























Contact: Todd Stewart

**INTERNAL AUDIT REPORTS**

**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	M/C*	CEA*	Status
UNIVERSITY OF IOWA			
• National Advanced Driving Simulator (NADS)			Open
• UI Health Care Integrated Call Center			Open
• Joint Office for Clinical Outreach Services			Open
• Department of Obstetrics and Gynecology			Open
• UI Health Care – EPIC Security			Open
• Blanket Purchase Orders			Open
• UIHC Patient and Staff Safety			Open
• Student Course Fees			Open
IOWA STATE UNIVERSITY			
• Security of Internet-Initiated ACH Transactions			Closed
UNIVERSITY OF NORTHERN IOWA			
• UNItix Operations			Open
• Central Revenue Processes			Open

\*Materiality/Criticality (MC) and Assessment of Controls Efficiencies (CEA) are defined in the Attachment.

The Status of Internal Audit Follow-Up Table on the following page identifies 24 internal audit reports, 19 of which require follow-up.

**FOLLOW-UP REPORTS**

UNIVERSITY OF IOWA

- Student Health Service Closed
- Wireless IT Environment Closed

IOWA STATE UNIVERSITY

- Office of Admissions Closed










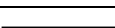
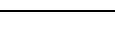
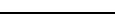
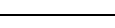
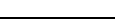
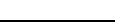
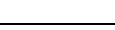
UNIVERSITY OF NORTHERN IOWA

- Vendor Payment Analysis Closed



IOWA SCHOOL FOR THE DEAF

- Iowa School for the Deaf Closed


**University of Iowa**

<b>Title</b>	<b>Report Date</b>	<b>Original Follow-Up Status</b>	<b>Expected Completion</b>	<b>Action Status</b>
1. Student Health Service	Feb 20, 2007	Originally scheduled Aug 2007	Sept 2007	Closed
2. Wireless IT Environment	Jun 26, 2006	Originally scheduled Jun 2007	Jul 2007	Closed
3. Iowa Memorial Union Food Service	Sept 13, 2006	Originally scheduled Feb 2007	Mar 2007	
4. Carver College of Medicine Research Data Security	Dec 14, 2006	Originally scheduled Apr 2007	May 2007	
5. University of Iowa Physicians	Nov 8, 2007	Originally scheduled Feb 2008	Mar 2008	
6. NCAA Compliance - Recruiting	Jun 14, 2007	Originally scheduled Feb 2008	Mar 2008	
7. School of Library & Information IT Review	Feb 11, 2008	Originally scheduled Apr 2008	May 2008	
8. University Hygienic Lab	Jun 14, 2007	Originally scheduled Aug 2008	Aug 2008	
9. UIHC Access Control Security	Mar 12, 2008	Originally scheduled Jul 2008	Aug 2008	
10. Speech Pathology and Audiology	Sept 17, 2007	Originally scheduled Aug 2008	Sept 2008	
11. Department of Intercollegiate Athletics	Oct 9, 2007	Originally scheduled Sept 2008	Sept 2008	
12. ITS Telecom Closet Physical Security	May 16, 2008	Originally scheduled Aug 2008	Sept 2008	
13. University Box Office	May 16, 2008	Originally scheduled Sept 2008	Oct 2008	
14. Absence Management - FMLA	May 16, 2008	Originally scheduled Oct 2008	Nov 2008	
15. College of Dentistry – Business Processes	July 11, 2008	Originally scheduled Nov 2008	Dec 2008	
16. Conflict of Interest – Vendors/Extramural Activities	May 16, 2008	Originally scheduled Aug 2009	Sept 2009	
17. Human Subjects Office Process Review	Feb 11, 2008	Originally scheduled Jan 2010	Jan 2010	
18. Postseason Athletic Participation (Outback Bowl)	Sept 13, 2006	Schedule TBD	TBD	

