

Contact: Todd Stewart

**FY 2009 AUDIT PROGRESS AND FY 2010 INTERNAL AUDIT PLANS**

**Action Requested:** Receive the progress reports for the universities' FY 2009 audit plans and the internal audit plans for FY 2010.

**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 2009 Progress	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>	<u>Total</u>
<b>Audits:</b>				
Original Audits Planned	44	14	19	77
Added during Year	5	1	1	7
<b>Totals</b>	<b>49</b>	<b>15</b>	<b>20</b>	<b>84</b>
Completed	37	8	12	57
In Progress	4	6	4	14
Deferred	3	-	1	4
Cancelled	5	1	3	9
<b>Totals</b>	<b>49</b>	<b>15</b>	<b>20</b>	<b>84</b>
<b>Follow-Up Audits:</b>				
Follow-up Audits Planned	34	7	11	52
Added during Year	3	-	1	4
<b>Totals</b>	<b>37</b>	<b>7</b>	<b>12</b>	<b>56</b>
Completed	25	4	3	32
In Progress	1	0	7	8
Deferred	11	3	1	15
Cancelled	-	-	1	1
<b>Totals</b>	<b>37</b>	<b>7</b>	<b>12</b>	<b>56</b>

FY 2010 Plans	<u>Scheduled Audits</u>	<u>Follow-Up Audits</u>	<u>Grand Total</u>	<u>Total Hours Budgeted*</u>
University of Iowa	43	29	72	17,360
Iowa State University	14	10	24	5,208
University of Northern Iowa	<u>11</u>	<u>19</u>	<u>30</u>	<u>3,976</u>
<b>Total</b>	<b>68</b>	<b>58</b>	<b>126</b>	<b>26,544</b>

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

Internal audit plans for FY 2010 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, 2009	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>	<u>TOTAL</u>
Full-Time Professional Audit Positions	9	3	2	<b>14</b>
Support / Intern / Student Positions	1	0	1	<b>2</b>

Tables detailing FY 2010 plans and FY 2009 progress for each university may be found in the attachment. Tables containing audits completed for the past three fiscal years may be found on the following pages.

The FY 2010 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 2010 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 2010		
<u>Audits</u>	<u>Hours</u>	<u>Percent</u>
2010 Active Directory	200	1.2%
A-21 Unallowable Costs	350	2.0%
Alumni Association	250	1.4%
Athletic Ticket Office	250	1.4%
Bank Account Searches	200	1.2%
Bookstore	50	0.3%
Capital Project Change Orders	250	1.4%
College of Pharmacy	35	0.2%
Cost Sharing	80	0.5%
E-Buy Purchasing	250	1.4%
Effort Reporting	300	1.7%
Employee Labor Management System	300	1.7%
EPIC Cardiant	300	1.7%
EPIC Change Management	200	1.2%
EPIC Op Time	135	0.8%
EPIC Pharmacy	300	1.7%
EPIC Radiant	300	1.7%
Executive Expense Reports	250	1.4%
Fieldhouse IT	300	1.7%
Finkbine Golf Course	250	1.4%
Health Benefits	400	2.3%
Internal Medicine	300	1.7%
International Programs	250	1.4%
Late Charge Write-offs	300	1.7%
MAUI Consulting	50	0.3%
NCAA Camps and Clinics	100	0.6%
NCAA Reps of University Athletics - Boosters	100	0.6%
NCAA Ticket Revenue	250	1.4%
Organ Procurement	250	1.4%
Orthopedics	300	1.7%
Parking Credit Card	150	0.9%
Patient Financial Services Payment Posting/Cash Handling	150	0.9%
Procurement Card	350	2.0%
Quarterly Investment Reviews	125	0.7%
Sexual Harassment	300	1.7%
Third Party Clinical Trials (IDX Module)	350	2.0%
UI Health Care Finance and Accounting	400	2.3%
UICMS Business Process Integration	300	1.7%
UIHC Patient Elopement	250	1.4%
UIHC Prepaid Services	200	1.2%
UIHC Workflow	300	1.7%
Uncompensated Care (Charity, Bad Debt)	300	1.7%
University Payroll	300	1.7%
Follow-Up Audits	1,000	5.8%
Special Requests - Unassigned	948	5.5%
<b>Subtotal</b>	<b>12,273</b>	<b>70.7%</b>
<b><u>Other Audit Responsibilities</u></b>	<b><u>Hours</u></b>	<b><u>Percent</u></b>
Administration	2,720	15.7%
Annual Risk Assessment/Planning	450	2.6%
Committee Participation	290	1.7%
EthicsPoint	100	0.6%
Performance Evaluations	184	1.1%
Professional Development/Organizations	625	3.6%
Staff Meetings	718	4.1%
<b>Subtotal</b>	<b>5,087</b>	<b>29.3%</b>
<b>Total</b>	<b>17,360</b>	<b>100.0%</b>

