
















Contact: Todd Stewart

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/ Compliance and Investment Committee as required by Board Policy.

ORIGINAL REPORTS	CEA*	Status
UNIVERSITY OF IOWA		
• Athletics Ticket Office		Open
• Campus Recreation and Wellness Center		Open
• NCAA Certification of Compliance		Closed
• NCAA Complimentary Admissions		Closed
• NCAA General Compliance		Closed
• University of Iowa Diagnostics Laboratory		Open
• Bidding and Purchasing Processes		Closed
• IowaCare		Open
IOWA STATE UNIVERSITY		
• Export Controls		Open
• ISU Surplus		Open
• NCAA Compliance – Financial Aid		Closed
• NCAA Compliance – Governance and Organization		Closed
• NCAA Compliance – Investigations and Self-Reporting		Closed
UNIVERSITY OF NORTHERN IOWA		
• Graduate Assistantships		Open
• Physical Plant Utility Billing		Open

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

FOLLOW-UP REPORTS

UNIVERSITY OF IOWA

- | | |
|-------------------------------------|--------|
| • Building Access Security | Closed |
| • PCI Compliance | Closed |
| • Iowa Lions Eye Bank | Closed |
| • University Approved Bank Accounts | Closed |





IOWA STATE UNIVERSITY

- Laboratory Safety Closed
- Service Centers Closed

UNIVERSITY OF NORTHERN IOWA

- Malcolm Price Laboratory School Food Service Program Closed

ASSESSMENT OF CONTROLS / EFFICIENCIES (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 easy OR • Could result in improved efficiency or effectiveness of operations OR • No reportable observations or corrective action taken prior to report issuance.
<p>CONSULTATION</p> 	<ul style="list-style-type: none"> • Auditors provided consultation only, without thorough assessment • No audit recommendations at this time.

The internal auditors have utilized the colors for the control / efficiency assessment (CEA) in evaluating each overall audit report.

SUMMARIES OF INTERNAL AUDIT REPORTS ISSUED



**The University of Iowa
Athletics Ticket Office**

Issued May 23, 2012

Status: Open

The audit of the Athletics Ticket Office was performed to provide reasonable assurance that controls over the ticketing processes are well controlled, that sales are properly monitored and that revenue from those sales is correctly collected and reconciled. Areas noted for improvement included: implementing an independent reconciliation of revenue collected to actual sales, segregating incompatible financial duties, strengthening system access controls, and formalizing the disaster recovery and business continuity plans. Management agrees with the findings and expects to complete their action plan by August 2012.



**The University of Iowa
Campus Recreation and Wellness Center**

Issued May 23, 2012

Status: Open

The audit included a review of the business processes and internal controls at the new Campus Recreation and Wellness Center. Audit recommendations included segregation of duties, user access, grace period for employee re-certifications, access to student employee applications, and HIPAA training for personal trainers. Management agrees with the findings and expects to complete their action plan by August 2012.



**The University of Iowa
NCAA Certification of Compliance**

Issued May 23, 2012

Status: Closed

As a Division I member, the University of Iowa is obligated to comply with the National Collegiate Athletic Association (NCAA) legislation. This audit was performed to fulfill the portion of the NCAA's requirement related to certification of compliance. The forms are signed annually to declare the institution has met the requirements of the NCAA legislation and to ensure all athletic personnel have reported their knowledge of or involvement in any violations of the NCAA legislation. No findings were identified and the audit is closed.



**The University of Iowa
NCAA Complimentary Admissions**

Issued May 23, 2012

Status: Closed

As a Division I member, the University of Iowa is obligated to comply with the National Collegiate Athletic Association (NCAA) legislation. This audit was performed to fulfill the portion of the NCAA's requirement related to complimentary admissions. No findings were identified and the audit is closed.



**The University of Iowa
NCAA General Compliance**

Issued May 23, 2012

Status: Closed

As a Division I member, the University of Iowa is obligated to comply with the National Collegiate Athletic Association (NCAA) legislation. This audit was performed to fulfill the portion of the NCAA's requirement related to general compliance. A review of the processes revealed the athletics department has implemented educational and training programs for individuals who have responsibilities in the NCAA compliance area and are monitoring programs to ensure the NCAA legislation is not being violated. No findings were identified and the audit is closed.



