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.

ORIGINAL REPORTS	CEA*	Status
UNIVERSITY OF IOWA		
• Clinical Staff Office	🟢	Open
• Computer Management	🟡	Open
• Department of Earth and Environmental Sciences	🟡	Open
• Holden Comprehensive Cancer Center and Infusion Suite	🟡	Open
• Office of the State Archaeologist	🟡	Open
• Ponseti International	🟡	Open
• Post-Acute Care	🟡	Open
• UI Health Care Finance Inter-Organizational Transfers	🟢	Open
• UI Health Care Research Laboratory Information Technology Security	🟢	Open
• University of Iowa Hospitals and Clinics Emergency Management	🟡	Open
IOWA STATE UNIVERSITY		
• Athletics Department Ticket Operations	🟡	Open
• Department of Natural Resource Ecology and Management	🟡	Open
• Department of Psychology	🔴	Open
• Emergency Preparedness	🟡	Open
UNIVERSITY OF NORTHERN IOWA		
• Financial Aid Special Circumstances	🟡	Open

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

FOLLOW-UP REPORTS

UNIVERSITY OF IOWA

• Benefits	Closed
• Campus Volunteers	Closed
• Capital Assets Management	Closed
• Joint Office for Compliance	Closed
• Occupational Health	Closed
• Office of Student Financial Aid	Closed
• Payroll	Closed
• Stead Family Children's Hospital Physical Security	Closed
• Student Disability Services	Closed
• UI Health Care Marketing and Communications	Closed
• UI Health Care User Access	Closed
• UIHC Capital Management New Clinic Build	Closed

IOWA STATE UNIVERSITY

• Greenlee School of Journalism	Closed
• Thielen Student Health Center	Closed

UNIVERSITY OF NORTHERN IOWA

• Academic Learning Center	Closed
• Environmental Health and Safety	Closed
• Regents' Center for Early Developmental Education	Closed

CONTROLS/EFFICIENCIES ASSESSMENT (CEA)

HIGH 🔴	• Could seriously affect several areas within the university. Exposes the university to unacceptable risks or liability if not corrected OR • Involves difficult issues requiring the attention of executive management OR • Involves compliance with Federal, State, or other laws and could result in serious consequences if not implemented OR • Unacceptable weakness in the internal and/or accounting controls OR • Substantial savings (perhaps millions) can potentially be realized by correcting.
MODERATE 🟡	• Could seriously affect a department or area within the university OR • Involves a difficult issue requiring the attention of upper management OR • Involves compliance with Federal, State or other law and could result in minor consequences if not implemented OR • Weakness in the internal and/or accounting controls OR • Savings (perhaps thousands) can potentially be realized by correcting.
LOW 🟢	• Can affect a department or may be common to several areas OR • Could result in improved internal and accounting control OR • Can be corrected relatively easily OR • Could result in improved efficiency or effectiveness of operations OR • No reportable observations or corrective action taken prior to report issuance.

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

University of Iowa
Clinical Staff Office
Issued February 27, 2019   Status: Open

The Clinical Staff Office audit was completed to examine departmental processes and controls. Audit recommendations include looking into more electronic application processes, assessing credentialing service agreements to ensure continued viability and proper level of signatures, updating cash handling policies, and ensuring timely transaction detail report reconciliations. Management expects to complete its action plans by July 2019.

University of Iowa
Computer Management
Issued February 27, 2019   Status: Open

The Enterprise Client Management team within Information Technology Services is responsible for maintaining computer management services. These services help keep computers up to date with operating system patches, software updates, and security patches. The audit focused on current computer management procedures of institutionally-owned devices which are supported outside of Health Care Information Systems. Audit recommendations include implementing stronger reporting processes to identify and alert support consultants to potential system issues, changing the Active Directory organizational structure to improve security, and ensuring all computers are in a managed state. Ensuring Macintosh computers are binding to the Active Directory domain was also identified as an area for improvement. Management expects to complete its action plans by August 2020.

