











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 <ul style="list-style-type: none"> • Child Health Specialty Clinics • Epic Willow Ambulatory System • Intercollegiate Athletics – Home Game Revenue FY 2015-16 • International Writing Program • Mobile Device Encryption • Department of Chemistry • Department of Neurology • Recreational Services 	       	Open Closed Closed Open Open Open Open Open
IOWA STATE UNIVERSITY <ul style="list-style-type: none"> • Veterinary Field Services 		Open
UNIVERSITY OF NORTHERN IOWA <ul style="list-style-type: none"> • Center for Business Growth and Innovation 		Open

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

FOLLOW-UP REPORTS

UNIVERSITY OF IOWA <ul style="list-style-type: none"> • Anesthesia • Bowen Science Building Information Technology • Campus SSN Remediation • International Programs • Safety and Security's Video Surveillance System • UIHC Capital Management • UIHC Cash Handling • UIHC Engineering Services 	Closed Closed Closed Closed Closed Closed Closed Closed
IOWA STATE UNIVERSITY <ul style="list-style-type: none"> • Department of Statistics 	Closed
UNIVERSITY OF NORTHERN IOWA <ul style="list-style-type: none"> • Center for Teaching and Learning Mathematics • Speech and Hearing Clinic 	Closed Closed

CONTROLS/EFFICIENCIES ASSESSMENT (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 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.



**The University of Iowa
Child Health Specialty Clinics**

Issued August 19, 2016

Status: Open

The Child Health Specialty Clinics (CHSC) is a public health agency that provides gap-filling services for children and youth with special health care needs at 14 regional centers located across Iowa. CHSC is structurally maintained within the Stead Family Department of Pediatrics' Division of Child and Community Health, however, it operates and is accounted for separately. The audit was performed to examine the operations for reasonable internal controls and processes after a recent significant change in management. Audit recommendations include clarifying the relationship and monitoring structure with the Stead Family Department of Pediatrics, reevaluating the marketing and branding strategy, improving internet and network connections at the regional sites, automating Community Circle of Care (CCC) and Pediatric Integrated Health Home (PIHH) billing practices, improving documentation of physical access records at regional sites, and improving support maintained for sliding fees related to patients' reported adjusted gross income (AGI). Management expects to complete its action plan by April 2017.



**The University of Iowa
Epic Willow Ambulatory System**

Issued August 19, 2016

Status: Closed

The Epic Willow Ambulatory System audit was performed to ensure proper controls are in place and working as intended for the system's operational and business processes related to filling ambulatory prescriptions, medication inventory processes, systems access, systems interfaces, systems training, charge capture, and reporting. There were no significant findings noted. The audit is closed.



**The University of Iowa
Intercollegiate Athletics – Home Game Revenue FY 2015-16**

Issued August 19, 2016

Status: Closed

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



**The University of Iowa
International Writing Program**

Issued August 19, 2016

Status: Open

The International Writing Program uses the \$800,000 Educational and Cultural Affairs grant to help build cultural diplomacy around the world through unique writing programs offered to international writers. The International Writing Program audit was performed to examine operations for reasonable internal controls and processes. Primary audit recommendations included tracking accrued and used compensatory time for non-administrative staff, approving staff travel in the ProTrav system prior to departure, and securing level III institutional data. Additional recommendations were made in the areas of accounting and human resources. Management expects to complete its action plans by December 2016.



**The University of Iowa
Mobile Device Encryption**

Issued August 19, 2016

Status: Open

The university's Information Security and Framework Policy now requires all mobile devices to utilize full disk encryption. Encryption provides an additional layer of security in the event a mobile device is lost or stolen. The audit was performed to provide reasonable assurance that encryption reporting and monitoring processes were in place and operating as intended. Recommendations include enhancements to the reporting process to accurately reflect the encryption status of all Windows and Macintosh devices, automated management and encryption of tablets, and the proper use of exceptions to policy. Management expects to complete its action plans by December 2016.



**The University of Iowa
Department of Chemistry**

Issued September 23, 2016

Status: Open

The Department of Chemistry within the College of Liberal Arts and Sciences houses several service centers, including Chemistry Stores, that maintain an inventory of office supplies, glass and laboratory supplies, and chemicals for lab use. The audit was performed to provide reasonable assurance that business processes and internal controls were in place and functioning effectively. Audit recommendations included improvements in the physical security of the Chemistry Stores service center area, restricting access to the inventory management system used in Chemistry Stores, establishing a change fund for key deposits, and timely updates of Master File Key account ownership and capital asset custodians. Management expects to complete its action plan by March 2017.



