















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			
• College of Law Collegiate Audit			Open
• Department of Pathology			Open
• Intercollegiate Athletics – Home Game Ticket Revenue FY 2005			Closed
• Credit Card Processing			Closed
• Post Season Athletic Participation (Capital One Bowl)			Open
• Review of Offer Letter Practices			Open
IOWA STATE UNIVERSITY			
• No submissions			
UNIVERSITY OF NORTHERN IOWA			
• International Programs			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 29 internal audit reports, 19 of which require follow-up.

FOLLOW-UP REPORTS

UNIVERSITY OF IOWA

- Museum of Art Closed
- Home Game Ticket Revenue FY 04 Closed
- Ophthalmology & Visual Sciences Sp. Programs Closed
- Office of Animal Resources Cost Acct. Processes Closed
- Travel Expenses on Procurement Card Closed
- Office of the Provost Closed
- NCAA Compliance - Financial Aid Closed







IOWA STATE UNIVERSITY

- Employee Medical Benefits Claims Closed
- Extension Administration Closed





UNIVERSITY OF NORTHERN IOWA

- Continuing Education – Credit Programs Closed

**Status of Internal Audit Follow-Up
October 19, 2005
University of Iowa**

Title	Report Date	Original Follow-Up Status	Expected Completion	Action Status
1. Museum of Art	Jan 25, 2005	Originally scheduled May 2005	Jun 2005	Closed
2. Home Game Ticket Revenue FY 04	Aug 25, 2004	Originally scheduled Jun 2005	Jul 2005	Closed
3. Ophthalmology and Visual Sciences Sponsored Programs	Mar 28, 2005	Originally scheduled Jun 2005	Jul 2005	Closed
4. Office of Animal Resources – Cost Accounting Processes	Dec 8, 2004	Originally scheduled Aug 2005	Aug 2005	Closed
5. Travel Expenses on Procurement Card	Sep 27, 2004	Originally scheduled Aug 2005	Sep 2005	Closed
6. Office of the Provost	Sep 27, 2004	Originally scheduled Oct 2005	Oct 2005	Closed
7. NCAA Compliance – Financial Aid	Mar 28, 2005	Originally scheduled Sep 2005	Oct 2005	Closed
8. Department of Surgery	Apr 27, 2005	Originally scheduled Aug 2005	Sep 2005	
9. Carver College of Medicine – Finance and Administration	Mar 28, 2005	Originally scheduled Aug 2005	Sep 2005	
10. Health Care Information Systems Software Change Management	Jun 22, 2005	Originally scheduled Jan 2006	Feb 2006	
11. Office of the State Archaeologist	Jun 3, 2005	Originally scheduled Sep 2005	Oct 2005	
12. Recharge Centers – Office of the Vice President for Research	Jun 3, 2005	Originally scheduled Oct 2005	Oct 2005	
13. Recharge Centers – Roy J. and Lucille A. Carver College of Medicine	Jun 3, 2005	Originally scheduled Oct 2005	Oct 2005	

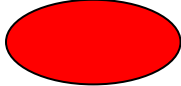
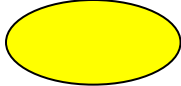

Iowa State University

14. Employee Medical Benefit Claims	Jun 18, 2004	Originally scheduled Jun 2005	Jul 2005	Closed
15. Extension Administration	Jan 14, 2005	Originally scheduled Jul 2005	Jul 2005	Closed
16. Procurement – Compliance with OMB A-110 Procurement Standards	Apr 25, 2005	Originally scheduled Jul 2005	Aug 2005	
17. IBSSS Assistive Device Center	Mar 9, 2005	Originally scheduled Oct 2005	Nov 2005	
18. Sponsored Program in the Department of Biomedical Sciences	Mar 15, 2005	Originally scheduled Jan 2006	Feb 2006	
19. Memorial Union	Jun 28, 2005	Originally scheduled Jan 2006	Jan 2006	

University of Northern Iowa

20. Continuing Education – Credit Programs	Aug 13, 2004	Originally scheduled Aug 2005	Sep 2005	Closed
21. Field House (UNI Dome) Operations – Event Parking	Aug 25, 2004	Originally scheduled Aug 2005	Sep 2005	
22. Department of Residence – Facilities	Sep 24, 2004	Originally scheduled Oct 2005	Oct 2005	
23. Human Resource Services – Workers' Compensation	Sep 23, 2004	Originally scheduled Oct 2005	Oct 2005	
24. University Health Services – Student Health Center	Sep 24, 2004	Originally scheduled Oct 2005	Nov 2005	
25. FY 2005 Cash on Hand	Jan 4, 2005	Originally scheduled Oct 2005	Nov 2005	
26. Gallagher-Bluedorn Performing Arts Center	Feb 10, 2005	Originally scheduled Feb 2006	Mar 2006	
27. Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP)	Mar 9, 2005	Originally scheduled Mar 2006	Apr 2006	
28. Classis Upward bound Program	Apr 27, 2005	Originally scheduled May 2006	May 2006	
29. Management and Professional Development Center	Jun 28, 2005	Originally scheduled Jul 2006	July 2006	

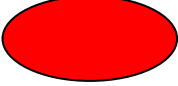
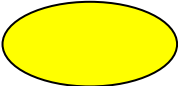
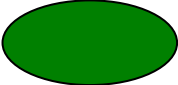
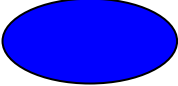
MATERIALITY / CRITICALITY (MC)

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

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>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 individual comment.

