

Contact: Todd Stewart

FY 2010 AUDIT PROGRESS AND FY 2011 INTERNAL AUDIT PLANS

Action Requested: Receive the progress reports for the universities' FY 2010 audit plans and the internal audit plans for FY 2011.

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 2010 Progress	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>	<u>Total</u>
Audits:				
Original Audits Planned	43	12	12	67
Added during Year	5	-	1	6
Totals	48	12	13	73
Completed	27	8	11	46
In Progress	10	1	1	12
Deferred	2	-	1	3
Cancelled	9	3	-	12
Totals	48	12	13	73
Follow-Up Audits:				
Follow-up Audits Planned	29	11	19	59
Added during Year	4	-	-	4
Totals	33	11	19	63
Completed	20	8	10	38
In Progress	7	0	9	16
Deferred	4	3	-	7
Cancelled	2	-	-	2
Totals	33	11	19	63

FY 2011 Plans	<u>Scheduled Audits</u>	<u>Follow-Up Audits</u>	<u>Grand Total</u>	<u>Total Hours Budgeted*</u>
University of Iowa	41	31	72	16,318
Iowa State University	13	8	21	4,848
University of Northern Iowa	<u>11</u>	<u>19</u>	<u>30</u>	<u>3,772</u>
Total	65	58	123	24,938

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

Internal audit plans for FY 2011 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, 2010	<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 2011 plans and tables containing audits completed for each university for the past four fiscal years may be found on the following pages.

The FY 2011 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.

UNIVERSITY OF IOWA		
Proposed Internal Audit Plan for FY 2011		
<u>Audits and Reviews</u>	<u>Hours</u>	<u>Percent</u>
A-21 Unallowable Costs	150	0.9%
Ambulatory Pharmacy Cash Handling	150	0.9%
Bank Account Search	50	0.3%
Bowl Game Audit	250	1.5%
Building Access Security AMAG Card Key Access	350	2.1%
Campus Conflict of Interest Disclosure	250	1.5%
Central Sterilizing Services - OR Case Counts	300	1.8%
Clinical Cancer Center	350	2.1%
Engineering Departmental (Mechanical)	280	1.7%
EPIC - Stork	250	1.5%
EPIC ASAP (ETC)	250	1.5%
EPIC Beacon (Peds and Adult)	350	2.1%
EPIC Ophthalmology	100	0.6%
EPIC Pharmacy	60	0.4%
Fieldhouse IT	50	0.3%
Finkbine GC Business Review	235	1.4%
Incommon Silver	250	1.5%
Institute for Clinical and Translational Science	100	0.6%
International Student Reporting (SEVIS)	300	1.8%
Investment Review	100	0.6%
MARS/MAUI Feeder Systems	350	2.1%
MAUI Consulting	50	0.3%
Mobile Devices Security Controls	250	1.5%
NCAA Extra Benefits	50	0.3%
NCAA Playing and Practice Sessions	60	0.4%
NCAA Recruiting (On and Off Campus)	280	1.7%
NCAA Ticket Revenue	250	1.5%
Off Campus/Distance Education	300	1.8%
Organ Procurement	25	0.2%
Outside Clinical Practice	100	0.6%
Pathology/Blood Bank Inventory	300	1.8%
PCI Compliance	300	1.8%
Pediatrics Departmental	300	1.8%
President's Office	100	0.6%
Red Flag Rule	300	1.8%
Student Financial Aid/Higher Education Reauthorization Act	350	2.1%
Student Housing	300	1.8%
Summer Camps	250	1.5%
Surgery Departmental	300	1.8%
Third Party Clinical Trials Research	350	2.1%
UI Health Care Human Resources	400	2.5%
UI Health Care Patient Financial Services - Pre-Access Processes	300	1.8%
UIHC Pharmacy Central Storeroom Inventory	250	1.5%
Follow-Up Audits	990	6.1%
Special Requests - Unassigned	693	4.2%
Subtotal	11,373	69.7%
<u>Other Audit Responsibilities</u>	<u>Hours</u>	<u>Percent</u>
Administration	2,672	16.4%
Annual Risk Assessment & Audit Planning	450	2.8%
Committee Participation	275	1.7%
EthicsPoint	100	0.6%
Performance Evaluations	179	1.1%
Professional Development	586	3.6%
Staff Meetings	683	4.2%
Subtotal	4,945	30.3%
Total	16,318	100.0%