**Iowa State University**

<b>Title</b>	<b>Report Date</b>	<b>Original Follow-Up Status</b>	<b>Expected Completion</b>	<b>Action Status</b>
19. Office of Admissions	Feb 27, 2008	Originally scheduled May 2008	Jun 2008	Closed
20. Building Access Services-Access Cards	Jan 16, 2008	Originally scheduled May 2008	Jun 2008	
21. Biosafety – Select Agents	Jun 16, 2008	Originally scheduled Mar 2009	Apr 2009	

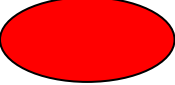
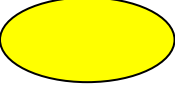
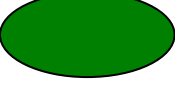
**University of Northern Iowa**

<b>Title</b>	<b>Report Date</b>	<b>Original Follow-Up Status</b>	<b>Expected Completion</b>	<b>Action Status</b>
22. Vendor Payment Analysis	Nov 14, 2007	Originally scheduled for May 2008	Jun 2008	Closed
23. Hong Kong MBA Program	July 15, 2008	Originally scheduled for Apr 2009	May 2009	

**Iowa School for the Deaf**

<b>Title</b>	<b>Report Date</b>	<b>Original Follow-Up Status</b>	<b>Expected Completion</b>	<b>Action Status</b>
24. Iowa School for the Deaf	Aug 8, 2007	Originally scheduled Aug 2008	Aug 2008	Closed

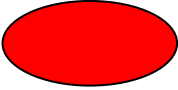
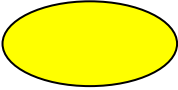
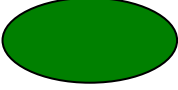
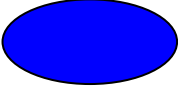
**MATERIALITY / CRITICALITY (MC)**

<p><b>HIGH</b></p> 	<p>Potential:</p> <ul style="list-style-type: none"> <li>• Significant impact on enrollment/teaching/research/extension OR</li> <li>• Significant impact on people/health/safety OR</li> <li>• Exposure to significant financial loss/costly inefficiencies OR</li> <li>• Exposure to loss or interception of sensitive electronic data/information OR</li> <li>• Exposure to significant legal liability/regulatory penalties OR</li> <li>• Significant reputational risk OR</li> <li>• Broad impact of negative event.</li> </ul>
<p><b>MODERATE</b></p> 	<p>Potential:</p> <ul style="list-style-type: none"> <li>• Moderate impact on people/health/safety OR</li> <li>• Exposure to moderate financial loss/inefficiencies OR</li> <li>• Exposure to loss or interception of non-sensitive electronic data/information OR</li> <li>• Exposure to moderate legal liability/regulatory penalties OR</li> <li>• Moderate reputational risk OR</li> <li>• Localized impact of negative event.</li> </ul>
<p><b>LOW</b></p> 	<p>Low potential:</p> <ul style="list-style-type: none"> <li>• Impacting people/health/safety OR</li> <li>• Loss/liability OR</li> <li>• Damage to reputation OR</li> <li>• Impact of negative event.</li> </ul>

**MATERIALITY / CRITICALITY TERMS** - Definitions include but are not limited to the following:






- Enrollment/Teaching/Research/Extension: Recruiting, admissions, financial aid, registrar, curriculum, sponsored programs, extension programs.
- People/Health/Safety: Hospital, clinics, student health center, national security issues, environmental health and safety.
- Financial Loss/Inefficiencies: Improper or inefficient use of money, equipment, human resources, or other assets resulting in lost funds or increased costs.
- Loss or Interception of Electronic Data/Information: Central university and departmental information technology security.
- Legal Liability/Regulatory/Penalties: Violation of laws or regulations resulting in litigation, loss of funding, restriction of programs, fines/penalties.
- Reputational Risk: Negative publicity that could result in loss of public trust, contributions, and other support.
- Significance and Impact: Significant impact of a negative event related to any of the above areas could include large dollar losses, penalties, or other types of harm that could broadly restrict fulfillment of the universities' missions. Moderate impact would include losses or penalties that could restrict specific key activities that are related to the universities' missions.