The University of Iowa
University of Iowa Diagnostics Laboratory

Issued May 23, 2012

Status: Open

The University of Iowa Diagnostics Laboratory audit was performed to provide reasonable assurance that adequate business processes and internal controls are in place and operating as intended. Audit recommendations included complying with University cash handling and University password enterprise policies, completing account reconciliations, documenting rate methodology, updating a maintenance contract, and ensuring all services are properly billed. Management expects to complete their action plan after June 2012.



The University of Iowa
IowaCare

Issued July 13, 2012

Status: Open

The IowaCare audit evaluated management processes at UI Health Care pertaining to the administration of the IowaCare program. The audit specifically focused on operations in the Primary Care Clinic North and the Emergency Treatment Center. Audit recommendations include a more thorough process of identifying coverage changes for IowaCare patients, consistent and frequent management of the patient wait list, missed billing opportunities, and adherence to IowaCare medical home boundaries. Management agrees with the findings and expects to complete their action plan by September 2012.



The University of Iowa
Bidding and Purchasing Processes

Issued July 13, 2012

Status: Closed

The Bidding and Purchasing Processes audit was performed to assess the effectiveness of existing procedures related to competitive bidding and to ensure compliance with the applicable policies, procedures and best practices. No findings were identified and the audit is closed.



Iowa State University
Export Controls

Issued June 11, 2012

Status: Open

The purpose of the audit was to evaluate the processes for identifying activities potentially subject to export controls and the completion and monitoring of export control management plans. The audit also included the implementation of recommendations from the external review of export controls policies and procedures. Audit recommendations included developing training and educational resources for the campus community, implementing a monitoring process for export control management plans, and developing a standard operating procedure for sensitive equipment acquisition. Other recommendations included implementing external review recommendations, enhancing the use of the third party screening website, and developing a screening process with ISU Postal and Parcel. Management expects to complete the action plans by June 2013.



Iowa State University
ISU Surplus

Issued June 11, 2012

Status: Open

The purpose of the audit was to provide reasonable assurance that internal controls exist for the processes related to the sale, recycling, and disposal of University property. Audit recommendations included reviewing inventory tracking mechanisms, examining controls surrounding cash handling procedures, and evaluating policy guidance governing the operations of ISU Surplus. Additional recommendations included observing the process for scrubbing computer equipment prior to disposal and reviewing the process for inspecting and screening laboratory equipment prior to sale or disposal. Management expects to complete the action plans by September 2012.



Iowa State University
NCAA Compliance – Financial Aid

Issued June 11, 2012

Status: Closed

The purpose of this audit was to evaluate the controls in place to ensure that the University is in compliance with NCAA financial aid regulations. The scope of this audit included reviewing the financial aid awarded to a sample of student-athletes to ensure that financial aid limitations were not exceeded. The communication of financial aid awards to student-athletes was also reviewed. Summer school aid and financial aid for off-campus student-athletes was also examined. A sample of athletic teams was reviewed to verify that institutional aid limitations were not exceeded. We noted that the University has effective policies and procedures in place for awarding athletic financial aid. No findings were identified and the audit is closed.



Iowa State University
NCAA Compliance – Governance and Organization

Issued June 11, 2012

Status: Closed

The purpose of this audit was to evaluate the controls in place to ensure that the University has implemented a compliance program to monitor compliance with NCAA rules and legislation. The audit was performed as part of the FY 2012 audit plan. The scope of this audit included a review of the basic components of an institutional compliance program, including: reviewing departmental policies and procedures, identifying personnel who have responsibilities for compliance activities, examining education efforts to remain cognizant of ever-changing compliance rules and regulations, identifying software programs utilized to monitor NCAA compliance, and to review the composition and role of the compliance committee. We believe the University has developed an appropriate institutional compliance program. No findings were identified and the audit is closed.



Iowa State University
NCAA Compliance – Investigations and Self-Reporting

Issued June 11, 2012

Status: Closed

The audit was performed to provide assurance that the University has documented procedures regarding investigations and self-reporting of potential NCAA rule violations. The scope of this audit included a review of ISU Athletics Department policies and procedures for reporting, reviewing, and investigating alleged or suspected rule violations. Additionally, individuals who must report potential violations and individuals who must carry out a review of the reported information were identified. We believe the University has documented policies and procedures regarding investigations and self-reporting. No findings were identified and the audit is closed.



