

Contact: Todd Stewart

FY 2014 AUDIT PROGRESS AND FY 2015 INTERNAL AUDIT PLANS

Action Requested: Receive the progress reports for the universities' FY 2014 audit plans and approve the internal audit plans for FY 2015.

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 2014 Progress

	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>	<u>Total</u>
Audits:				
Original Audits Planned	51	21	10	82
Added during Year	4	2	2	8
Totals	55	23	12	90
Completed	46	15	10	71
In Progress	4	5	1	10
Deferred	2	1	1	4
Cancelled	3	2	-	5
Totals	55	23	12	90

FY 2015 Plans

	<u>Scheduled Audits</u>	<u>Total Hours Budgeted*</u>
University of Iowa	43	17,794
Iowa State University	16	5,728
University of Northern Iowa	<u>10</u>	<u>3,862</u>
Total	69	27,384

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

Internal audit plans for FY 2015 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 reports identify possible instances of fraud or financial misconduct that would need to be investigated.

Internal Audit Staff as of June 30, 2014				
	<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	1	2

Tables detailing FY 2015 plans and FY 2014 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 2015 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 2015 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 2015		
<u>Audits and Reviews</u>	<u>Hours</u>	<u>Percent</u>
Admissions	300	1.7%
Alumni Association	300	1.7%
Anatomy and Cell Biology (Willed Body Program)	250	1.4%
Annual Risk Assessment	450	2.5%
EPIC Beaker Laboratory System	400	2.2%
Biology IT	300	1.7%
Bowen Science Building	50	0.3%
Business Services IT	300	1.7%
Centralized Coding/Billing	300	1.7%
Centralized Scheduling	100	0.6%
Communication Sciences & Disorders	250	1.4%
Diabetes Center	150	0.8%
Dual Degree Programs	300	1.7%
EPIC Revenue Cycle	400	2.2%
Facilities Management IT	16	0.1%
Fleet Services	300	1.7%
Furlough Processes	300	1.7%
FY15 EthicsPoint	200	1.1%
Grade Changes	300	1.7%
Hematology/Oncology	250	1.4%
Home Ticket Revenue	100	0.6%
Iowa House Hotel	300	1.7%
Maxient - Student conduct tracking system	200	1.1%
Medical Specialty Clinic	250	1.4%
NCAA Extra Benefits - Student Athlete Vehicles	40	0.2%
NCAA Playing & Practice Seasons	48	0.3%
NCAA Recruiting On & Off Campus	300	1.7%
Optiflex	300	1.7%
Pain Clinic	200	1.1%
Physical Therapy and Rehab Sciences	250	1.4%
Physician Travel/Clinic Scheduling	200	1.1%
Project Art	150	0.8%
Public Policy Center	300	1.7%
Residence Hall Security	300	1.7%
Responsible Conduct in Research	300	1.7%
Risk Management	185	1.0%
Sick & Vacation Reporting	200	1.1%
Surgery Pre-Authorizations	250	1.4%
Surplus	300	1.7%
UI Health Care Agreements	300	1.7%
Valet Services	250	1.4%
Volte Phone System	250	1.4%
Volunteer Gift Shop	250	1.4%
EPIC Willow Rx	400	2.2%
Workers Compensation Clinics	250	1.4%
Follow-Up Audits	597	3.4%
Unallocated	1,386	7.8%
Subtotal	13,072	73.5%
<u>Other Audit Responsibilities</u>	<u>Hours</u>	<u>Percent</u>
Administration	2,860	16.1%
Committee Participation	431	2.4%
Performance Evaluations	186	1.0%
Professional Development	555	3.1%
Staff Meetings	690	3.9%
Subtotal	4,722	26.5%
Total	17,794	100.0%

