













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			
• NCAA Compliance Audit: Sport Camps and Clinics			Open
• Wireless IT Environment			Open
• IDX Access & Security			Open
• Ambulatory Clinics Cash Handling			Open
• UIHC Construction Audit			Open
IOWA STATE UNIVERSITY			
• Security of Internet-Initiated ACH Transactions			Closed
UNIVERSITY OF NORTHERN IOWA			
• No Submissions			

**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 16 internal audit reports, 11 of which require follow-up.

FOLLOW-UP REPORTS

UNIVERSITY OF IOWA

- NCAA Representatives of the University's Athletic Interests Closed

IOWA STATE UNIVERSITY









- No Submissions

UNIVERSITY OF NORTHERN IOWA


- Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP) Closed
- Classic Upward Bound Program Closed
- FY 2005 Cash on Hand Closed
- Gallagher-Bluedorn Performing Arts Center Closed

Status of Internal Audit Follow-Up



University of Iowa

Title	Report Date	Original Follow-Up Status	Expected Completion	Action Status
1. NCAA Representatives of the University's Athletic Interests	Mar 2, 2006	Originally scheduled Jul 2006	Aug 2006	Closed
2. Department of Psychiatry	Oct 26, 2005	Originally scheduled Mar 2006	Apr 2006	
3. Residence Halls-Hall Government	Oct 26, 2005	Originally scheduled Aug 2006	Aug 2006	
4. Cooperative Oncology Groups	April 19, 2006	Originally scheduled Aug 2006	Aug 2006	
5. Office of the Registrar	Mar 2, 2006	Originally scheduled Aug 2006	Sep 2006	
6. IT Parallel Systems	Mar 2, 2006	Originally scheduled Oct 2006	Nov 2006	
7. Grant Accounting	April 12, 2006	Originally scheduled Oct 2006	Nov 2006	
8. Third Party Clinical Trial billing	April 12, 2006	Originally scheduled Aug 2006	Nov 2006	
9. Postseason Athletic Participation Capital One Bowl	Sep 26, 2005	Originally scheduled Aug 2006	Aug 2006	

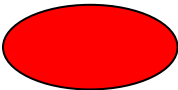
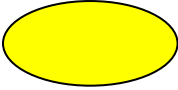
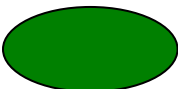
Iowa State University

Title	Report Date	Original Follow-Up Status	Expected Completion	Action Status
10. Iowa Agriculture and Homes Economics Experiment Station	Jan 6, 2006	Originally scheduled Jul 2006	Aug 2006	

University of Northern Iowa

Title	Report Date	Original Follow-Up Status	Expected Completion	Action Status
11. Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP)	Mar 9, 2005	Originally scheduled Mar 2006	Apr 2006	Closed
12. Classic Upward Bound Program	Apr 27, 2005	Originally scheduled May 2006	May 2006	Closed
13. FY 2005 Cash on Hand	Jan 4, 2005	Originally scheduled Oct 2005 Follow #1 completed Dec 2005	1 st Nov 2005 2 nd Jun 2006	Closed
14. Gallagher-Bluedorn Performing Arts Center	Feb 10, 2005	Originally scheduled Feb 2006	Mar 2006	Closed
15. Management and Professional Development Center	Jun 28, 2005	Originally scheduled Jul 2006	Jul 2006	
16. International Programs	Aug 8, 2005	Originally scheduled Aug 2006	Sep 2006	

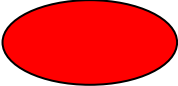
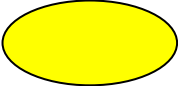
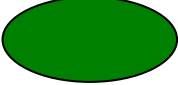
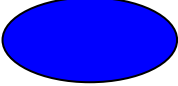
MATERIALITY / CRITICALITY (MC)

<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
NCAA Compliance Audit: Sports Camps and Clinics
Initial Audit Report Issued: June 26, 2006





Summary

M/C

CEA

Status: Open

Recommendations/
Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
1. Camps and Clinics Records. A. Record Availability and Control. B. Football Day Camp.		September 2006	Review: Oct 2006 Report: Nov 2006 
2. Employment Information.		September 2006	Review: Oct 2006 Report: Nov 2006 

The University of Iowa
Wireless IT Environment
Initial Audit Report Issued: June 26, 2006









Summary

M/C

CEA

Status: Open

Recommendations/
Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
1. Unauthorized Wireless Networks.		December 2006	Review: Jan 2007 Report: Feb 2007 
2. Policy Issues. A. Wireless Network Standards. B. Airspace Policy.		Completed Completed	
3. HCIS Dynamic WEP Key Change Interval.		Completed	
4. Wireless Network Expansion.		June 2007	Review: Jun 2007 Report: Jul 2007 

The University of Iowa
IDX Access & Security
Initial Audit Report Issued: July 13, 2006

Summary

M/C

CEA

Status: Open

Recommendations/
Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
1. Documentation of current IDX account maintenance processes.		December 2006	Review: Dec 2006 Report: Jan 2007
2. IDX User Passwords.		September 2006	Review: Dec 2006 Report: Jan 2007
3. Timely User Account Maintenance.		December 2006	Review: Dec 2006 Report: Jan 2007
4. Vendor Access to IDX.		July 2006	Review: Dec 2006 Report: Jan 2007
5. Performing Financial Transactions on own IDX Account.		September 2006	Review: Dec 2006 Report: Jan 2007
6. Generic IDX ID's.		Completed	Item Closed
7. Business Associate Agreements.		Completed	Item Closed
8. Direct Character Cell Access.		September 2006	Review: Dec 2006 Report: Jan 2007

The University of Iowa
Ambulatory Clinics Cash Handling
Initial Audit Report Issued: July 13, 2006

Summary

M/C

CEA

Status: Open

Recommendations/
Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
1. Annual Review of Cash Handling Policies and Procedures.		August 2006	Review: Sept 2006 Report: Sept 2006

**The University of Iowa
UIHC Construction Audit**
Initial Audit Report Issued: July 13, 2006



Summary

M/C

CEA

Status: Open

Recommendations/
Responses

Auditor's Observation	CEA	Implementation Target Date	Expected Auditor Follow-up
1. Standardized Procedures. A. Contractor Submittal of Pre-Construction Documents. B. Start Date of Project. C. Change Directives. D. Progress Payments and Completion.		September 2006	Review: Oct 2006 Report: Nov 2006 

**Iowa State University
Security of Internet-Initiated ACH Transactions**
Initial Audit Report Issued: June 1, 2006


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 observations were identified.		N/A	N/A