<b>IOWA STATE UNIVERSITY</b>		
<b>Proposed Internal Audit Plan for FY 2010</b>		
<b><u>Audits</u></b>	<b><u>Hours</u></b>	<b><u>Percent</u></b>
Benefits Processing	300	5.8%
Conflict of Interest	200	3.8%
Dining Services	300	5.8%
Employee Expense Reimbursements	150	2.9%
Fee-for-Service Accounts	250	4.8%
Foundation Funds Spending Compliance	200	3.8%
Intellectual Property and Technology Transfer	350	6.7%
Investment Reviews - Quarterly	20	0.4%
Leopold Center for Sustainable Agriculture	250	4.8%
NCAA Compliance	200	3.8%
Purchasing Card	250	4.8%
Research Data Security	300	5.8%
Security of Internet-Initiated ACH Transactions	40	0.8%
Thielen Student Health Center	300	5.8%
Construction Change Requests	20	0.4%
Effort Reporting	22	0.4%
Fuel Access and Usage	20	0.4%
Personnel Actions	5	0.1%
Social Security Number Protection	10	0.2%
Follow-Up Audits	265	5.1%
Special Requests - Unassigned	314	6.0%
<b>Subtotal</b>	<b>3,766</b>	<b>72.3%</b>
<b><u>Other Responsibilities</u></b>	<b><u>Hours</u></b>	<b><u>Percent</u></b>
Administration	781	15.0%
Staff Meetings	241	4.6%
Professional Development	200	3.8%
Annual Risk Assessment & Audit Planning	220	4.2%
<b>Subtotal</b>	<b>1,442</b>	<b>27.7%</b>
<b>Total</b>	<b>5,208</b>	<b>100.0%</b>

<b>UNIVERSITY OF NORTHERN IOWA</b>		
<b>Proposed Internal Audit Plan for FY 2010</b>		
<b>Audits</b>	<b>Hours</b>	<b>Percent</b>
A-21 Applicable Credits	320	8.0%
Academic Learning Center Examination Services	280	7.0%
Annual Investment Review	16	0.4%
Campus Fueling Station Access & Usage	200	5.0%
Centralized Copying & Printing	242	6.1%
Events Center Business Plan Compliance	52	1.3%
Procurement Card	360	9.1%
Special Compensation Controls	20	0.5%
Student Course & Program Fees	360	9.1%
Study Abroad Programs	320	8.0%
Telecommuting Arrangements	280	7.0%
Tuition & Fees Accountability & Allocation	120	3.0%
Follow-Up Audits	448	11.3%
Special Requests - Unassigned	<u>240</u>	6.0%
<b>Subtotal</b>	<b>3,258</b>	<b>81.9%</b>
<b>Other Audit Responsibilities</b>	<b>Hours</b>	<b>Percent</b>
Administration	306	7.7%
Annual Risk Assessment & Audit Planning	160	4.0%
Professional Development & Education	130	3.3%
Staff Meetings	<u>122</u>	3.1%
<b>Subtotal</b>	<b>718</b>	<b>18.1%</b>
<b>Total</b>	<b>3,976</b>	<b>100.0%</b>

**LEGEND**

- O Original Audit Report
- O<sup>1</sup> Original Report - No Follow-up Required
- O<sup>2</sup> Original Report - Follow-up Planned for FY 2008
- F Follow-up Audit Report
- √ Recurring Audits