IOWA STATE UNIVERSITY		
Proposed Internal Audit Plan for FY 2011		
<u>Audits and Reviews</u>	<u>Hours</u>	<u>Percent</u>
Athletic Department Ticketing Procedures	300	6.2%
Employee Benefits	100	2.1%
Export Controls	250	5.2%
Higher Education Opportunities Act	300	6.2%
Identity and Access Management	300	6.2%
Laboratory Safety and Security	300	6.2%
NCAA Compliance	200	4.1%
Non-Employees/Volunteers	250	5.2%
Residence Hall and Student Apartment Access Control	300	6.2%
Security of Internet-Initiated ACH Transactions	30	0.6%
Separation Procedures	200	4.1%
Sponsored Programs Fiscal Compliance	250	5.2%
Study Abroad Rome Program	300	6.2%
Follow-Up Audits	130	2.7%
Special Requests - Unassigned	196	4.0%
Subtotal	3,406	70.3%
<u>Other Audit Responsibilities</u>	<u>Hours</u>	<u>Percent</u>
Administration	606	12.5%
Annual Risk Assessment & Audit Planning	220	4.5%
Committee Participation	70	1.4%
Performance Evaluations	66	1.4%
Professional Development	180	3.7%
Staff Meetings	300	6.2%
Subtotal	1,442	29.7%
Total	4,848	100.0%

University of Northern Iowa		
Proposed Internal Audit Plan for FY 2011		
<u>Audits and Reviews</u>	<u>Hours</u>	<u>Percent</u>
Adjunct Instructors and Temporary Employees	102	2.7%
College of Education	300	8.0%
Child Development Center	320	8.5%
Events Complex Concessions	37	1.0%
International Student Admissions	300	8.0%
Iowa Waste Reduction Center	320	8.5%
Motor Vehicle Pool	160	4.2%
Payment Card Industry Data Security Standards (PCI DSS)	280	7.4%
Price Laboratory School Food Service Program	300	8.0%
Summer Camps	280	7.4%
Tuition & Fees Accountability & Allocation	20	0.5%
Follow-Up Audits	460	12.2%
Special Requests - Unassigned	175	4.6%
Subtotal	3,054	81.0%
<u>Other Audit Responsibilities</u>	<u>Hours</u>	<u>Percent</u>
Administration	240	6.4%
Annual Risk Assessment & Audit Planning	160	4.2%
Committee Participation	50	1.3%
Performance Evaluations	16	0.4%
Professional Development	130	3.4%
Staff Meetings	122	3.2%
Subtotal	718	19.0%
Total	3,772	100.0%

UNIVERSITY OF IOWA				
Audits Completed for the Past Four Fiscal Years				
	FY07	FY08	FY09	FY10
RECURRING REPORTED AUDITS / REVIEWS				
Intercollegiate Athletics - Home Game Ticket Revenue	O F	O F	OF	O F
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	√	√		
Annual Investment Review (operating and endowment funds) - SUI				√
ENTERPRISE WIDE AUDITS				
Grow Iowa Values Fund - Enterprise Wide	O			
President's Accounts - Enterprise Wide	O			
Student Financial Aid - Enterprise Wide	O F			
Transformation Plan - Enterprise Wide	O			
ORIGINAL AND FOLLOW-UP REPORTS				
Absence Management Report - FMLA		O	F	
Ambulatory Care Cash Clinic Handling	F			
Anesthesia	O F			
Biochemistry Stores				O
Biosafety Laboratory			O	F
Blanket Purchase Orders			O	F
Bridge Systems Electronic Medication Adm Record - UIHC	O F			
Broadcasting Services Active Directory Review				O
Capital One Bowl (original report 09/26/05)	F			
Carver College of Medicine Research Data Security	O		F	
Chemistry Department		O F		
Childrens Miracle Network	O	F		
College of Dentistry Business Process		O	F	
College of Nursing	O	F		
College of Pharmacy Business Processes				O
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			O F	
Cooperative Oncology	F			
Copyright Management			O	F
Cost Sharing Audit Report				O
Cost Transfers			O	
Criminal Background Checks			O F	
Data Center Security		O F		
Department of Intercollegiate Athletics		O	F	
Department of Internal Medicine Administration				O
Department of Psychology IT Security			O	F
Dermatology	O	F		
EPIC Cardiant				O
EPIC Radiant				O
EPIC Software Change Management				O
Epidemiology (College of Public Health)	O F			
Facilities Management - Construction Change Orders				O
Family Medicine		O F		
Grant Accounting		F		
GLBA/FERPA Compliance			O	
HCIS Hardware Change Management		O F		
HIPAA Security			O	F
Hospital Supply Chain			O	F
Human Subjects Office Process Review		O		F
Hygienic Lab	O		F	
IDX Access and Security	F			
IIHR-Hydrosience and Engineering Active Directory Review				O
IT Parallel Systems		F		
ITS Telecom Closet Physical Security		O	F	
Institute of Clinical and Translational Science			O	
Institute of Hydraulic Research	O			
International Programs - Office for Study Abroad				O
Iowa Memorial Union Food Service and Residential dining	O		F	
Iowa School for the Deaf		O	F	
Joint Office for Clinical Outreach Services			O	F
Main Operating Room Billing Process				O
Math, Stats and Actuarial Science, Comp Science--Active Directory Review				O
Medical Kiosk Security			O	
NCAA Extra Benefits Representatives of the University's Athletic Interests				O
NCAA Compliance - Camps and Clinics	F			O