University of Northern Iowa
Graduate Assistantships

Issued June 13, 2012

Status: Open

The audit was performed to analyze the graduate assistantships for reasonable internal controls and processes. Audit procedures included student billing processing, payroll and student hiring procedures, financial management, and operational efficiency of the scholarship and stipend processes. Audit recommendations include improvements for the assistantship applications, awards, evaluations and recordkeeping, scholarships and verification procedures. Management agrees with the findings and expects to complete their action plan by March 2013.



**University of Northern Iowa
Physical Plant Utility Billing**

Issued June 13, 2012

Status: Open


The audit was performed to examine the process for utility billing to the University's auxiliary units for adequate and effective internal controls and compliance with University, federal and state policies, procedures, and regulations. Testing of utility rate development, meter reading and monitoring, billing, accounting and reporting, and energy generation was performed. Audit recommendations include improvements in calculating utility rates, documenting auxiliary utility allocations, posting consistent billings, and providing documentation to auxiliary customers on a monthly and annual basis. Management will implement the recommendations and expects to complete their action plan by March 2013.

STATUS OF AUDIT FOLLOW-UPS







University of Iowa

Title	Report Date	Original Follow-Up Date	Revised Follow-Up Date	Action Status
1. EPIC – Ophthalmology	Nov 11, 2010	Aug 2011	July 2012	
2. Holden Comprehensive Cancer Center	May 17, 2011	Nov 2011		
3. UI Health Care Epic Stork	June 23, 2011	Nov 2011		
4. MARS/MAUI Feeder Systems	May 17, 2011	Dec 2011		
5. UIHC Centralized Pharmacy Inventory	Aug 25, 2011	Jan 2012		
6. Maintenance and Flood Response Equipment	Oct 31, 2011	Apr 2012		
7. Anesthesia	Dec 1, 2011	Apr 2012		
8. UI Heart and Vascular Center	Jan 1, 2012	Apr 2012		
9. Department of Neurology	Dec 1, 2011	June 2012		
10. Clinical Quality Safety and Performance Improvement	Feb 29, 2012	June 2012		
11. Department of Psychiatry	Feb 29, 2012	June 2012		
12. University Housing & Dining	June 23, 2011	July 2012		
13. State Hygienic Laboratory	Jan 11, 2012	Aug 2012		
14. University Employee Health Clinic	Apr 2, 2012	Sept 2012		
15. UI Health Care Human Resources	Sept 28, 2011	Jan 2013		
16. The Division of Sponsored Programs – Corporate Funded Clinical Trial Agreements	Apr 2, 2012	Jan 2013		
17. Campus Conflict of Interest	Oct 21, 2011	Feb 2013		





Iowa State University

Title	Report Date	Original Follow-Up Date	Revised Follow-Up Date	Action Status
18. Research Data Security	July 13, 2010	July 2011	Sept 2012	
19. Employee Separation Procedures	Oct 8, 2010	Aug 2011	June 2012 Dec 2012	
20. Non-Employees on Campus	Jan 13, 2011	Aug 2011	Sept 2012	
21. Study Abroad Rome Program	Aug 25, 2011	Feb 2012		
22. Foundation Account Spending	Mar 23, 2012	Oct 2012		
23. Identity and Access Management	Nov 1, 2011	Jan 2013		
24. Programs for Youth	Mar 23, 2012	Jan 2013		
25. Extension & Outreach	Jan 30, 2012	June 2013		

University of Northern Iowa

Title	Report Date	Original Follow-Up Date	Revised Follow-Up Date	Action Status
26. Payment Card Industry Standards	July 7, 2011	May 2012		
27. Temporary Faculty and Staff	Sept 27, 2011	July 2012		
28. Fringe Benefit Rates and Controls	Mar 22, 2012	Oct 2012		
29. Events Complex Concessions	Jan 4, 2012	Nov 2012		
30. Gallagher-Bluedorn Performing Arts Center	Jan 4, 2012	Nov 2012		
31. Athletic Summer Camps	Mar 22, 2012	Jan 2013		

Follow-Up Legend

	<ul style="list-style-type: none"> Planned corrective action and/or follow-up report not completed within 6 months of originally scheduled date.
	<ul style="list-style-type: none"> Planned corrective action and/or follow-up report not completed within 3 months of originally scheduled date.
	<ul style="list-style-type: none"> Follow-up report is due and is within 3 months of originally scheduled completion date.
	<ul style="list-style-type: none"> Follow-up report not yet due.