

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"> • Department of Internal Medicine • Facilities Management Bidding Processes • Family Medical Leave Act • Intercollegiate Athletics – Home Game Ticket Revenue FY 2019 • Iowa Electronic Markets • NCAA Compliance – Camps and Clinics • Stanley Museum of Art • UIHC Diversion and Impairment Investigations 	       	Open Open Open Closed Open Closed Open Open
IOWA STATE UNIVERSITY <ul style="list-style-type: none"> • Center for Survey Statistics and Methodology • Extension and Outreach Operations 	 	Open Open
UNIVERSITY OF NORTHERN IOWA <ul style="list-style-type: none"> • University Relations 		Open

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

FOLLOW-UP REPORTS

UNIVERSITY OF IOWA

- Animal Research Compliance Closed
- Environmental Health and Safety Office Closed
- Telemedicine Closed
- UI Student Health & Wellness Closed
- University of Iowa Hospitals and Clinics Emergency Management Closed
- University of Iowa Physicians Closed
- University of Iowa Research Information Systems Closed

IOWA STATE UNIVERSITY

- Department of Sociology Closed
- NCAA Compliance – Extra Benefits Closed

UNIVERSITY OF NORTHERN IOWA

- ACH and Wire Transfer Processes Closed
- Compensated Effort Closed
- Financial Aid Special Circumstances Closed
- School of Music Closed

<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
Department of Internal Medicine

Issued September 18, 2019

Status: Open

The Department of Internal Medicine audit was completed to examine whether controls in place to monitor administrative practices of the department are effective. Internal Medicine is comprised of ten divisions through which the department's missions of research, patient care, teaching, and service are pursued. A departmental database called AskIM, managed by Internal Medicine application developers, duplicates central general ledger, human resources, clinical, and revenue value unit (RVU) information. This database is used to develop management reports that can be run at the divisional level and/or can filter out information that is not pertinent to Internal Medicine decision making. Significant recommendations noted during the audit include working with the UI Health Care Data Governance Committee to evaluate whether the AskIM database is being managed in a manner that follows institutional data/reporting practices, clarifying with Carver College of Medicine leadership why data is filtered differently in AskIM reports compared to central reporting, establishing formal data validation controls for reports involving complex calculations in AskIM, and developing procedural instructions to follow when evaluating whether a salary reduction is appropriate for providers who do not meet minimum productivity requirements described within the Internal Medicine Faculty Compensation Plan, implemented in September 2017. A two-year grace period continued to be in effect during audit fieldwork and enforcement of the salary reduction language will begin in September 2019. Management expects to complete its action plans by January 2020.



University of Iowa
Facilities Management Bidding Processes

Issued September 18, 2019

Status: Open

Facilities Management (FM) Design and Construction (D&C) at the University of Iowa is responsible for new building construction and existing building renovation. The BuildUI system is the project management system, used by FM and University of Iowa Hospitals and Clinics staff in addition to external vendors, to document and track all D&C projects. FM D&C managed over 900 projects in the last two fiscal years. When the estimated cost of construction, repairs, or improvement of buildings or grounds exceed \$100,000, FM D&C must advertise the contemplated work for bids. The primary audit recommendations include updating the internal procedure document, Resource One, as well as the university Operations Manual, to reflect current procedures, thresholds, and documentation guidelines. Additional audit recommendations for BuildUI include implementing web application vulnerability scans, system controls such as password resets and minimum character requirements, a regular review of the use of local authentication for vendors, and updating the FM D&C Disaster Recovery Plan. Management expects to complete all action plans by February 2020.



University of Iowa
Family Medical Leave Act

Issued September 18, 2019

Status: Open

The Family Medical Leave Act (FMLA) was signed into law in 1993 and entitles eligible employees up to 12 weeks of unpaid, job-protected leave for specified family and medical reasons each year. The University of Iowa Hospital and Clinics Leave and Disability Administration office processes FMLA cases for the hospital and Carver College of Medicine, while Faculty and Staff Disability Services processes FMLA cases for the rest of the university. Audit recommendations include tracking FMLA hours used, better tracking of dates within respective databases for compliance purposes, and regularly purging data from a third-party application. Management expects to complete its action plans by October 2019.



University of Iowa
Intercollegiate Athletics – Home Game Ticket Revenue FY 2019

Issued September 18, 2019

Status: Closed

This audit is performed annually to provide an independent verification and reconciliation of regular season home game athletic ticket revenue, ensure accurate payment of sales tax, ensure completion of guaranteed payments according to Big Ten revenue-sharing regulations or contractual terms to visiting institutions, and reconcile complimentary ticket listings. No material audit findings or weaknesses were noted during the course of this audit. This audit is closed.



University of Iowa
Iowa Electronic Markets

Issued September 18, 2019

Status: Open

The Iowa Electronic Markets (IEM) is a research and teaching tool used in the Tippie College of Business for traders to buy and sell real-money contracts based on their belief about the outcome of an event. Audit recommendations include strengthening controls to ensure the IEM remains in compliance with no action letters issued by the Commodity Futures Trading Commission, improving documentation and internal processes, and ensuring appropriate segregation of duties to manage system administrative tasks. Management expects to complete its action plans by March 2020.