University of Iowa
Department of Earth and Environmental Sciences
Issued November 8, 2018   Status: Open

The University of Iowa Department of Earth and Environmental Sciences (EES) resides within the University of Iowa College of Liberal Arts and Sciences (CLAS), and provides studies of the earth's interior, surface, hydrosphere, atmosphere, and biosphere. EES courses provide students with hands-on experience including classroom, laboratory and field settings. Field trips are a part of several EES courses ranging from day and weekend trips to multiple weeks in remote locations. The primary audit recommendations were developing an EES specific field trip manual; approving trips and attached field trip participant lists in ProTrav; and implementing procedures to track equipment from the point of acquisition through disposal or surplus. Additional audit recommendations include performing technology and asset inventories; regular reviews of physical and system access; and implementing additional oversight within financial management, human resources, and operational processes. Management expects to complete all action plans by July 2019.

University of Iowa
Holden Comprehensive Cancer Center and Infusion Suite
Issued February 27, 2019   Status: Open

The Holden Comprehensive Cancer Center and Infusion Suite (herein jointly referred to as HCCC) audit was completed to provide reasonable assurance that adequate business processes and internal controls are in place and operating as intended. Recommendations included implementing automated controls to reduce missed patient charges, addressing timely transfer of patient charges from a holding account to the patient's account for billing, and increasing tissue typing rates to recover a greater portion of the cost incurred by University of Iowa Hospitals and Clinics. Additional recommendations were to evaluate the charge structure for patients at the Quad Cities clinic, improve operational processes for the Blood and Marrow Transplant Program's transplant management database, and comply with the university's cash handling policies. Lastly, there is an opportunity to streamline HCCC's key metric tracking and reporting through a centralized data visualization program. Therefore, it is recommended HCCC continue to work with UI Health Care's Business Intelligence group and Patient Financial Services to solicit support for creating a dedicated Tableau space for HCCC. Management expects to complete its action plans by June 2019.

University of Iowa
Office of the State Archaeologist
Issued February 27, 2019   Status: Open

The Office of the State Archaeologist (OSA) is part of the Office of the Vice President of Research (OVRP). The position of state archaeologist was established in 1959 under Iowa Code 263B. This legislation authorizes the Board of Regents to appoint the state archaeologist to provide services for location of archaeological sites, preservation of archaeological remains, and investigation of human remains more than 150 years old. The primary audit recommendations were to review procedures for account reconciliation, implement clear segregation of duties for billing activities, document key procedures, establish approval requirements for financial transactions, and formalize change management procedures for the I-Sites application. Additional audit recommendations the OSA has already completed include timely communication of deposits in compliance with university policy and use of security groups for provisioning access to shared drive folders. Management expects to complete all action plans by January 2019.

University of Iowa
Ponseti International
Issued November 8, 2018   Status: Open

The Ponseti International audit was completed to evaluate the structure and administrative controls over Ponseti International. Ponseti International is a professional organization that was established by the Iowa Board of Regents in 2006 and is the global leader in training and educating health care providers on the treatment of clubfoot using the Ponseti method. Structurally, Ponseti International operates independently from the Department of Orthopaedics and Rehabilitation and reports directly to the College of Medicine. Significant audit recommendations include designating central oversight over administration operations, developing a formal budgeting process, and providing additional central administrative oversight over human resources and special compensation processes. Management expects to complete its action plans by December 2018.

University of Iowa
Post-Acute Care
Issued November 8, 2018   Status: Open

The Post-Acute Care audit was completed to examine whether Social Services has controls in place to monitor and control post-acute care and expedited discharge fund processes. Post-acute care involves coordinating required care for patients after an acute hospital discharge. The Expedited Discharge fund is used to cover patient costs that help facilitate a timely and safe discharge as well as to minimize inpatient hospital days. Significant recommendations include developing a scorecard to evaluate the performance of skilled nursing facilities where post-acute care is often provided; developing a policy to define how expedited discharge fund requests should be approved; re-evaluating discharge planning processes with Legal for patients with pending insurance; and updating outdated policies. Management expects to complete its action plans by March 2019.