**ASSESSMENT OF CONTROLS / EFFICIENCIES (CEA)**

<p><b>HIGH</b></p> 	<ul style="list-style-type: none"> <li>• Could seriously affect several areas within the University. Exposes the University to unacceptable risks or liability if not corrected OR</li> <li>• Involves difficult issues requiring the attention of executive management OR</li> <li>• Involves compliance with Federal, State, or other laws and could result in serious consequences if not implemented OR</li> <li>• Unacceptable weakness in the internal and/or accounting controls OR</li> <li>• Substantial savings (perhaps millions) can potentially be realized by correcting.</li> </ul>
<p><b>MODERATE</b></p> 	<ul style="list-style-type: none"> <li>• Could seriously affect a department or area within the University OR</li> <li>• Involves a difficult issue requiring the attention of upper management OR</li> <li>• Involves compliance with Federal, State or other law and could result in minor consequences if not implemented OR</li> <li>• Weakness in the internal and/or accounting controls OR</li> <li>• Savings (perhaps thousands) can potentially be realized by correcting.</li> </ul>
<p><b>LOW</b></p> 	<ul style="list-style-type: none"> <li>• Can affect a department or may be common to several areas OR</li> <li>• Could result in improved internal and accounting control OR</li> <li>• Can be corrected relatively easy OR</li> <li>• Could result in improved efficiency or effectiveness of operations OR</li> <li>• No reportable observations or corrective action taken prior to report issuance.</li> </ul>
<p><b>CONSULTATION</b></p> 	<ul style="list-style-type: none"> <li>• Auditors provided consultation only, without thorough assessment</li> <li>• No audit recommendations at this time.</li> </ul>

*The internal auditors have utilized the colors for the control / efficiency assessment (CEA) in evaluating each individual comment.*

**FOLLOW-UP**

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

The University of Iowa  
National Advanced Driving Simulator (NADS)  
Initial Audit Report Issued: September 12, 2008

Summary



Status: Open

Recommendations/  
Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
1. Information Technology.		December 2008	Review: Jan 2009 Report: Jan 2009
2. Line-of-Credit.		December 2008	Review: Jan 2009 Report: Jan 2009
3. Transactions and Proper Oversight.		December 2008	Review: Jan 2009 Report: Jan 2009
4. Asset Management.		December 2008	Review: Jan 2009 Report: Jan 2009

The University of Iowa  
UI Health Care Integrated Call Center (ICC)  
Initial Audit Report Issued: September 12, 2008

Summary



Status: Open

Recommendations/  
Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
1. Governance of ICC.		December 2008	Review: Jan 2009 Report: Feb 2009
2. Web Site Enhancements.		December 2008	Review: Jan 2009 Report: Feb 2009
3. Required Skills for Clerk Referral Specialists.		December 2008	Review: Jan 2009 Report: Feb 2009
4. Documentation of Report Generation Process.		December 2008	Review: Jan 2009 Report: Feb 2009
5. Site Visit to University of Michigan Call Center.		December 2008	Review: Jan 2009 Report: Feb 2009

**The University of Iowa  
Joint Office for Clinical Outreach Services**  
Initial Audit Report Issued: September 12, 2008

Summary



Status: Open

Recommendations/  
Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
1. Outreach Governance.		July 2009	Review: Sept 2009 Report: Oct 2009
2. Cash Handling Procedures.		November 2008	Review: Sept 2009 Report: Oct 2009

**The University of Iowa  
Department of Obstetrics and Gynecology**  
Initial Audit Report Issued: September 12, 2008

Summary













Status: Open

Recommendations/  
Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
1. Charge Capture.		Immediately	Review: Feb 2009 Report: Mar 2009
2. Reconciliation Process.		January 2009	Review: Feb 2009 Report: Mar 2009
3. Departmental Databases.		January 2009	Review: Feb 2009 Report: Mar 2009
4. Sponsored Programs.		January 2009	Review: Feb 2009 Report: Mar 2009
5. Procurement Activity.		Immediately	Review: Feb 2009 Report: Mar 2009
6. Delegation of Signature Authority.		September 2008	Review: Feb 2009 Report: Mar 2009
7. Capital Assets.		December 2008	Review: Feb 2009 Report: Mar 2009
8. Personnel and Payroll.		January 2009	Review: Feb 2009 Report: Mar 2009
9. Hospital Payment Agreement.		September 2008	Review: Feb 2009 Report: Mar 2009
10. Restrictive Endorsement of Check Receipts.		September 2008	Review: Feb 2009 Report: Mar 2009