UNIVERSITY OF IOWA				
Audits Completed for the Past Four Fiscal Years				
	FY 2006	FY 2007	FY 2008	FY 2009
<b>RECURRING REPORTED AUDITS / REVIEWS</b>				
Intercollegiate Athletics - Home Game Ticket Revenue	OF	OF	OF	OF
Quarterly Cash and Investment Reviews (endowment funds) - SUI, ISU, UNI, ISD, and IBSSS	√	√	√	
Quarterly Cash and Investment Reviews (operating funds) - ISD	√	√	√	
Quarterly Cash and Investment Reviews (operating funds) - SUI	√	√	√	
<b>ENTERPRISE WIDE AUDITS</b>				
Grow Iowa Values Fund - Enterprise Wide		O		
President's Accounts - Enterprise Wide		O		
Student Financial Aid - Enterprise Wide		OF		
Transformation Plan - Enterprise Wide		O		
<b>ORIGINAL AND FOLLOW-UP REPORTS</b>				
Absence Management Report - FMLA			O	F
Ambulatory Care Cash Clinic Handling	O	F		
Blanket Purchase Orders				O
Bridge Systems Electronic Medication Adm Record - UIHC		OF		
Capital One Bowl (original report 09/26/05)	O	F		
Chemistry Department			OF	
Childrens Miracle Network		O	F	
College of Medicine (CCOM) Core Lab Recharge Center	F			
Conflict of Interest Continuing Medical Education			O	
Conflict of Interest Vendors/Extramural Activities			O	
Controlled Substances				OF
Cooperative Oncology	O	F		
Copyright Management				O
Cost Transfers				O
Credit Card Processing	O			
Criminal Background Checks				OF
Department of Intercollegiate Athletics			O	F
GLBA/FERPA Compliance				O
Hospital Supply Chain				O
Human Subjects Office Process Review			O	
Iowa Memorial Union Food Service and Residential Dining		O		F
Iowa School for the Deaf			O	F
Medical Kiosk Security				O
NCAA Compliance - Booster Clubs	OF			
NCAA Compliance - Camps and Clinics	O	F		
NCAA Compliance - Certification of Compliance			O	
NCAA Compliance - Coaching Staff Limitations (men and women)	O			
NCAA Compliance - Complimentary Admissions			O	
NCAA Compliance - Equipment and Apparel				O
NCAA Compliance - Financial Aid	F			O
NCAA Compliance - General Compliance Rules Education			O	
NCAA Compliance - Playing and Practice		O		
NCAA Compliance - Recruiting		O		F
NCAA Compliance - Student-Athlete Eligibility			O	
NCAA Compliance - Student-Athlete Employment				O
NCAA Compliance - Student Vehicle		O		
NCAA Compliance - Team Travel				O
Offer Letter Practices	OF			
Outback Bowl (original report 09/13/06)		O		F
Pandemic Preparedness				OF
Patent Policy Compliance				O
Property Management Office				O
Review of Termination Practices		O	F	
Research Lab Recharge Centers	F			
Speech Pathology and Audiology			O	F
Student Activity Fees				O
Student Course Fees				OF
Third Party Clinical Trial Billing	O		F	
Tippie College of Business			OF	
Transplant Billing Process			OF	
Travel Expense Electronic Documentation Controls		O		
Travel Expenses on Procurement Card	F			
University of Iowa Physicians			O	F