University of Iowa
NCAA Compliance – Camps and Clinics

Issued September 18, 2019

Status: Closed

The NCAA Compliance – Camps and Clinics audit was completed to examine whether the Athletics Department has controls in place to monitor and control camps and clinics and whether activities meet NCAA standards. No material weaknesses were noted during the audit and the audit is closed.



University of Iowa
Stanley Museum of Art

Issued September 18, 2019

Status: Open

The Stanley Museum of Art is home to a permanent collection totaling over 16,000 objects with an estimated value of approximately \$500 million. The collection is highlighted by the Jackson Pollock painting, *Mural*. The audit was completed to determine whether adequate business processes and internal controls are in place and operating as intended. Audit recommendations include implementing annual user access reviews, ensuring the department IT inventory is regularly maintained and updated, and creating a formal inventory policy to oversee the collection. Management expects to complete its action plans by September 2019.



University of Iowa
UIHC Diversion and Impairment Investigations

Issued September 18, 2019

Status: Open

The UIHC Diversion and Impairment Investigations audit was completed to examine impairment and diversion-related investigative procedures. Audit recommendations include evaluating other diversion monitoring solutions to determine if a more effective and efficient solution is available and analyzing the current investigation processes for individuals that can independently perform clinical reviews, reducing potential biases. Management expects to complete its action plans by January 2020.



**Iowa State University
Center for Survey Statistics and Methodology**

Issued September 18, 2019

Status: Open

The Iowa State University Center for Survey Statistics and Methodology audit was completed to evaluate the adequacy of significant administrative and fiscal processes and provide reasonable assurance that internal controls are in place and operating as intended. Audit recommendations include reviewing fee-for-service rates and account balances and developing a Disaster Recovery and Business Continuity Plan. Management expects to complete its action plans by December 2019.



**Iowa State University
Extension and Outreach Operations**

Issued September 18, 2019

Status: Open

The mission of Iowa State University Extension and Outreach (Extension) is to build a strong Iowa by engaging all Iowans in research, education, and extension experiences to address current and emerging real-life challenges. Extension focuses on four educational areas: 4-H youth development, agriculture and natural resources, community and economic development, and human sciences. Every year more than one million Iowans directly benefit from Extension educational programs. Expenditures, social media protocols, vehicle use, and inventory controls were examined. Measures to protect institutional systems and information were also assessed. Implementing audit recommendations will improve information security and inventory controls. Management expects to complete its action plans by January 2020.



**University of Northern Iowa
University Relations**

Issued September 18, 2019

Status: Open

University Relations (UR) at the University of Northern Iowa (UNI) is within the President's Division. UR is charged with the leadership and oversight of the university's official marketing and communication channels, programs, and activities internally and externally. Activities include those that relate to publications, electronic and campus communications, community relations, media relations, and print services. Audit recommendations focused on information systems, human resource and financial management, and selected operations. Management expects to complete their action plans by April 2020.

STATUS OF AUDIT FOLLOW-UPS

University of Iowa

Title	Report Date	Original Follow-Up Date	Revised Follow-Up Date	Action Status
1. Durable Medical Equipment	Sept 21, 2017	Oct 2018	Dec 2019	
2. Protected Health Information on Mobile Devices	March 28, 2018	Dec 2018		
3. Hospital Late Charges	Dec 15, 2017	Jan 2019		
4. Cherwell System	Aug 15, 2018	Feb 2019		
5. Post-Acute Care	Nov 8, 2018	April 2019		
6. UI Health Care Research Laboratory Information Technology Security	Feb 27, 2019	April 2019		
7. UIHC Violence Protocols	March 28, 2018	May 2019		

8. UIHC Processed Stores	June 5, 2019	June 2019		
9. ITS Data Center Operations	March 28, 2018	July 2019		
10. Holden Comprehensive Cancer Center and Infusion Suite	Feb 27, 2019	July 2019		
11. UI Health Care Finance Inter-Organizational Transfers	Feb 27, 2019	July 2019		
12. Payment Card Industry Compliance	June 4, 2018	Aug 2019		
13. Prepaid Services	Aug 15, 2018	Aug 2019		
14. Department of Earth and Environmental Sciences	Nov 8, 2018	Aug 2019		
15. Clinical Staff Office	Feb 27, 2019	Aug 2019		
16. Emergency Preparedness	Oct 31, 2017	Nov 2019	Jan 2020	
17. Iowa Consortium for Substance Abuse	June 5, 2019	Jan 2020		
18. Building Access Security	Aug 15, 2018	Feb 2020		
19. Department of Radiology	June 5, 2019	April 2020		
20. Department of Public Safety Information Technology	June 5, 2019	Aug 2020		
21. Paciolan Ticket System	June 5, 2019	Aug 2020		
22. Computer Management	Feb 27, 2019	Sept 2020		

Iowa State University

Title	Report Date	Original Follow-Up Date	Revised Follow-Up Date	Action Status
23. Emergency Preparedness	Feb 27, 2019	April 2019	Oct 2019	
24. Department of Psychology	Feb 27, 2019	May 2019		
25. Department of Natural Resource Ecology and Management	Feb 27, 2019	Aug 2019		
26. Employee International Travel	June 5, 2019	Jan 2020		

University of Northern Iowa - none

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.