

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 <ul style="list-style-type: none"> • Capital Assets Management • Department of Family Medicine • Division of Student Life • Occupational Health |     | Open Open Open Open |
| IOWA STATE UNIVERSITY <ul style="list-style-type: none"> • Recreation Services |  | Open |
| UNIVERSITY OF NORTHERN IOWA <ul style="list-style-type: none"> • Capital Assets |  | Open |

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

FOLLOW-UP REPORTS

UNIVERSITY OF IOWA

- University of Iowa Research Foundation Closed

IOWA STATE UNIVERSITY

UNIVERSITY OF NORTHERN IOWA

- Arctic, Remote and Cold Territories Interdisciplinary Center Closed
- UNItix Closed

CONTROLS/EFFICIENCIES ASSESSMENT (CEA)

| | |
|--|--|
| <p>HIGH</p>  | <ul style="list-style-type: none"> • 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. |
|--|--|

| | |
|--|--|
| <p>MODERATE</p>  | <ul style="list-style-type: none"> • 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. |
| <p>LOW</p>  | <ul style="list-style-type: none"> • 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
Capital Assets Management**

Issued February 27, 2018

Status: Open

Capital Assets Management, at the University of Iowa, is responsible for maintaining accountability and providing inventory reporting for all capitalized assets for the university and University of Iowa Hospitals and Clinics. The primary audit recommendations were reviewing engagement fees and travel expenses for third party physical inventories, developing capital asset online training, converting remaining manual asset forms, and requiring all necessary forms to be submitted prior to acceptance of the Letters of Certification. Additional audit recommendations include improving entry and maintenance of asset contacts and custodians in institutional computer systems. Management expects to complete all action plans by August 2018.



**University of Iowa
Department of Family Medicine**

Issued February 27, 2018

Status: Open

The Department of Family Medicine audit was performed to examine the operations for reasonable controls and processes. Audit recommendations include improving review and timeliness of travel approvals and related expenditures, segregating cash handling duties, ensuring compliance with human resources policies, and updating workflow approvals for purchases. The items identified in the audit are relatively minor, however, implementation of the action plan will strengthen the control environment and improve process efficiency. Management expects to complete its action plan by March 2018.



**University of Iowa
Division of Student Life**

Issued February 27, 2018

Status: Open

The Division of Student Life offers multiple services which contribute to student success in and out of the classroom. The Division of Student Life was audited to examine operations for reasonable internal controls and processes. Audit recommendations included increased oversight of employee time records, IT purchases and inventory management, building and system access, travel approvals, training, and department budgets. Management expects to complete its action plans by July 2018.



**University of Iowa
Occupational Health**

Issued February 27, 2018

Status: Open

The Occupational Health audit was completed to examine whether controls are in place to monitor and control the business of the clinic. Occupational Health operates as a unit under the University of Iowa Health Systems (UIHS) umbrella which has a different tax identification number than the University of Iowa Hospitals and Clinics (UIHC). The most significant findings from the audit include improving physical security at the front desk area, improving coding monitoring to ensure documentation consistently meets standards, regularly meeting to optimize the new Agility patient record system for clinic use, and cross-training staff to cover the billing and system management duties of the Occupational Health Administrative Coordinator. Management expects to complete its action plans by December 2018.



**Iowa State University
Recreation Services**

Issued March 6, 2018

Status: Open

The Iowa State University (ISU) Recreation Services audit was completed to evaluate the adequacy of significant administrative and fiscal processes to provide reasonable assurance that internal controls are in place and operating as intended. Audit recommendations include creating and posting signage throughout Recreation Services facilities to inform patrons of the inherent risks associated with recreation activities, using unique system user accounts for each employee, and establishing a procedure to review active user accounts periodically to ensure a business purpose still exists. Additional recommendations include developing processes to track non-capitalized equipment and to ensure Conflicts of Interest and Commitment disclosures are completed annually by all required employees. Management expects to complete its action plans by June 2018.



**University of Northern Iowa
Capital Assets**

Issued March 22, 2018

Status: Open

Capital assets is a process that manages and accounts for capital equipment, land, buildings, improvements, infrastructure, and intangible assets that exceed established cost thresholds. Audit recommendations focused on controls over federal assets, improvements in the additions, deletions and reconciliation processes, and updated policies and procedures. Management expects to complete its action plans by December 2018.

