

FY 2016 AUDIT PROGRESS AND FY 2017 INTERNAL AUDIT PLANS

Action Requested: Receive the progress reports for the universities' FY 2016 audit plans and approve the internal audit plans for FY 2017.

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 2016 Progress	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>	<u>Total</u>
Audits:				
Original Audits Planned	49	17	10	76
Added During Year	4	1	2	7
Totals	53	18	12	83
Completed	39	7	10	56
In Progress	9	4	2	15
Deferred	3	5	0	8
Cancelled	2	2	0	4
Totals	53	18	12	83

FY 2017 Plans	<u>Scheduled Audits</u>	<u>Total Hours Budgeted*</u>
University of Iowa	50	18,656
Iowa State University	19	6,944
University of Northern Iowa	8	3,772
Total	77	29,372

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

Internal audit plans for FY 2017 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. In addition, our ethics hotline identifies possible instances of fraud or financial misconduct that would need to be investigated.

Internal Audit Staff as of June 30, 2016	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>	<u>TOTAL</u>
Full-Time Professional Audit Positions	10	4	2	16
Support / Intern / Student Positions	1	0	1	2

Tables detailing FY 2017 plans and FY 2016 progress for each university are included in this document. Tables containing audits completed for the past three fiscal years may be found on the following pages.

The FY 2017 Internal Audit Plan for all three Regent institutions is based on the following:

- Regent Chief Audit Executive 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 2017 identified the following high risk areas:

- Business processes;
- Computing services;
- New business operations;
- 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 2017

<u>Audits and Reviews</u>	<u>Hours</u>	<u>Percent</u>
Annual Risk Assessment	450	2.4%
EthicsPoint	300	1.6%
Denial Management	300	1.6%
University of Iowa Health System	300	1.6%
Community Connect	250	1.3%
Hospital Supply Chain	300	1.6%
Outreach	300	1.6%
3rd Party Clinical Trial Billing	300	1.6%
Software Change Management	250	1.3%
University of Iowa Health System Financial Management	250	1.3%
Admissions and Transfer Center	300	1.6%
Hospital Information Management	250	1.3%
IRL Procedure Suite	200	1.1%
Off Site Medication Supply Chain	200	1.1%
Center for Disabilities and Development	250	1.3%
Health Care Support Services Building	250	1.3%
Marketing and Communications	250	1.3%
Ready Set - Employee Health EHR	250	1.3%
UI Home Care	250	1.3%
UleCare	250	1.3%
Child Health Specialty Clinics	120	0.6%
Charity Care/Discounting	200	1.1%
Epic Willow	100	0.5%
Neurology	40	0.2%
Auto Audit Upgrade	125	0.7%
Home Ticket Revenue FY17	100	0.5%
NCAA Compliance Financial Aid Administration	200	1.1%
NCAA Compliance Extra Benefits Athletic Apparel and Equipment	60	0.3%
NCAA Compliance Extra Benefits Team Travel	40	0.2%
NCAA Compliance Student Athlete Employment	40	0.2%
Grant Accounting	300	1.6%
College of Engineering IT	300	1.6%
Recreational Services	300	1.6%
Benefits	300	1.6%
Athletics	300	1.6%
Utilities Network	300	1.6%
User Access	300	1.6%
Universal Workflow	300	1.6%
Division of Sponsored Programs	300	1.6%
Faculty Overload Teaching	250	1.3%
Computer Management	250	1.3%
Hancher	300	1.6%
College of Education	300	1.6%
H1B Visa	300	1.6%
Compliance & Qualifications Module (CQ System)	300	1.6%
University of Iowa Research Foundation (UIRF)	250	1.3%
Cloud Computing	250	1.3%
International Writing Program	40	0.2%
Chemistry	140	0.8%
Mobile Device Encryption	20	0.1%
FY16 Home Ticket Revenue	20	0.1%
Parking	200	1.1%
University Book Store	24	0.1%
Follow-up Hours	689	3.7%
Unallocated Hours	1,338	7.2%
Subtotal	13,846	74.2%
Other Audit Responsibilities	Hours	Percent
Administration	2,870	15.4%
Committee Participation	450	2.4%
Performance Evaluations	116	0.6%
Professional Development	640	3.4%
Staff Meetings	734	3.9%
Subtotal	4,810	25.8%
Total	18,656	100.0%