University of Iowa
UI Health Care Finance Inter-Organizational Transfers
Issued February 27, 2019   Status: Open

The UI Health Care Finance Inter-Organizational Transfers audit was performed to ensure that transfers between the University of Iowa Hospitals and Clinics (UIHC), Carver College of Medicine (CCOM), University of Iowa Physicians, and other related organizations are properly approved, supported, and accurate. No errors were noted regarding proper approval, support, or accuracy of transfers. However, opportunities to improve organization and support for transfers from UIHC to the CCOM and to develop desktop procedures for transfer management were identified. Management expects to complete its action plan by June 2019.

University of Iowa
UI Health Care Research Laboratory Information Technology Security
Issued February 27, 2019   Status: Open

The UI Health Care Research Laboratory Information Technology Security audit was completed to examine whether research laboratories are effectively managing their IT systems and purchasing IT equipment in accordance with university policies. Also, the wireless networks in the research buildings were reviewed for providing adequate coverage. Recommendations include working with identified faculty not properly backing data up, mitigating vulnerabilities in identified computers, and evaluating whether wireless access to identified printers is required. Management expects to complete its action plans by March 2019.

University of Iowa
University of Iowa Hospitals and Clinics Emergency Management
Issued November 8, 2018   Status: Open

The University of Iowa Hospitals and Clinics (UIHC) Emergency Management (EM) audit was completed to provide reasonable assurance that UIHC complies with the Centers for Medicaid and Medicare Services (CMS) regulations and The Joint Commission (TJC) accreditation standards. Recommendations included ensuring that each applicable health care facility meets the risk assessment and emergency plan requirements by CMS and TJC, ensuring that all employees receive training to remain compliant, and increasing the frequency of emergency preparedness discussions at the departmental level. Additional recommendations to improve compliance demonstration included testing the on-duty staff tracking processes during a future emergency exercise, completing updates to the Emergency Operations Plan (EOP) to improve usability, and implementing template scripts for front-line telephone staff. Management expects to complete its action plans by December 2019.

Iowa State University
Athletics Department Ticket Operations
Issued February 27, 2019   Status: Open

The Athletics Department Ticket Operations audit was performed to provide reasonable assurance that internal controls are in place and operating as intended for ticket operations. Primary recommendations included a revamp of the contract with Ticketmaster to include certain critical components, implementation of separation of duties and management oversight, and adding a preventive control to the complimentary ticket distribution process. Management expects to complete its action plans by December 2018.

Iowa State University
Department of Natural Resource Ecology and Management
Issued February 27, 2019   Status: Open

The Department of Natural Resource Ecology and Management audit was performed to evaluate key operational and financial processes to provide reasonable assurance that internal controls are in place and operating as intended. Recommendations included monitoring year-end balances of special course fee accounts, mandating first aid and cardiopulmonary resuscitation training for instructors who accompany students to off-campus locations for field camps, documenting principal investigator approval for subrecipient invoices, and ensuring the completion of Conflicts of Interest and Commitment disclosures. Management expects to complete its action plans by July 2019.

Iowa State University
Department of Psychology
Issued February 27, 2019   Status: Open

The Iowa State University Department of Psychology 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 ensuring signed and properly reviewed contracts are in place for all practicums and university requirements regarding practicum contracts are being appropriately tracked; developing a written agreement with Student Counseling Services for internal practicums; consulting with University Counsel to review forms used for therapy clients; revising the language of the graduate student offer letter; ensuring proper building access controls; improving equipment loan program procedures; developing a cash handling policy; and establishing checklists for employee and student separations. Management expects to complete its action plans by April 2019.

