

Contact: Todd Stewart

FY 2011 AUDIT PROGRESS AND FY 2012 INTERNAL AUDIT PLANS

Action Requested: Receive the progress reports for the universities' FY 2011 audit plans and approve the internal audit plans for FY 2012.

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 2011 Progress	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>	<u>Total</u>
Audits:				
Original Audits Planned	43	15	11	69
Added during Year	3	2	1	6
Totals	46	17	12	75
Completed	37	9	9	55
In Progress	4	6	2	12
Deferred	2	1	1	4
Cancelled	3	1	-	4
Totals	46	17	12	75
Follow-Up Audits:				
Follow-up Audits Planned	33	8	17	58
Added during Year	6	4	-	10
Totals	39	12	17	68
Completed	28	6	10	44
In Progress	4	6	6	16
Deferred	4	-	1	5
Cancelled	3	-	-	3
Totals	39	12	17	68

FY 2012 Plans

	<u>Scheduled Audits</u>	<u>Follow-Up Audits</u>	<u>Grand Total</u>	<u>Total Hours Budgeted*</u>
University of Iowa	50	30	80	18,748
Iowa State University	18	12	30	5,208
University of Northern Iowa	<u>10</u>	<u>18</u>	<u>28</u>	<u>4,028</u>
Total	78	60	138	27,984

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

Internal audit plans for FY 2012 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.

Internal Audit Staff as of June 30, 2011	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>	<u>TOTAL</u>
Full-Time Professional Audit Positions	9	3	2	14
Support / Intern / Student Positions	1	0	1	2

Tables detailing FY 2012 plans and FY 2011 progress for each university included in this document. Tables containing audits completed for the past three fiscal years may be found on the following pages.

The FY 2012 Internal Audit Plan for all three Regent institutions is based on the following:

- Regent Internal Audit Director 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 2012 identified the following high risk areas:

- Business processes;
- 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 2012		
Audits and Reviews	Hours	Percent
Anesthesia	250	1.3%
Extended Care Moves	200	1.1%
Cardiothoracic Surgery	250	1.3%
Veterans Administration Contracts	250	1.3%
Center for Digestive Diseases	250	1.3%
Lions Eye Bank	250	1.3%
Cerner Billing Interface	300	1.6%
Neurology	250	1.3%
Psychiatry	250	1.3%
AccuDose Medication Technology	250	1.3%
Employee Health Clinic	250	1.3%
Clinical Quality Safety & Performance Improvement	250	1.3%
UI Health Care Marketing and Communications	300	1.6%
Ambulatory Surgery Center	300	1.6%
Iowa Care Clinic	300	1.6%
UI Health Care IT Purchases/Privatization of Data Centers	300	1.6%
On-Boarding Processes (Staff and Physician)	300	1.6%
University Diagnostic Laboratory	350	1.9%
Charge Capture (Miscellaneous)	300	1.6%
Employee Labor Management System	400	2.1%
Department of Nursing	400	2.1%
UI Health Care Human Resources	110	0.6%
UIHC Central Pharmacy	110	0.6%
State Hygienic Lab at the University of Iowa	350	1.9%
Incommon Silver	300	1.6%
Export Controls	300	1.6%
New Recreation Center Business Review	300	1.6%
Iowa Braille and Sight Saving School	150	0.8%
Division of Sponsored Programs	350	1.9%
Facilities Management	330	1.8%
Ticket Office/ Paciolean	350	1.9%
Bidding/Purchasing Process	300	1.6%
Maintenance/Flood Related Equipment Controls	300	1.6%
College of Law Department	300	1.6%
College of Education	300	1.6%
Athletics Equipment Audit	300	1.6%
The University Center for Conferences	300	1.6%
Clery Act	200	1.1%
Public Safety Lost and Found	125	0.7%
NCAA - Eligibility	220	1.2%
NCAA - Amateurism	40	0.2%
NCAA - Academic Performance	40	0.2%
NCAA - Governance and Organization	60	0.3%
NCAA - Investigations and Self Reporting	40	0.2%
NCAA - Rules Education	40	0.2%
NCAA - Extra Benefits - Complimentary Admissions	100	0.5%
NCAA - Certification of Compliance	40	0.2%
Student Financial Aid	130	0.7%
Campus COI	110	0.6%
Home Ticket Revenue	250	1.3%
Annual Risk Assessment & Audit Planning	450	2.4%
Ethicspoint	150	0.8%
Follow-Up Audits	965	5.1%
Special Requests - Unassigned	640	3.4%
Subtotal	14,000	74.7%
Other Audit Responsibilities	Hours	Percent
Administration	2,844	15.2%
Committee Participation	380	2.0%
Performance Evaluations	190	1.0%
Professional Development	600	3.2%
Staff Meetings	734	3.9%
Subtotal	4,748	25.3%
Total	18,748	100.0%