UNIVERSITY OF IOWA				
Audits Completed for the Past Four Fiscal Years				
	FY 2006	FY 2007	FY 2008	FY 2009
<b>ORIGINAL AND FOLLOW-UP REPORTS</b>				
UIHC Access Control Security			O	F
UIHC Cash Handling Changes		OF		
UIHC Construction Project	O	F		O
UIHC Engineering Services			OF	
UIHC Environmental and Guest Services				O
UIHC Patient and Staff Safety				OF
UI Health Care Research Drugs			O	
University Box Office			O	F
University Surplus Processes				O
Anesthesia		OF		
Biosafety Laboratory				O
College Law Administration	F			
College of Dentistry Business Process			O	F
College of Medicine - Finance and Administration	F			
College of Nursing		O	F	
Compensation of Graduate Students in NIH Research			O	
Dermatology		O	F	
Epidemiology (College of Public Health)		OF		
Family Medicine			OF	
Grant Accounting	O		F	
Hygienic Lab		O		F
Institute of Clinical and Translational Science				O
Joint Office for Clinical Outreach Services				O
Museum of Art	F			
National Advanced Driving Simulator				OF
Neurology		O	F	
Obstetrics and Gynecology				OF
Office of Animal Resources	F			
Office of State Archaeologist	F			
Parking and Transportation Services		O	F	
Pathology	OF			
Provost Office	F			
Psychiatry	O	F		
Registrar	O	F		
Research Subject Compensation				O
Residence Hall Government	O	F		
Student Health Service		O		F
Surgery	F			
UI Health Care Integrated Call Center				OF
Volunteer Services		O	F	
Carver College of Medicine Research Data Security		O		F
Data Backup and Business Continuation Planning (Decentralized)	F			
Data Center Security			OF	
Department of Psychology IT Security				O
HCIS Hardware Change Management			OF	
HCIS Software Change Management	F			
HIPAA Security				O
IDX Access and Security	O	F		
IT Parallel Systems	O		F	
ITS Telecom Closet Physical Security			O	F
Protected Health Information on Mobile Devices		O	F	
School of Library and Information Science IT Review			O	F
Security of Initiated ACH Transactions		O	F	
Shared Campus Active Directory Forest				O
Surplus Stores Hard Drive Cleaning Process		OF		
UI Health Care - Epic Security				OF
Wireless Technology	O			F
Institute of Hydraulic Research		O		
Ophthalmology & Visual Sciences	F			
Physics and Astronomy		O	F	
Animal Resource System Implementation	√			
MAUI - Student Registration System		√	√	
Student Health Review	√	√		
Student Information System Implementation	√	√		
Supply Chain Management	√	√		
Office of Clinical Outreach			√	

<b>IOWA STATE UNIVERSITY</b>				
<b>Audits Completed for the Past Four Fiscal Years</b>				
	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>RECURRING REPORTED AUDITS / REVIEWS</b>				
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
<b>ENTERPRISE WIDE AUDITS</b>				
Grow Iowa Values Fund		O		
Student Financial Aid		O		
Office of the President Accounts Review		O		
Regents Partnership Plan for Transformation & Excellence	O	O		
<b>ORIGINAL AND FOLLOW-UP REPORTS</b>				
Extension Administration	F			
IBSSS - Assistive Device Center	F			
Iowa Agriculture and Home Economics Experiment Station	O	F		
Memorial Union	F			
Procurement Compliance	F			
Sponsored Programs	F			
Thielen Student Health Center		O	F	
Veterinary Teaching Hospital		O	F	
Admissions			O	F
Biosafety Compliance			O	F
Building Access Services - Access Cards			O	
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
Department of Public Safety Accreditation Review				O
Fuel Access and Usage				O
Human Subjects				O
Key Control and Access				O
Personnel Actions				O
Social Security Number Protection				O
Veterinary Diagnostic Laboratory				O F

<b>UNIVERSITY OF NORTHERN IOWA</b>				
<b>Audits Completed for the Past Four Fiscal Years</b>				
	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY2009</b>
<b>RECURRING REPORTED AUDITS / REVIEWS</b>				
Cash on Hand	F	F		
Quarterly Cash and Investment Reviews (operating funds)	√	√	√	√
<b>ENTERPRISE WIDE AUDITS</b>				
Transformation & Excellence Plan	O <sup>1</sup>	O <sup>1</sup>		
Office of the President Accounts' Review		O <sup>1</sup>		
Student Financial Aid		O F		
Grow Iowa Values Fund		O <sup>1</sup>		
<b>ORIGINAL AND FOLLOW-UP REPORTS</b>				
Athletics Cash, Gift & Tradeout Handling				O
Athletic Ticket Sales				O
Centralized Revenue Processes				O
Continuing Education Credit Programs	F			
Department of Residence - Facilities	F			
Federal Export Controls				O
Gallagher-Bluedorn Performing Arts Center		F		
GEAR-UP Programs (Grant)		F		
Hong Kong MBA Program			O	F
Human Resource Services - Workers' Compensation	F			
International Programs	O <sup>2</sup>	F		
Management & Professional Development Center		F		
NCAA Rules-Compliance Program Evaluation Process Review		O	F	
Physical Plant Job Cost System Efficiency				O
Price Laboratory School Fees				O
Recharge Centers Rate Compliance Improvement				O
UNI Dome Event Parking	F			
UNI#x Operations				O F
University Conflict of Interest Analysis				O
University Health Services	F			
University Spending Controls				
Upward Bound-Classic Program (Grant)		F		
Vendor Payment Analysis			O	F