IOWA STATE UNIVERSITY		
Proposed Internal Audit Plan for FY 2015		
Audits	Hours	Percent
Annual Risk Assessment & Audit Planning	250	4.36%
College of Business	250	4.36%
College of Engineering	250	4.36%
College Work Study	200	3.49%
Department of Biomedical Sciences	250	4.36%
Department of Residence	160	2.79%
Facilities Planning and Management	100	1.75%
InTrans	300	5.24%
Library	150	2.62%
NCAA Compliance - Academic Performance Program	30	0.52%
NCAA Compliance - Amateurism	30	0.52%
NCAA Compliance - Eligibility	150	2.62%
Office of the Vice President for Research	250	4.36%
Sponsored Programs Compliance	300	5.24%
Thielen Student Health Center	350	6.11%
University Human Resources	350	6.11%
Velocity Access Control System	300	5.24%
Follow-up Audits	330	5.76%
Unassigned/Unplanned	516	9.01%
Subtotal	4,516	78.8%
Other Audit Responsibilities	Hours	Percent
Administration	534	9.32%
Committee Participation	155	2.71%
Performance Evaluations	42	0.73%
Professional Development	198	3.46%
Staff Meetings	283	4.94%
Subtotal	1,212	21.16%
Total	5,728	100%

University of Northern Iowa		
Proposed Internal Audit Plan for FY 2015		
<u>Audits and Reviews</u>	<u>Hours</u>	<u>Percent</u>
Annual Risk Assessment	200	5.2%
Audiology Clinic	50	1.3%
Athletic Travel	260	6.7%
Camp Adventure Student Enrollment & Training	320	8.3%
Centers Administration	300	7.8%
Counseling Center	300	7.8%
Emeritus Controls	300	7.8%
Metal Casting Center (MCC)	320	8.3%
Multicultural Center	14	0.4%
Physical Plant Administration	10	0.3%
Study Abroad	320	8.3%
Follow-up Audits	410	10.6%
Unassigned/ Unplanned	450	11.7%
Subtotal	3,254	84.3%
<u>Other Audit Responsibilities</u>	<u>Hours</u>	<u>Percent</u>
Administration	240	6.2%
Committee Participation	84	2.2%
Performance Evaluations	24	0.6%
Professional Development	120	3.1%
Staff Meetings	140	3.6%
Subtotal	608	15.7%
Total	3,862	100.0%

UNIVERSITY OF IOWA				
Audits Completed for the Past Four Fiscal Years				
	FY11	FY12	FY13	FY14
RECURRING REPORTED AUDITS / REVIEWS				
Intercollegiate Athletics - Home Game Ticket Revenue	√	√	√	√
ORIGINAL AND FOLLOW-UP REPORTS				
2010 Insight Bowl	O	F		
2014 Outback Bowl				O
340B Drug Pricing Program				O F
AcuDose				O
AeroScout				O
Ambulatory Surgery Center			O	F
Anesthesia		O	F	
Athletics Operations - Apparel and Promotional Items			O	F
Athletics Ticket Office		O	F	
Bidding and Purchasing Processes		O		
Biochemistry				O
Biochemistry Stores	F			
Broadcasting Services Active Directory Review	F			
Building Access Security	O	F		
BuildUI				O F
Campus Conflict of Interest		O		F
Campus Recreation and Wellness Center		O	F	
Carver College of Medicine Administration				O
Center for Biocatalysis and Bioprocessing				O
Center For Conferences		O		
Center For Digestive Disease			O	F
Central Sterilizing Services	O	F		
UIHC Centralized Pharmacy Inventory		O	F	
Clery Act			O	F
Clinical Quality Safety and Performance Improvement		O	F	
College of Dentistry				O
College of Education		O F		
College of Engineering Sponsored Research Administration				O
College of Law			O F	
College of Liberal Arts and Sciences School of Social Work			O	
College of Nursing				O
College of Pharmacy Business Processes	F			
College of Public Health				O F
Cost Sharing Audit Report	F			
Cost Transfers	F			
Criminal Background Checks				O F
Student Organizations - Dance Marathon			O	F
Department of Athletics Special Project			O F	
Department of Emergency Medicine	O	F		
Department of Family Medicine				O
Department of Microbiology			O F	
Department of Neurology		O	F	
Department of Neurosurgery			O	F
Department of Nursing			O	F
Department of Orthopaedics			O	F
Department of Otolaryngology			O	F
Department of Pathology				O F
Department of Pediatrics	O	F		
Department of Psychiatry		O	F	
Department of Public Safety - Lost and Found		O F		
Department of Radiology				O
Department of Surgery		O F		
Department of Urology			O	F
Division of Sponsored Programs		O	F	
EPIC Cardiant	F			
EPIC Ophthalmology	O		F	
EPIC Radiant	F			
EPIC RX	O F			
EPIC Software Change Management	F			
Export Controls			O	F
Extended Care Moves		O		
Facilities Management - Construction Change Orders	F			
Finkbine Golf Course Business Processes	O F			
Ghost Employees				O
GLBA/FERPA Compliance	F			
Hawkeye Express Cash Handling				O
Holden Comprehensive Cancer Center	O		F	
Hospital Dentistry			O F	
IIHR-Hydroscience and Engineering Active Directory Review	F			
Institute for Clinical and Translational Science	O			
International Programs - Office for Study Abroad	F			
International Student Reporting - SEVIS	O	F		
Iowa Care		O	F	
Iowa Comprehensive Lung Imaging Center				O
Iowa Lions Eye Bank		O F		
Iowa River Landing and Billing Financials				O