UNIVERSITY OF IOWA				
Audits Completed for the Past Four Fiscal Years				
	FY07	FY08	FY09	FY10
ORIGINAL AND FOLLOW-UP REPORTS				
NCAA Compliance - Certification of Compliance		O		
NCAA Compliance - Coaching Staff Limits & Contracts				O
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 - 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	
National Advanced Driving Simulator			OF	
Neurology	O	F		
Obstetrics and Gynecology			OF	
Outback Bowl (original report 09/13/06)	O		F	
Pandemic Preparedness			OF	
Parking and Transportation Credit Cards				O
Parking and Transportation Services	O	F		
Patent Policy Compliance			O	F
Physics and Astronomy	O	F		
Prepaid Patient Services				O
Procurement Card				O
Property Management Office			O	F
Protected Health Information on Mobile Devices	O	F		
Psychiatry	F			
Registrar	F			
Research Subject Compensation			O	F
Residence Hall Government	F			
Review of Termination Practices	O	F		
School of Library and Information Science IT Review		O	F	
Security of Initiated ACH Transactions	O	F		
Sexual Harassment Policy				O
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	O		F	
Surgery				
Surplus Stores Hard Drive Cleaning Process	OF			
Third Party Clinical Trial Billing		F		
Tippie College of Business		OF		
Transplant Billing Process		OF		
Travel Expense Electronic Documentation Controls	O			
UIHC Access Control Security		O	F	
UIHC Cash Handling Changes	OF			
UIHC Construction Project	F		O	F
UIHC Department of Orthopaedics Business Practices				O
UIHC Engineering Services		OF		
UIHC Environmental and Guest Services			O	F
UIHC Patient and Staff Safety			OF	
UIHC Patient Elopement				OF
UIHC Workflow Processes				OF
UI Health Care - Epic Security			OF	
UI Health Care Integrated Call Center			OF	
UI Health Care Research Drugs		O		
UI Healthcare Finance and Accounting				O
University Benefits				O
University Bookstore - Apple Merchandise				OF
University Box Office		O	F	
University of Iowa Alumni Association				O
University of Iowa Physicians		O	F	
University Surplus Processes			O	F
Volunteer Services	O	F		
Wireless Technology			F	
MAUI - Student Registration System	√	√		
Student Health Review	√			
Student Information System Implementation	√			
Supply Chain Management	√			
Office of Clinical Outreach		√		

IOWA STATE UNIVERSITY				
Audits Completed for the Past Four Fiscal Years				
	FY 2007	FY 2008	FY 2009	FY 2010
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	O			
Student Financial Aid	O			
Office of the President Accounts Review	O			
Regents Partnership Plan for Transformation & Excellence	O			
ORIGINAL AND FOLLOW-UP REPORTS				
Iowa Agriculture and Home Economics Experiment Station	F			
Thielen Student Health Center	O	F		O
Veterinary Teaching Hospital	O	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	
Social Security Number Protection			O	F
Veterinary Diagnostic Laboratory			O F	
Conflict of Interest				O
Effort Reporting				O
ISU Dining				O F
Employee Expense Reimbursements				O F
Intellectual Property and Technology Transfer				O F
Leopold Center for Sustainable Agriculture				O
NCAA Compliance FY10				O
Purchasing Card				O
Research Data Security				O

UNIVERSITY OF NORTHERN IOWA				
Audits Completed for the Past Four Fiscal Years				
	FY 2007	FY 2008	FY2009	FY2010
RECURRING REPORTED AUDITS / REVIEWS				
Cash on Hand	F			
Quarterly Cash and Investment Reviews (operating funds)	√	√	√	√
ENTERPRISE WIDE AUDITS				
Transformation & Excellence Plan	O			
Office of the President Accounts' Review	O			
Student Financial Aid	O F			
Grow Iowa Values Fund	O			
ORIGINAL AND FOLLOW-UP REPORTS				
Academic Learning Center Examination Services				O
Applicable Credits and Program Income				O
Athletics Cash, Gift & Tradeout Handling			O	F
Athletic Ticket Sales			O	F
Campus Fueling Station Access & Usage				O
Centralized Revenue Processes			O	F
Events Complex Business Plan				O
Federal Export Controls			O	F
Gallagher-Bluedorn Performing Arts Center	F			
GEAR-UP Programs (Grant)	F			
Hong Kong MBA Program		O		F
International Programs	F			
Management & Professional Development Center	F			
NCAA Rules-Compliance Program Evaluation Process Review	O	F		
Physical Plant Job Cost System Efficiency			O	F
Price Laboratory School Fees			O	F
Procurement Card				O
Recharge Centers Rate Compliance Improvement			O	F
Special Compensation Controls				O
Student Course & Program Fees				O
Study Abroad Programs				O
Telecommuting Arrangements				O
Tuition & Fees Accountability & Allocation				O
UNItix Operations			O F	
University Conflict of Interest Analysis			O	F
University Spending Controls			O	F
Upward Bound-Classic Program (Grant)	F			
Vendor Payment Analysis		O	F	

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