IOWA STATE UNIVERSITY		
Proposed Internal Audit Plan for FY 2012		
<u>Audits and Reviews</u>	<u>Hours</u>	<u>Percent</u>
Electrical and Computer Engineering, Department of	250	4.8%
Export Controls	300	5.8%
Extension	275	5.3%
Foundation Accounts	250	4.8%
Identity and Access Management	250	4.8%
Iowa Veterinary Specialties	300	5.8%
ISU Surplus	300	5.8%
NCAA Compliance - Academic Performance Program	30	0.6%
NCAA Compliance - Amateurism	30	0.6%
NCAA Compliance - Financial Aid	200	3.8%
NCAA Compliance - Governance and Organization	50	1.0%
NCAA Compliance - Investigation and Self Reporting	50	1.0%
President's Office	100	1.9%
Programs for Youth	300	5.8%
Recharge Centers	250	4.8%
Sponsored Programs Fiscal Compliance	115	2.2%
Study Abroad Rome Program	150	2.9%
University Community Childcare	300	5.8%
Annual Risk Assessment & Audit Planning	220	4.2%
Follow-up Audits	235	4.5%
Special Requests - Unassigned	125	2.4%
Subtotal	4,080	78.3%
<u>Other Audit Responsibilities</u>	<u>Hours</u>	<u>Percent</u>
Administration	610	11.7%
Committee Participation	80	1.5%
Performance Evaluations	42	0.8%
Professional Development	180	3.5%
Staff Meetings	216	4.1%
Subtotal	1,128	21.7%
Total	5,208	100.0%

UNIVERSITY OF NORTHERN IOWA		
Proposed Internal Audit Plan for FY 2012		
Audits and Reviews	Hours	Percent
Adjunct Instructors & Temporary Employees	240	6.0%
Athletic Summer Camps	320	7.9%
Events Complex Concessions	320	7.9%
Fringe Benefits Rates & Controls	320	7.9%
Gallagher-Bluedorn Performing Arts Center (finish FY2013)	249	6.2%
Graduate Assistants/Student Employment Practices	320	7.9%
International Programs (finish FY2013)	50	1.2%
Multi-Modal Transit Center Operations	320	7.9%
Physical Plant Utility Billing	320	7.9%
R&D School Food Service Program	200	5.0%
Annual Risk Assessment & Audit Planning	200	5.0%
Follow-Up Audits	411	10.2%
Special Requests - Unassigned	200	5.0%
Subtotal	3,470	86.1%
Other Audit Responsibilities	Hours	Percent
Administration	240	6.0%
Committee Participation	50	1.2%
Performance Evaluations	16	0.4%
Professional Development	130	3.2%
Staff Meetings	122	3.0%
Subtotal	558	13.9%
Total	4,028	100.0%