UNIVERSITY OF IOWA				
Audits Completed for the Past Four Fiscal Years				
	FY11	FY12	FY13	FY14
Iowa River Landing Cash Handling				O F
Iowa River Landing Medication Security				O F
Iowa Testing Programs				O F
UI Health Care IT Purchase and Data Center Privatization			O	F
Main Operating Room Billing Process	F			
Maintenance and Flood Response Equipment		O	F	
MARS/MAUI Feeder System	O		F	
Math, Stats and Actuarial Science, Comp Science--Active Directory Review	F			
MAUI Billing				O
MAUI Security			O	F
MAUI Software Change Management				O
Mechanical Engineering Program	O	F		
Museum of Art			O F	
National Advanced Driving Simulator Information Technology				O
NCAA Camps and Clinics				O
NCAA Certification of Compliance		O		
NCAA Commitment of Personnel to Rules - Coaching Staff Limits and Contracts				O
NCAA Complimentary Admissions		O		
NCAA Extra Benefits Representatives of the University's Athletic Interests				O
NCAA Extra Benefits - Student-Athlete Vehicles	O			
NCAA Financial Aid			O	
NCAA General Compliance		O		
NCAA Playing and Practice Sessions	O			
NCAA Student-Athlete Employment			O	
NCAA Team Travel			O	
NCAA Compliance - Eligibility, Amateurism, and Academic Performance Program		O F		
NCAA Compliance - Equipment and Apparel			O	
NCAA Compliance - On/Off Campus Recruiting	O			
Office of Animal Resources				O
Office of Equal Opportunity and Diversity			O	F
Office of Strategic Communication				O F
Office of the President	O			
Off Campus/Distance Education	O	F		
OMB A-21 Allowable Direct Charges	O F			
Onboarding				O
Patent Policy Compliance	F			
Pathology/Tissue Bank Inventory	O	F		
Patient Financial Services - Pre-Access Administration	O	F		
PCI Compliance	O	F		
Physician On-Boarding			O	F
Physics and Astronomy			O	F
Recharge Centers				O
Recreational Services Equipment Disposal		O		
Recreational Services Information Technology	O F			
Sexual Harassment Policy	F			
Sports Clubs				O
State Hygienic Laboratory		O	F	
Student Course Fees				O
Student Health Service			O	F
Summer Youth Programs	O	F		
Third Party Clinical Trial Billing	O			
Tippie College of Business			O	
Tuition Set-Aside Fund and Iowa Grant Program		O F		
UIHC Ambulatory Care Pharmacy Cash Handling	O F			
UIHC Child Care Center	O	F		
UIHC Contract Compliance				O
UIHC Department of Orthopaedics Business Practices	F			
UIHC Enterprise Labor Management System			O F	
UIHC Food and Nutrition Services				O
UIHC Prepaid Patient Services	F			
UIHC Solid Organ Procurement	O			
UI Health Care Epic Stork	O		F	
UI Health Care Finance and Accounting	F			
UI Health Care Human Resources		O	F	
UI Health Care Outside Clinical Practice	O F			
UI Heart and Vascular Center		O	F	
UI Optical			O	F
University Approved Bank Accounts - University of Iowa	O	F		
University Approved Bank Accounts - University of Northern Iowa	O	F		
University Benefits	F			
University Counseling Services				O
University Dining Inventory Process			O	
University Employee Health Clinic		O	F	
University Housing & Dining	O		F	
University Housing & Dining StarRez System			O	F
University of Iowa Alumni Association	F			
University of Iowa Bookstore Distribution Center	O	F		
University of Iowa Community Medical Services				O F
University of Iowa Diagnostics Laboratory		O	F	
University Libraries				O
Veterans Affairs Contract Compliance		O F		