Iowa State University
Emergency Preparedness
Issued February 27, 2019   Status: Open

Iowa State University's Comprehensive Emergency Operations Plan (CEOP) exists to ensure that faculty, staff, and students are adequately prepared for major emergencies. ISU Environmental Health and Safety with assistance from the ISU Police Department and other campus units coordinate training, emergency response exercises and drills for the campus community, and liaise with local response agencies. The CEOP and associated emergency preparedness work was reviewed to ensure that authority and roles are defined clearly, National Incident Management System and Incident Command System frameworks are implemented, hazards are assessed effectively, and that training is provided. Implementing audit recommendations will help demonstrate clear institutional support for emergency preparedness activities, track all individuals requiring emergency preparedness training, as well as promote action on areas identified for improvement. Management expects to complete its action plans by March 2019.

University of Northern Iowa
Financial Aid Special Circumstances
Issued February 27, 2019   Status: Open

Financial Aid special circumstances occur when students or families have a reduction or loss of income or increased medical expenses after completing the FAFSA. After verification is complete, the special circumstances process analyzes and documents the effect of certain pieces of financial information for the student's Institutional Student Information Record. The audit recommendation focused on adequately protecting and securing paper documents with personally identifiable information before they are scanned into the university's imaging software. Management expects to complete its action plans by June 2019.

STATUS OF AUDIT FOLLOW-UPS

University of Iowa

Title	Report Date	Original Follow-Up Date	Revised Follow-Up Date	Action Status
1. User Access	July 19, 2017	Aug 2018		🟨
2. Division of Student Life	Feb 27, 2018	Aug 2018		🟨
3. Durable Medical Equipment	Sept 21,2017	Oct 2018		🟨
4. UI Health Care Patient Access Center	May 2, 2018	Nov 2018		🟩
5. School of Social Work	Aug 15, 2018	Nov 2018		🟩
6. Protected Health Information on Mobile Devices	March 28, 2018	Dec 2018		🟩
7. Telemedicine	May 2, 2018	Dec 2018		🟩
8. Hospital Late Charges	Dec 15, 2017	Jan 2019		🟩
9. UIHC Environmental Services	June 19, 2018	Jan 2019		🟩
10. Cherwell System	Aug 15, 2018	Feb 2019		🟦
11. UIHC Violence Protocols	March 28, 2018	May 2019		🟦
12. Animal Research Compliance	May 2, 2018	June 2019		🟦
13. Environmental Health and Safety Office	June 19, 2018	June 2019		🟦
14. UI Student Health & Wellness	Sept 25, 2018	June 2019		🟦
15. ITS Data Center Operations	March 28, 2018	July 2019		🟦
16. Payment Card Industry Compliance	June 4, 2018	Aug 2019		🟦
17. University of Iowa Physicians	June 19, 2018	Aug 2019		🟦
18. Prepaid Services	Aug 15, 2018	Aug 2019		🟦
19. Emergency Preparedness	Oct 31, 2017	Nov 2019		🟦
20. Building Access Security	Aug 15, 2018	Feb 2020		🟦

Iowa State University

Title	Report Date	Original Follow-Up Date	Revised Follow-Up Date	Action Status
21. Study Abroad Center	Oct 9, 2018	Dec 2018		🟩
22. Department of Sociology	Aug 13, 2018	Jan 2019		🟩
23. Department of Apparel, Events, and Hospitality Management	Oct 9, 2018	Jan 2019		🟩

University of Northern Iowa

Title	Report Date	Original Follow-Up Date	Revised Follow-Up Date	Action Status
24. Capital Assets	March 22, 2018	Jan 2019		🟩
25. College of Business Administration	May 7, 2018	March 2019		🟦
26. Compensated Effort	July 24, 2018	April 2019		🟦
27. School of Music	July 24, 2018	May 2019		🟦
28. ACH and Wire Transfer Processes	Sept 20, 2018	July 2019		🟦

Follow-Up Legend

🟥	• Planned corrective action and/or follow-up report not completed within six months of originally scheduled date.
🟨	• Planned corrective action and/or follow-up report not completed within three months of originally scheduled date.
🟩	• Follow-up report is due and is within three months of originally scheduled completion date.
🟦	• Follow-up report not yet due.