UNIVERSITY OF IOWA				
Audits Completed for the Past Four Fiscal Years				
	FY 2008	FY 2009	FY 2010	FY 2011
RECURRING REPORTED AUDITS / REVIEWS				
Intercollegiate Athletics - Home Game Ticket Revenue	OF	OF	OF	OF
Quarterly Cash and Investment Reviews (endowment funds) - SUI, ISU, UNI, ISD, and IBSSS	R			
Quarterly Cash and Investment Reviews (operating funds) - ISD	R			
Quarterly Cash and Investment Reviews (operating funds) - SUI	R			
Annual Investment Review (operating and endowment funds) - SUI			R	
ORIGINAL AND FOLLOW-UP REPORTS				
2010 Insight Bowl				O
Absence Management Report - FMLA	O	F		
Biochemistry Stores			O	F
Biosafety Laboratory		O	F	
Blanket Purchase Orders		O	F	
Broadcasting Services Active Directory Review			O	F
Building Access Security				O
Carver College of Medicine Research Data Security		F		
Central Sterilizing Services				O
Chemistry Department	OF			
Children's Miracle Network	F			
College of Dentistry Business Process	O	F		
College of Nursing	F			
College of Pharmacy Business Processes			O	F
Compensation of Graduate Students in NIH Research	O			
Conflict of Interest Continuing Medical Education	O			
Conflict of Interest Vendors/Extramural Activities	O		F	
Controlled Substances		OF		
Copyright Management		O	F	
Cost Sharing Audit Report			O	F
Cost Transfers		O		F
Criminal Background Checks		OF		
Data Center Security	OF			
Department of Emergency Medicine				O
Department of Intercollegiate Athletics	O	F		
Department of Internal Medicine Administration			O	
Department of Pediatrics				O
Department of Psychology IT Security		O	F	
Dermatology	F			
EPIC Cardiant			O	F
EPIC Ophthalmology				O
EPIC Radiant			O	F
EPIC RX				OF
EPIC Software Change Management			O	F
Facilities Management - Construction Change Orders			O	F
Family Medicine	OF			
Finkbine Golf Course Business Processes				OF
Grant Accounting	F			
GLBA/FERPA Compliance		O		F
HCIS Hardware Change Management	OF			
HIPAA Security		O	F	
Holden Comprehensive Cancer Center				O
Hospital Supply Chain		O	F	
Human Subjects Office Process Review	O		F	
Hygienic Lab		F		
IIHR-Hydrosience and Engineering Active Directory Review			O	F
Institute for Clinical and Translational Science				O
IT Parallel Systems	F			
ITS Telecom Closet Physical Security	O	F		
Institute of Clinical and Translational Science		O		
International Programs - Office for Study Abroad			O	F
International Student Reporting - SEVIS				O
Iowa Memorial Union Food Service and Residential dining		F		
Iowa School for the Deaf	O	F		
Joint Office for Clinical Outreach Services		O	F	
Main Operating Room Billing Process			O	F
MARS/MAUI Feeder System				O
Math, Stats and Actuarial Science, Comp Science--Active Directory Review			O	F
Mechanical Engineering Program				O
Medical Kiosk Security		O		
NCAA Extra Benefits Representatives of the University's Athletic Interests			O	
NCAA Extra Benefits - Student-Athlete Vehicles				O
NCAA Playing and Practice Sessions				O
NCAA Compliance - Camps and Clinics			O	F
NCAA Compliance - Certification of Compliance	O			
NCAA Compliance - Coaching Staff Limits & Contracts			O	

UNIVERSITY OF IOWA				
Audits Completed for the Past Four Fiscal Years				
	FY 2008	FY 2009	FY 2010	FY 2011
ORIGINAL AND FOLLOW-UP REPORTS				
NCAA Compliance - Complimentary Admissions	O			
NCAA Compliance - Equipment and Apparel		O		
NCAA Compliance - Financial Aid		O		
NCAA Compliance - General Compliance Rules Education	O			
NCAA Compliance - On/Off Campus Recruiting				O
NCAA Compliance - Recruiting		F		
NCAA Compliance - Student-Athlete Eligibility	O			
NCAA Compliance - Student-Athlete Employment		O		
NCAA Compliance - Team Travel		O		
National Advanced Driving Simulator		OF		
Neurology	F			
Office of the President				O
Obstetrics and Gynecology		OF		
Off Campus/Distance Education				O
OMB A-21 Allowable Direct Charges				OF
Outback Bowl (original report 09/13/06)		F		
Pandemic Preparedness		OF		
Parking and Transportation Credit Cards			O	
Parking and Transportation Services	F			
Patent Policy Compliance		O	F	F
Pathology/Tissue Bank Inventory				O
Patient Financial Services - Pre-Access Administration				O
PCI Compliance				O
Physics and Astronomy	F			
Procurement Card			O	
Property Management Office		O	F	
Protected Health Information on Mobile Devices	F			
Recreational Services Information Technology				OF
Research Subject Compensation		O	F	
Review of Termination Practices	F			
School of Library and Information Science IT Review	O	F		
Security of Initiated ACH Transactions	F			
Sexual Harassment Policy			O	F
Shared Campus Active Directory Forest		O	F	
Speech Pathology and Audiology	O	F		
Student Activity Fees		O	F	
Student Course Fees		OF		
Student Health Service		F		
Summer Youth Programs				O
Third Party Clinical Trial Billing	F			O
Tippie College of Business	OF			
Transplant Billing Process	OF			
UIHC Ambulatory Care Pharmacy Cash Handling				OF
UIHC Access Control Security	O	F		
UIHC Child Care Center				O
UIHC Construction Project		O	F	
UIHC Department of Orthopaedics Business Practices			O	F
UIHC Engineering Services	OF			
UIHC Environmental and Guest Services		O	F	
UIHC Patient and Staff Safety		OF		
UIHC Patient Elopement			OF	
UIHC Prepaid Patient Services			O	F
UIHC Solid Organ Procurement				O
UIHC Workflow Processes			OF	
UI Health Care Epic Security		OF		
UI Health Care Epic Stork				O
UI Health Care Finance and Accounting			O	F
UI Health Care Integrated Call Center		OF		
UI Health Care Outside Clinical Practice				OF
UI Health Care Research Drugs	O			
University Approved Bank Accounts - University of Iowa				O
University of Approved Bank Accounts - University of Northern Iowa				O
University Benefits			O	F
University Bookstore - Apple Merchandise			OF	
University Box Office	O	F		
University Housing & Dining				O
University of Iowa Alumni Association			O	F
University of Iowa Bookstore Distribution Center				O
University of Iowa Physicians	O	F		
University Surplus Processes		O	F	
Volunteer Services	F			
Wireless Technology		F		
MAUI - Student Registration System	?			