IOWA STATE UNIVERSITY
Proposed Audit Plan for FY 2017

<u>Audits and Reviews</u>	<u>Hours</u>	<u>Percent</u>
Annual Risk Assessment & Audit Planning	250	3.60%
Capital Projects Payment Process	300	4.32%
College of Human Sciences - Dean's Office	250	3.60%
Cyclone Veterinary Information System (CVIS) and VetStar	300	4.32%
Department of Economics	250	3.60%
Department of Human Development and Family Studies (HDFS)	300	4.32%
Department of Sociology	250	3.60%
External Bank Accounts	200	2.88%
Food Animal Veterinary Field Services	200	2.88%
Hotline Reporting Process	200	2.88%
ISU Dining - Cash Handling	200	2.88%
NCAA Compliance - Academic Performance Program	75	1.08%
NCAA Compliance - Extra Benefits	250	3.60%
NCAA Compliance - Recruiting	200	2.88%
NCAA Compliance - Student-Athlete Eligibility (Initial, Continuing, and Transfer)	250	3.60%
Office of Intellectual Property and Technology Transfer (OIPTT)	300	4.32%
School of Education	30	0.43%
Study Abroad Center	300	4.32%
University Human Resources - Background Check Process	40	0.58%
Veenker Memorial Golf Course	300	4.32%
Follow-up Audits	315	4.54%
Fraud/Special Investigations	200	2.88%
Unassigned/Unplanned	480	6.91%
Subtotal	5,440	78.3%
<u>Other Audit Responsibilities</u>	<u>Hours</u>	<u>Percent</u>
Administration	640	9.22%
Committee Participation	250	3.60%
Performance Evaluations	50	0.72%
Professional Development	260	3.74%
Staff Meetings	304	4.38%
Subtotal	1,504	21.7%
Total	6,944	100%

UNIVERSITY OF NORTHERN IOWA
Proposed Audit Plan for FY 2017

<u>Audits and Reviews</u>	<u>Hours</u>	<u>Percent</u>
Annual Risk Assessment	225	6.0%
Career Services	320	8.5%
College of Education	320	8.5%
Event Center Beverages	175	4.6%
Geography - Arctic-FROST Program	320	8.5%
Institute for Decision Making	320	8.5%
Maucker Union	212	5.6%
Regional Business Center	105	2.8%
School of Kinesiology, Allied Health and Human Services	10	0.3%
Tall Grass Prairie Center	320	8.5%
Follow-up Audits	416	11.0%
Unassigned/Unplanned	400	10.6%
Subtotal	3,143	83.3%
<u>Other Audit Responsibilities</u>	<u>Hours</u>	<u>Percent</u>
Administration	260	6.9%
Committee Participation	105	2.8%
Performance Evaluations	24	0.6%
Professional Development	120	3.2%
Staff Meetings	120	3.2%
Subtotal	629	16.7%
Total	3,772	100.0%