IOWA STATE UNIVERSITY				
Audits Completed for the Past Four Fiscal Years				
	FY11	FY12	FY13	FY14
RECURRING REPORTED AUDITS / REVIEWS				
Security of Internet-Initiated ACH Transactions	O	O		
ORIGINAL AND FOLLOW-UP REPORTS				
Athletic Department Ticketing Procedures	O	F		
Bioeconomy Institute				O F
Bookstore			O F	
Clery Act				O
College of Design				O F
Conflict of Interest		F		
Graduate Student Admissions			O	
Department of Residence Access Control	O	F		
Effort Reporting	F			
Electrical and Computer Engineering, Department of			O F	
Employee Benefits	O			
Engineering Online Learning	O	F		
Export Controls		O		F
Extension		O		F
Foundation Account Spending		O	F	
Global Programs - College of Agriculture and Life Sciences				O F
Identity and Access Management		O		F
ISU Dining				F
ISU Surplus		O	F	
Laboratory Animal Resources			O	F
Laboratory Safety	O	F		
Leopold Center for Sustainable Agriculture	F			
NCAA Compliance - Academic Performance Program		O		
NCAA Compliance - Amateurism		O F		
NCAA Compliance - Camps and Clinics				O F
NCAA Compliance - Commitment of Personnel to Rules Compliance				O F
NCAA Compliance - Eligibility	O			
NCAA Compliance - Extra Benefits			O	
NCAA Compliance - Financial Aid		O		
NCAA Compliance - Governance and Organization		O		
NCAA Compliance - Investigation and Self Reporting		O		
NCAA Compliance - Playing and Practice Seasons				O
NCAA Compliance - Recruiting			O	
NCAA Compliance - Rules Education				O
NCAA Compliance - Student Athlete Employment				O
NCAA Compliance FY10	F			
Non-Employees on Campus	O			F
Office of the President		O		
Office of the Provost			O	
Parking Division - Department of Public Safety			O F	
Personnel Actions	F			
Physics and Astronomy, Department of				O
Procure to Pay Process				O
Programs for Youth		O	F	
Property Control System Analysis				O F
Recharge Centers		O F		
Research Data Security			F	
Separation Procedures	O		F	
Student Organizations			O	F
Study Abroad Rome Program		O	F	
Thielen Student Health Center	F			
University Community Childcare		O		
University Farms				O
Veterinary Medical Center			O	F

UNIVERSITY OF NORTHERN IOWA				
Audits Completed for the Past Four Fiscal Years				
	FY11	FY12	FY13	FY14
ORIGINAL AND FOLLOW-UP REPORTS				
Academic Learning Center Examination Services	F			
Academic Summer Youth Camps	O	F		
Adjunct Instructors and Temporary Employees		O	F	
Applicable Credits and Program Income	F			
Athletic Equipment & T-Shirts			O	F
Athletic Summer Camps		O	F	
Campus Fueling Station Access & Usage	F			
Child Development Center	O	F		
College of Education	O	F		
College of Humanities, Arts & Sciences			O	F
Effort Reporting			O	F
Events Complex Business Plan	F			
Events Complex Concessions		O	F	
Federal Export Controls				
Fringe Benefits Rates & Controls		O	F	
Gallagher-Bluedorn Performing Arts Center		O	F	
Graduate Assistantships		O	F	
International Programs			O	F
International Student Admissions	O	F		
International Student Teaching				O
Iowa Waste Reduction Center	O	F		
ITS Business Procedures & Chargebacks			O	F
Jacobson Center				O
McNair Scholars Program				O
Modern Languages	O	F		
Motor Vehicle Pool	O F			
Multimodal Transportation Center			O	F
National Agricultural-Based Lubricants				O
Payment Card Industry Standards	O		F	
Physical Plant Administration				O
Physical Plant Utility Billing		O	F	
Price Laboratory School Fees				
Price Laboratory School Food Service Program		O F		
Procurement Card	F			
Psychological Assessment Clinic				O
Public Safety				O F
Research & Sponsored Programs				O
Special Compensation Controls	F			
Student Course & Program Fees	F			
Student Health Center			O	F
Student Organizations and Intramural & Club Sports				O
Study Abroad Programs	F			
Telecommuting Arrangements	F			
Tuition & Fees Accountability & Allocation	F			
UNI Center for Urban Education			O	F
Wellness & Recreation Services				O

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