.



**University of Iowa**  
**Salesforce**

*Issued November 3, 2021*

Status: Open

Salesforce is a cloud-hosted constituent relationship management tool. The Tippie College of Business uses Salesforce to collect, process, and store data for parties associated with the college. This includes prospective and current students, alumni, John Pappajohn Entrepreneurial Center contacts, career services connections, faculty, and others. There are over 155,000 contact records in Salesforce. Audit recommendations include development of system and data governance, regular submission of systems for security review, annual review of Service Organization Controls (SOC) 2 reports, verification of completion of Family Educational Rights and Privacy Act (FERPA) training prior to setting up system access, and implementation of separate user profiles for application developers. Management expects to complete its actions plans by December 2021.



**University of Iowa**  
**State Hygienic Laboratory Tests of Public Health Significance**

*Issued November 3, 2021*

Status: Open

The State Hygienic Laboratory (SHL) performs tests for infectious diseases and environmental toxins and conducts newborn and maternal screenings. It processes over 1,500 tests on average every day, including tests of public health significance. Iowa Administrative Code 641 details what is considered tests of public health significance, how they are to be reported, and if they are to be processed free of charge. Audit recommendations include reviewing fee waiver procedures and documentation policies and procedures for tests of public health significance; and ensuring grant reporting is performed timely. Management expects to complete its action plans by June 2022.



**University of Northern Iowa  
UNI Bookstore**

*Issued November 3, 2021*

Status: Open

The University of Northern Iowa (UNI) acquired ownership of University Book and Supply in February of 2018 and reopened the business as the UNI Bookstore (bookstore). Audit review and testing included revenue, human resource management, purchasing and spending, financial management, and selected operational processes. Primary recommendations related to excess cash reserves, lack of segregation of duties in system access, inefficient course material adoption processes, and incorrect book commissions. Management expects to complete its action plans by May 2022.







**STATUS OF AUDIT FOLLOW-UPS**

**University of Iowa**





Title	Report Date	Original Follow-Up Date	Revised Follow-Up Date	Action Status
1. Pharmacy Prior Authorizations	Nov 13, 2019	Feb 2021	Aug 2021	
2. Heart and Vascular Center	Nov 18, 2020	April 2021		
3. Department of Surgery	Sept 23, 2020	June 2021		
4. Department of Anesthesia	Sept 23, 2020	July 2021		
5. Pharmacy Inventory	Sept 23, 2020	July 2021		
6. NCAA Compliance – Extra Benefits – Athletic Equipment and Apparel	Feb 24, 2021	July 2021		
7. University Counseling Service	Feb 24, 2021	July 2021		
8. University of Iowa Pharmaceuticals	April 14, 2021	July 2021		
9. Vulnerability and Patch Management	Feb 5, 2020	Aug 2021		
10. Online Education	Nov 18, 2020	Sept 2021		
11. College of Pharmacy Building Construction	April 14, 2021	Oct 2021		
12. Creative Writing	June 3, 2021	Oct 2021		
13. StrataJazz Budgeting System	June 3, 2021	Oct 2021		
14. Carver College of Medicine Core Research Facilities	June 3, 2021	Nov 2021		
15. Telemedicine	Nov 18, 2020	Dec 2021		
16. Central Sterilization Services	Feb 24, 2021	Jan 2022		
17. Succession Planning	Feb 24, 2021	Jan 2022		
18. Threat Assessment Program	Feb 24, 2021	Jan 2022		
19. Controlled Substances	Sept 15, 2021	Jan 2022		

20. Oracle Talent Acquisition Cloud	Sept 15, 2021	Jan 2022		
21. Fleet Services and Cambus	April 14, 2021	Feb 2022		
22. Encompass Health Joint Venture	Sept 15, 2021	Feb 2022		
23. Financial Management of Cancer Clinical Trials	Sept 15, 2021	July 2022		
24. IATL Building IT Support	Sept 15, 2021	July 2022		
25. Office of Equal Opportunity and Diversity	Sept 15, 2021	Aug 2022		

**Iowa State University**

Title	Report Date	Original Follow-Up Date	Revised Follow-Up Date	Action Status
26. Reiman Gardens	Nov 18, 2020	Feb 2021		
27. Department of Geological and Atmospheric Sciences	Feb 24, 2021	June 2021		
28. Department of Computer Science	April 14, 2021	June 2021		
29. Transportation Services	June 4, 2020	Aug 2021		
30. Workday Security Roles	Sept 15, 2021	Jan 2021		
31. Finance Service Delivery	Sept 15, 2021	July 2022		

**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>