FOLLOW-UP

	<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.
	<ul style="list-style-type: none"> • Closed.

The University of Iowa
College of Law Collegiate Audit
Initial Audit Report Issued: July 27, 2005

Summary

M/C

CEA

Status: Open

Recommendations
/ Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up	
1. Computer Server Security.			Review: Nov. 2005 Report: Dec. 2005	
A. Server Access and Maintenance.		Sept. 30, 2005		
B. Sensitive Data Security.		Oct. 31, 2005		
2. Information Technology.			Review: Nov. 2005 Report: Dec. 2005	
A. Organizational Structure and Reporting.		Sept. 30, 2005		
B. Disaster Recovery/Business Continuation Plan.		Oct. 31, 2005		
3. Additional Information Technology Concerns.		Oct. 31, 2005	Review: Nov. 2005 Report: Dec. 2005	
4. Cash Handling.		Oct. 31, 2005	Review: Nov. 2005 Report: Dec. 2005	
5. Purchasing.		Sept. 30, 2005	Review: Nov. 2005 Report: Dec. 2005	
6. Grants.		Aug. 31, 2005	Review: Nov. 2005 Report: Dec. 2005	
7. Human Resources.		Sept. 30, 2005	Review: Nov. 2005 Report: Dec. 2005	
8. Capitalized Equipment.		Sept. 30, 2005	Review: Nov. 2005 Report: Dec. 2005	
9. Accounts Receivable.		Sept. 30, 2005	Review: Nov. 2005 Report: Dec. 2005	

The University of Iowa
Department of Pathology
Initial Audit Report Issued: August 30, 2005













Summary

M/C

CEA

Status: Open

Recommendations/
Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
1. Outreach Financial Management.			Review: Nov. 2005 Report: Dec. 2005
A. Accounts Receivable.		Aug. 31, 2005	
B. Cash Handling.		Completed	Item Closed 
C. UIHC Cost Reimbursement.		Completed	Item Closed 
2. Purchasing.			Review: Nov. 2005 Report: Dec. 2005
A. Invoice Payment Process.		Oct. 31, 2005	
B. Purchase Requisitions.		Aug. 31, 2005	
3. Human Resources.		Aug. 31, 2005	Review: Nov. 2005 Report: Dec. 2005 

The University of Iowa

Intercollegiate Athletics – Home Game Ticket Revenue FY 2004-2005

Initial Audit Report Issued: September 26, 2005


Summary

M/C

CEA

Status: Closed

Recommendations/
Responses

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

The University of Iowa

Credit Card Processing

Initial Audit Report Issued: September 26, 2005





Summary

M/C

CEA

Status: Closed

Recommendations/
Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
1. University Policy.		Completed	Comment Closed 
2. Employee Training.		Completed	Comment Closed 

The University of Iowa

Postseason Athletic Participation (Capital One Bowl)

Initial Audit Report Issued: September 26, 2005





Summary

M/C

CEA

Status: Open

Recommendations/
Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
1. Student-Athlete Awards/Gifts Approval.		Sept. 30, 2005	Review: TBD Report: TBD 
2. Student-Athlete Award/Gift Documentation and Payment.		Sept. 30, 2005	Review: TBD Report: TBD 

The University of Iowa
Review of Offer Letter Practices
Initial Audit Report Issued: September 26, 2005

Summary

M/C

CEA

Status: Open

Recommendations
/ Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
1. Content of Template.	●	Jan. 31, 2006	Review: Feb. 2006 Report: Mar. 2006
2. Clarification of Policy.	●	Jan. 31, 2006	Review: Feb. 2006 Report: Mar. 2006
3. Standard Terminology.	●	Jan. 31, 2006	Review: Feb. 2006 Report: Mar. 2006

The University of Northern Iowa
International Programs
Initial Audit Report Issued: August 8, 2005

Summary

M/C

CEA

Status: Open

Recommendations/
Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
1. CIEP Financial Condition.	●	July 31, 2006	Review: Aug. 2006 Report: Sept. 2006
2. IP Financial Processes.	●	August 8, 2005	Review: Aug. 2006 Report: Sept. 2006