**The University of Iowa  
UI Health Care - EPIC Security**  
Initial Audit Report Issued: October 6, 2008

Summary **M/C** **CEA** Status: Open

Recommendations/ Responses	Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up	
				Review	Report
	1. External Accounts.		March 2009	Review: Jul 2009	Report: Aug 2009 
	2. Generic User Accounts.		October 2008	Review: Jul 2009	Report: Aug 2009 
	3. Administrator Local Password Controls.		Complete	N/A 	
	4. User Account Inactivation.		June 2009	Review: Jul 2009	Report: Aug 2009 
	5. Biometric Data Center Physical Access Control System.		June 2009	Review: Jul 2009	Report: Aug 2009 

**The University of Iowa  
Blanket Purchase Orders**  
Initial Audit Report Issued: October 6, 2008

Summary **M/C** **CEA** Status: Open

Recommendations/ Responses	Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up	
				Review	Report
	1. Compliance with Current Policy.		September 2009	Review: Oct 2009	Report: Nov 2009 
	2. Prioritize Review of BPOs.		September 2009	Review: Oct 2009	Report: Nov 2009 
	3. Document Review of BPOs.		October 2008	Review: Oct 2009	Report: Nov 2009 
	4. Purchase Order Classification.		September 2009	Review: Oct 2009	Report: Nov 2009 



The University of Iowa  
UIHC Patient and Staff Safety  
Initial Audit Report Issued: October 6, 2008

Summary



Status: Open

Recommendations/  
Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
1. Local Law Enforcement Prisoners.		January 2009	Review: Feb 2009 Report: Mar 2009
2. Safety and Security FTE's.		November 2008	Review: Feb 2009 Report: Mar 2009
3. Telephone Threats.		November 2008	Review: Feb 2009 Report: Mar 2009

The University of Iowa  
Student Course Fees  
Initial Audit Report Issued: October 6, 2008

Summary



Status: Open

Recommendations/  
Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
1. Accountability of Course Fee Receipts.		December 2008	Review: Jan 2009 Report: Feb 2009
2. Formalized Policy.		December 2008	Review: Jan 2009 Report: Feb 2009
3. Miscellaneous Fees Charter Update.		December 2008	Review: Jan 2009 Report: Feb 2009
4. Increased Communication.		December 2008	Review: Jan 2009 Report: Feb 2009

Iowa State University  
Security of Internet-Initiated ACH Transactions  
Initial Audit Report Issued: October 1, 2008

Summary



Status: Closed

Recommendations/  
Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
None. Based on audit work performed, no audit observations were identified.		N/A	N/A

**The University of Northern Iowa  
UNItix Operations**  
Initial Audit Report Issued: October 7, 2008

Summary



Status: Open

Recommendations/  
Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
1. Miscellaneous Accounts Receivable.		September 2008	Review: Feb 2009 Report: Mar 2009
2. Payroll Deduction Accounts Receivable.		October 2008	Review: Feb 2009 Report: Mar 2009
3. Financial Performance.		January 2009	Review: Feb 2009 Report: Mar 2009
4. Safety & Security of Ticket Locations.		January 2009	Review: Feb 2009 Report: Mar 2009

**The University of Northern Iowa  
Central Revenue Processes**  
Initial Audit Report Issued: October 7, 2008

Summary



Status: Open

Recommendations/  
Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
1. Non-Student Accounts Receivable.		March 2009	Review: Apr 2009 Report: May 2009
2. Revenue Recording Controls.		September 2008	Review: Apr 2009 Report: May 2009
3. Bank Reconciliation Efficiency.		March 2009	Review: Apr 2009 Report: May 2009