**UNIVERSITY OF IOWA
Audits Completed in the Past Four Fiscal Years**

	FY13	FY14	FY15	FY16
ORIGINAL REPORTS				
Intercollegiate Athletics - Home Game Ticket Revenue	√	√	√	√
2014 Outback Bowl		√		
2015 Early Retirement Incentive Program				√
340B Drug Pricing Program		√		
Accounts Payable and Purchasing			√	
AcuDose		√		
AeroScout		√		
Affordable Care Act				√
Ambulatory Surgery Center	√			
Anesthesia				√
Athletics Operations - Apparel and Promotional Items	√			
Biochemistry		√		
Biology Information Technology			√	
Bowen Science Building Information Technology			√	
BuildUI		√		
Campus Social Security Number Remediation				√
Carver College of Medicine Administration		√		
Center for Biocatalysis and Bioprocessing		√		
Center For Digestive Disease	√			
Center For Digestive Disease Charge Capture				√
Centralized Coding				√
Centralized Management of Scheduling Program Audit			√	
Claim Submission and Electronic Remittance Process				√
Clery Act	√			
Clinical Quality Safety and Performance Improvement				√
College of Dentistry		√		
College of Engineering Sponsored Research Administration		√		
College of Law	√			
College of Liberal Arts and Sciences School of Social Work	√			
College of Nursing		√		
College of Pharmacy			√	
College of Public Health		√		
Communication Sciences and Disorders			√	
Controlled Substances in Laboratories				√
Criminal Background Checks		√		
DeGowin Blood Center				√
Department of Anatomy and Cell Biology			√	
Department of Athletics Special Project	√			
Department of Family Medicine		√		
Department of Microbiology	√			
Department of Neurosurgery	√			
Department of Nursing	√			
Department of Orthopedics	√			√
Department of Otolaryngology	√			
Department of Pathology		√		
Department of Psychiatry				√
Department of Public Safety				√
Department of Radiology		√		
Department of Risk Management, Insurance and Loss Prevention			√	
Department of Urology	√			
Division of Pulmonary Medicine			√	
Dual Degree Programs				√
Epic Beaker			√	
Export Controls	√			

**UNIVERSITY OF IOWA
Audits Completed in the Past Four Fiscal Years**

	FY13	FY14	FY15	FY16
Facilities Management Information Technology			√	
Finance and Business Information Services IT			√	
Finkbine Golf Course				√
Fleet Services			√	
Flexible Benefits			√	
Fraternal Order of Eagles Diabetes Research Center			√	
Ghost Employees		√		
Grade Entry and Grade Changes			√	
Graduate Medical Education		√		
Hawkeye Express Cash Handling		√		
Heart and Vascular Center				√
Hematology, Oncology, and Blood & Marrow Transplantation			√	
Hospital Dentistry	√			
Internal Medicine				√
International Programs				√
Iowa Comprehensive Lung Imaging Center		√		
Iowa Courses Online (ICON)				√
Iowa House Hotel			√	
Iowa Lakeside Laboratory Regents Resource Center				√
Iowa River Landing and Billing Financials		√		
Iowa River Landing Cash Handling		√		
Iowa River Landing Medication Security		√		
Iowa Testing Programs		√		
MAUI Billing		√		
MAUI Security	√			
MAUI Software Change Management		√		
Maxient Student Discipline Database Software			√	
Museum of Art	√			
National Advanced Driving Simulator Information Technology		√		
NCAA Camps and Clinics		√		
NCAA Certification of Compliance				√
NCAA Commitment of Personnel to Rules - Coaching Staff Limits and Contracts		√		
NCAA Compliance - Eligibility, Amateurism and Academic Performance Program				√
NCAA Compliance - Equipment and Apparel	√			
NCAA Compliance - Extra Benefits - Student-Athlete Vehicles			√	
NCAA Compliance - Playing and Practice Seasons			√	
NCAA Complimentary Admissions				√
NCAA Extra Benefits - Representatives of the University's Athletic Interests		√		
NCAA Financial Aid	√			
NCAA General Compliance				√
NCAA Recruiting On and Off Campus			√	
NCAA Student-Athlete Employment	√			
NCAA Team Travel	√			
Observation Patient Status - Revenue Loss			√	
Office of Admissions			√	
Office of Animal Resources		√		
Office of Equal Opportunity and Diversity	√			
Office of the Patient Experience				√
Office of the President				√
Office of Strategic Communication		√		
Onboarding		√		
Optiflex			√	
Pain Medicine Clinic			√	
Pediatrics				√