IOWA STATE UNIVERSITY				
Audits Completed for the Past Four Fiscal Years				
	FY 2008	FY 2009	FY 2010	FY 2011
RECURRING REPORTED AUDITS / REVIEWS				
Quarterly Cash and Investment Reviews (operating funds) - ISU	?	?		
Quarterly Cash and Investment Reviews (operating funds) - IBSSS	?			
Security of Internet-Initiated ACH Transactions	O	O	O	O
ENTERPRISE WIDE AUDITS				
Grow Iowa Values Fund				
Student Financial Aid				
Office of the President Accounts Review				
Regents Partnership Plan for Transformation & Excellence				
ORIGINAL AND FOLLOW-UP REPORTS				
Iowa Agriculture and Home Economics Experiment Station				
Thielen Student Health Center	F		O	F
Veterinary Teaching Hospital	F			
Admissions	O	F		
Biosafety Compliance	O	F		
Building Access Services - Access Cards	O		F	
Institutional Animal Care and Use Committee Compliance	O	F		
International Students and Scholars	O			
Recreation Services	O			
Registrar	O F			
Special Course Fees	O	F		
Construction Change Orders		O	F	
Department of Public Safety Accreditation Review		O		
Fuel Access and Usage		O		
Human Subjects		O	F	
Key Control and Access				
Personnel Actions		O		F
Social Security Number Protection		O	F	
Veterinary Diagnostic Laboratory		O F		
Conflict of Interest			O	
Effort Reporting			O	F
ISU Dining			O F	
Employee Expense Reimbursements			O F	
Intellectual Property and Technology Transfer			O F	
Leopold Center for Sustainable Agriculture			O	F
NCAA Compliance FY10			O	F
Purchasing Card			O	
Research Data Security			O	
Athletic Department Ticketing Procedures				O
Employee Benefits				O
Laboratory Safety				O
NCAA Compliance - Eligibility				O
Non-Employees on Campus				O
Department of Residence Access Control				O
Separation Procedures				O
Engineering Online Learning				O

UNIVERSITY OF NORTHERN IOWA				
Audits Completed for the Past Four Fiscal Years				
	FY 2008	FY2009	FY2010	FY2011
RECURRING REPORTED AUDITS / REVIEWS				
Quarterly Cash and Investment Reviews (operating funds)	R	R	R	R
ORIGINAL AND FOLLOW-UP REPORTS				
Academic Learning Center Examination Services			O	F
Academic Summer Youth Camps				O
Applicable Credits and Program Income			O	F
Athletics Cash, Gift & Tradeout Handling		O	F	
Athletic Ticket Sales		O	F	
Campus Fueling Station Access & Usage			O	F
Centralized Revenue Processes		O	F	
Child Development Center				O
College of Education				O
Events Complex Business Plan			O	F
Federal Export Controls		O	F	
Hong Kong MBA Program	O		F	
International Student Admissions				O
Iowa Waste Reduction Center				O
Modern Languages				O
Motor Vehicle Pool				O,F
NCAA Rules-Compliance Program Evaluation Process Review	F			
Payment Card Industry Standards				O
Physical Plant Job Cost System Efficiency		O	F	
Price Laboratory School Fees		O	F	
Procurement Card			O	F
Recharge Centers Rate Compliance Improvement		O	F	
Special Compensation Controls			O	F
Student Course & Program Fees			O	F
Study Abroad Programs			O	F
Telecommuting Arrangements			O	F
Tuition & Fees Accountability & Allocation			O	
UNItix Operations		O, F		
University Conflict of Interest Analysis		O	F	
University Spending Controls		O	F	
Vendor Payment Analysis	O	F		

LEGEND	
O	Original Audit Report
F	Follow-up Audit Report
R	Recurring Audits