STATUS OF AUDIT FOLLOW-UPS

University of Iowa

| Title | Report Date | Original Follow-Up Date | Revised Follow-Up Date | Action Status |
|--|--------------------|--------------------------------|-------------------------------|---|
| 1. Heart and Vascular Center | Dec 9, 2015 | July 2016 | July 2017 |  |
| 2. Utilization Management | Jan 22, 2016 | Aug 2016 | Sept 2017 |  |
| 3. University Book Store | July 19, 2016 | Dec 2016 | Aug 2017 |  |
| 4. UI Health System Governance and Processes | Nov 29, 2016 | July 2017 | |  |
| 5. UI Health Care Clinical Trial | Feb 21, 2017 | Aug 2017 | |  |
| 6. UI Health System Financial Management | Feb 21, 2017 | Aug 2017 | |  |
| 7. UI Health Care Outreach | April 26, 2017 | Aug 2017 | |  |
| 8. Athletics | Feb 21, 2017 | Oct 2017 | |  |
| 9. Utilities Network | May 30, 2017 | Oct 2017 | |  |
| 10. Community Connect | June 27, 2017 | Nov 2017 | |  |
| 11. Admission and Transfer Center | June 27, 2017 | Jan 2018 | |  |
| 12. Hancher | July 19, 2017 | Jan 2018 | |  |
| 13. Extra Compensation for Teaching Academic Courses | March 29, 2017 | Feb 2018 | |  |
| 14. Universal Workflow | April 26, 2017 | Feb 2018 | |  |
| 15. Division of Performing Arts | Aug 29, 2017 | Feb 2018 | |  |
| 16. UI Community HomeCare | Oct 31, 2017 | Feb 2018 | |  |
| 17. Stead Family Children's Hospital Physical Security | Nov 29, 2017 | March 2018 | |  |
| 18. Off-site Medication Supply Chain | June 27, 2017 | April 2018 | |  |
| 19. UI Health Care Marketing and Communications | June 27, 2017 | April 2018 | |  |
| 20. State Hygienic Lab IT | Nov 29, 2017 | July 2018 | |  |
| 21. User Access | July 19, 2017 | Aug 2018 | |  |
| 22. Volunteer Services | Sept 21, 2017 | Aug 2018 | |  |
| 23. Joint Office for Compliance | Oct 31, 2017 | Aug 2018 | |  |
| 24. Benefits | June 27, 2017 | Sept 2018 | |  |
| 25. Office of Student Financial Aid | Dec 15, 2017 | Sept 2018 | |  |
| 26. Durable Medical Equipment | Sept 21, 2017 | Oct 2018 | |  |
| 27. UIHC Capital Management New Clinic Build | Jan 24, 2018 | Oct 2018 | |  |
| 28. BioVentures | Oct 31, 2017 | Nov 2018 | |  |

| | | | | |
|----------------------------|--------------|----------|--|---|
| 29. Hospital Late Charges | Dec 15, 2017 | Jan 2019 | |  |
| 30. Emergency Preparedness | Oct 31, 2017 | Nov 2019 | |  |

Iowa State University

| Title | Report Date | Original Follow-Up Date | Revised Follow-Up Date | Action Status |
|--|--------------|-------------------------|------------------------|---|
| 1. Capital Project Payments | Nov 16, 2017 | March 2018 | |  |
| 2. College of Human Sciences | Nov 16, 2017 | March 2018 | |  |
| 3. Roy J. Carver Department of Biochemistry, Biophysics, and Molecular Biology | Dec 12, 2017 | Sept 2018 | |  |

University of Northern Iowa

| Title | Report Date | Original Follow-Up Date | Revised Follow-Up Date | Action Status |
|---|--------------|-------------------------|------------------------|---|
| 31. Institute for Decision Making | May 4, 2017 | Feb 2018 | |  |
| 32. Academic Learning Center | Sept 1, 2017 | July 2018 | |  |
| 33. Environmental Health and Safety | Dec 19, 2017 | Aug 2018 | |  |
| 34. Regents' Center for Early Developmental Education | Dec 19, 2017 | Oct 2018 | |  |

Follow-Up Legend

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