**UNIVERSITY OF IOWA
Audits Completed in the Past Four Fiscal Years**

	FY13	FY14	FY15	FY16
Physical Therapy and Rehabilitation Sciences			√	
Physician On-Boarding	√			
Physics and Astronomy IT	√			
Public Policy Center				√
Recharge Centers		√		
Reduction in Force			√	
Residence Hall Security			√	
Safety and Security's Video Surveillance System				√
School of Art and Art History				√
Sociology Information and Technology				√
Sports Clubs		√		
State Hygienic Laboratory				√
Student Activity Fees			√	
Student Course Fees		√		
Student Health Service	√			
Student Organizations - Dance Marathon	√			
Surgery Preauthorization			√	
Tippie College of Business	√			
The University Club				√
UI Health Care IT Purchase and Data Center Privatization	√			
UI Optical	√			
UIHC Bioengineering				√
UIHC Capital Management				√
UIHC Cash Handling				√
UIHC Contract Compliance		√		
UIHC Dialysis Services			√	
UIHC Engineering Services				√
UIHC Enterprise Labor Management System	√			
UIHC Food and Nutrition Services		√		
UIHC Project Art			√	
UIHC Safety and Security			√	
Utilization Management				√
University Counseling Services		√		
University Dining Inventory Process	√			
University Housing & Dining StarRez System	√			
University Libraries		√		
University of Iowa Alumni Association			√	
University of Iowa Community Medical Services		√		
University Surplus			√	
Valet Services			√	
Voalte			√	
Volunteer Gift Shop			√	
Work Injury Recovery Center		√		

**IOWA STATE UNIVERSITY
Audits Completed in the Past Four Fiscal Years**

	FY13	FY14	FY15	FY16
ORIGINAL REPORTS				
America's Small Business Development Centers Iowa				√
Bioeconomy Institute		√		
Bookstore	√			
Clery Act (aka Campus Safety and Security Under the HEA)		√		
College of Business			√	
College of Design		√		
College of Engineering			√	
Department of Animal Science Farms		√		
Department of Biomedical Science			√	
Department of Electrical and Computer Engineering	√			
Department of Physics and Astronomy		√		
Department of Residence			√	
Department of Statistics				√
Facilities Planning and Management			√	
Federal Work Study			√	
Global Programs - College of Agriculture and Life Sciences		√		
Graduate Student Admissions	√			
InTrans			√	
Iowa State Center		√		
ISU Dining		√		
ISU Research and Demonstration Farms				√
Laboratory Animal Resources	√			
NCAA Compliance - Amateurism			√	
NCAA Compliance - Camps and Clinics		√		
NCAA Compliance - Commitment of Personnel to Rules Compliance		√		
NCAA Compliance - Extra Benefits	√			
NCAA Compliance - Financial Aid				√
NCAA Compliance - Governance and Organization			√	
NCAA Compliance - Investigation and Self Reporting				√
NCAA Compliance - Playing and Practice Seasons		√		
NCAA Compliance - Recruiting	√			
NCAA Compliance - Rules Education		√		
NCAA Compliance - Student Athlete Employment		√		
Office of the Provost	√			
Office of the Vice President for Research			√	
Parking Division - Department of Public Safety	√			
Procure to Pay Process		√		
Property Control System Analysis (aka Control of Federal Equipment)		√		
Student Organizations	√			
University Library			√	
Velocity Security Management System				√
Veterinary Medical Center	√			√

**UNIVERSITY OF NORTHERN IOWA
Audits Completed in the Past Four Fiscal Years**

	FY13	FY14	FY15	FY16
ORIGINAL REPORTS				
Athletic Equipment & Apparel	√			
Athletic Travel			√	
Campus Supply and Warehousing				√
Centers Administration			√	
Center for Energy & Environmental Education				√
Center for Multicultural Education			√	
Center for Social and Behavioral Research				√
Center for Teaching and Learning Mathematics				√
College of Humanities, Arts & Sciences	√			
Counseling Center			√	
Department of Technology				√
Effort Reporting	√			
Emeritus Controls			√	
Event Center Beverages				√
International Programs	√			
International Student Teaching		√		
ITS Business Procedures & Chargebacks	√			
Jacobson Center		√		
McNair Scholars Program		√		
Metal Casting Center			√	
Multimodal Transportation Center	√			
National Agricultural-Based Lubricants		√		
Physical Plant Administration			√	
Psychological Assessment Clinic		√		
Public Safety		√		
Research & Sponsored Programs		√		
School of Kinesiology, Allied Health and Human Services				√
Special and Summer Compensation				√
Speech and Hearing Clinic				√
Student Health Center	√			
Student Organizations and Intramural & Club Sports		√		
Study Abroad Programs			√	
Theatre Department				√
UNI Center for Urban Education	√			
Wellness & Recreation Services		√		