**The University of Iowa
Department of Neurology**

Issued September 23, 2016

Status: Open

The Department of Neurology audit was performed to examine the operations for reasonable internal controls and processes. Primary audit recommendations include strengthening controls on clinical trial and contract billing processes, updating cash handling procedures, reviewing departmental mechanical key records, and completing faculty performance reviews. Management expects to complete its action plans by November 2016.



**The University of Iowa
Recreational Services**

Issued September 23, 2016

Status: Open

Recreational Services offers four workout facilities across campus and several other facilities to promote healthy lifestyles, generating \$14 million in revenue annually. The Recreational Services audit was performed to examine operations for reasonable internal controls and processes. Primary audit recommendations included enhanced monitoring and billing procedures for perpetual and non-perpetual memberships. Additional recommendations were made in the areas of accounting, human resources, and cash handling. Management expects to complete its action plans by October 2016.



**Iowa State University
Veterinary Field Services**

Issued September 21, 2016

Status: Open

Veterinary Field Services provides individual animal and heard health services for beef, dairy, swine, sheep, goats, and camelids. Services are provided to other Iowa State University units and to external clients in the local area. Primary recommendations include documenting the development of rates and the internal fee structure, strengthening controls of the ordering, receiving, and inventorying process, improving patient medical records, and revising controlled substance protocols related to physical access, disposal, purchasing, and inventorying. Additional recommendations include strengthening system access controls, and standardizing the process for discounting or waiving fees. Management expects to complete its action plans by July 2017.



**University of Northern Iowa
Center for Business Growth and Innovation**












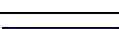
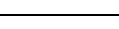
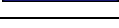





Issued September 20, 2016

Status: Open





The Center for Business Growth and Innovation (CBGI) is an outreach center with the mission to serve entrepreneurs and small business owners throughout the state of Iowa. UNI's Small Business Development Center is contained within the CBGI. Other programs managed by the CBGI include Advance Iowa, IASourceLink, which replaced myEntre.Net, the Innovation Incubator, Dream Big Grow Here contest, Business Concierge, and webinars. Audit recommendations focused on appropriate support for contracted services and other expenses, following university policy for hospitality expenses, and other operational improvements. Management expects to complete their action plans by January 2017.

STATUS OF AUDIT FOLLOW-UPS





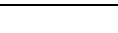
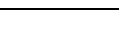
University of Iowa

Title	Report Date	Original Follow-Up Date	Revised Follow-Up Date	Action Status
1. UIHC Safety and Security	June 29, 2015	Jan 2016		
2. School of Art and Art History	Sept 8, 2015	Feb 2016		
3. Controlled Substances in Laboratories	Sept 8, 2015	July 2016		
4. Heart and Vascular Center	Dec 9, 2015	July 2016		
5. Department of Psychiatry	Jan 22, 2016	July 2016		
6. State Hygienic Laboratory	Dec 9, 2015	Aug 2016		
7. Utilization Management	Jan 22, 2016	Aug 2016		
8. Office of the Patient Experience	June 23, 2016	Aug 2016		
9. Centralized Coding	July 28, 2015	Sept 2016		
10. Department of Orthopedics	May 19, 2016	Sept 2016		
11. Dual Degree Program	July 28, 2015	Oct 2016		
12. Finkbine Golf Course	June 23, 2016	Nov 2016		
13. University Book Store	July 19, 2016	Dec 2016		
14. Iowa Courses Online (ICON)	May 19, 2016	Jan 2017		
15. 2015 Early Retirement Incentive Program	April 15, 2016	Feb 2017		
16. Claim Submission and Electronic Remittance Processes	March 23, 2016	April 2017		
17. Clinical Quality Safety and Performance Improvement	March 23, 2016	April 2017		
18. Department of Pediatrics	June 23, 2016	Aug 2017		
19. Department of Public Safety	July 19, 2016	Sept 2017		





Iowa State University

Title	Report Date	Original Follow-Up Date	Revised Follow-Up Date	Action Status
20. America's Small Business Development Centers Iowa	April 1, 2016	Oct 2016		
21. Dr. W. Eugene and Linda Lloyd Veterinary Medicine Center	Jan 5, 2016	Dec 2016		
22. School of Education	July 21, 2016	Jan 2017		
23. Employment Verification and Background Checks	July 21, 2016	April 2017		

University of Northern Iowa

Title	Report Date	Original Follow-Up Date	Revised Follow-Up Date	Action Status
24. Theatre Department	Dec 17, 2015	Nov 2016		
25. Special and Summer Compensation	Feb 25, 2016	Dec 2016		
26. Event Center Beverages	May 20, 2016	Dec 2016		
27. Department of Technology	March 22, 2016	Jan 2017		
28. Center for Energy & Environmental Education	July 12, 2016	April 2017		
29. School of Kinesiology, Allied Health and Human Services	July 12, 2016	May 2017		

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.