

Contact: Todd Stewart

FY 2015 AUDIT PROGRESS AND FY 2016 INTERNAL AUDIT PLANS

Action Requested: Receive the progress reports for the universities' FY 2015 audit plans and approve the internal audit plans for FY 2016.

Executive Summary: On an annual basis, the Regent universities compile and submit audit plans to the Audit/Compliance and Investment Committee. In accordance with Board policy, these plans review past accomplishments and identify the next fiscal year's internal audit focuses.

FY 2015 Progress	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>	<u>Total</u>
Audits:				
Original Audits Planned	43	16	10	69
Added During Year	7	2	2	11
Totals	50	18	12	80
Completed	34	8	9	51
In Progress	10	5	2	17
Deferred	3	4	-	7
Cancelled	3	1	1	5
Totals	50	18	12	80

FY 2016 Plans	<u>Scheduled Audits</u>	<u>Total Hours Budgeted*</u>
University of Iowa	49	19,096
Iowa State University	17	6,944
University of Northern Iowa	<u>10</u>	<u>3,772</u>
Total	76	29,812

*Includes budgeted hours for recurring reported audits/reviews; original audits; follow-up audits; non-audit activities; and other responsibilities.

Internal audit plans for FY 2016 are based on known circumstances and certain areas needing routine audit coverage. Portions of the plans are unannounced and unplanned to allow the internal auditors flexibility to respond to events that transpire throughout the year and to add audits throughout the year as necessary. In addition, our ethics hotline identifies possible instances of fraud or financial misconduct that would need to be investigated.

Internal Audit Staff
as of June 30, 2014

	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>	<u>TOTAL</u>
Full-Time Professional Audit Positions	10	4	2	16
Support / Intern / Student Positions	1	0	1	2

Tables detailing FY 2016 plans and FY 2015 progress for each university included in this document. Tables containing audits completed for the past three fiscal years may be found on the following pages.

The FY 2016 Internal Audit Plan for all three Regent institutions is based on the following:

- Regent Chief Audit Executive evaluation of plans and guidance from the Board;
- The input of university management personnel, the Auditor of State and information shared between the three internal audit departments;
- Compilation of institutional risk concerns;
- Risk assessment based on the application of certain risk measurement criteria to the compiled risk concerns; and
- Prioritization based on risk criteria and management input.

The risk assessment performed for FY 2016 identified the following high risk areas:

- Business processes;
- Compliance with departmental policies and procedures in areas where there has been a change of top management and complex office processes; and
- Information technology, particularly in areas of new system development and implementation.

UNIVERSITY OF IOWA		
Proposed Internal Audit Plan for FY 2016		
Audits and Reviews	Hours	Percent
Annual Risk Assessment	450	2.4%
EthicsPoint	200	1.0%
Auto Audit Upgrade	100	0.5%
Revenue Cycle - Denial Management	400	2.1%
CQSPI	300	1.6%
EPIC Claims Submission Process	400	2.1%
UIHC Cash Handling	300	1.6%
Anesthesia	300	1.6%
EPIC Willow - Ambulatory	300	1.6%
Heart and Vascular Center	350	1.8%
Office of Patient Experience	250	1.3%
Psychiatry Departmental	250	1.3%
HCIS RT Process	250	1.3%
Internal Medicine	300	1.6%
Pediatrics	300	1.6%
UI Health Care Affiliated Agreements	250	1.3%
Utilization Management	300	1.6%
Orthopedics	300	1.6%
DeGowen Blood Center	250	1.3%
UIHC Capital Management	250	1.3%
UIHC Engineering Services	200	1.0%
Centralized Coding - Carry Over	20	0.1%
Center for Digestive Disease Procedural Charges	20	0.1%
Bio-Engineering Carry Over	50	0.3%
Controlled Substances in Labs	100	0.5%
Home Ticket Revenue	100	0.5%
NCAA Eligibility, Amateurism and Academic Performance Program	200	1.0%
NCAA General Compliance	80	0.4%
NCAA Extra Benefits - Complimentary Admissions	40	0.2%
NCAA Certification of Compliance	16	0.1%
Campus SSN Remediation/SSN Vaulting	300	1.6%
Book Store	350	1.8%
Hygenic Lab	300	1.6%
Public Safety (UIPD)	300	1.6%
Early Retirement	300	1.6%
Parks - New Parking System	300	1.6%
ICON	250	1.3%
Mobile Device Encryption	300	1.6%
Affordable Care Act (Safe Harbor)	250	1.3%
University Club	300	1.6%
Touch the Earth	300	1.6%
Chemistry	300	1.6%
Finkbine Golf Course	300	1.6%
International Writing Program	300	1.6%
President's Office	300	1.6%
International Programs	300	1.6%
Sociology	300	1.6%
Public Policy Center	24	0.1%
Dual Degree Programs	10	0.1%
Art and Art History	10	0.1%
FY15 Home Ticket Revenue	30	0.2%
Lakeside Labs	225	1.2%
Follow-Up Hours	628	3.3%
Unallocated Hours	1,447	7.6%
Subtotal	14,050	73.6%
Other Audit Responsibilities	Hours	Percent
Administration	3,070	16.1%
Committee Participation	450	2.4%
Performance Evaluations	192	1.0%
Professional Development	600	3.1%
Staff Meetings	734	3.8%
Subtotal	5,046	26.4%
Total	19,096	100.0%

IOWA STATE UNIVERSITY		
Proposed Internal Audit Plan for FY 2016		
<u>Audits</u>	<u>Hours</u>	<u>Percent</u>
Annual Risk Assessment & Audit Planning	250	3.60%
Big XII Internal Audit Conference	250	3.60%
College of Human Sciences - Sponsored Programs	250	3.60%
Department of Statistics	250	3.60%
Food Animal Veterinary Field Services	300	4.32%
Lloyd Veterinary Medical Center	350	5.04%
NCAA Compliance - Academic Performance Program	50	0.72%
NCAA Compliance - Financial Aid Administration	100	1.44%
NCAA Compliance - Investigations and Self-Reporting of Rules Violations	50	0.72%
NCAA Compliance - Student-Athlete Eligibility (Initial, Continuing, Transfer)	200	2.88%
Office of Intellectual Property and Technology Transfer	300	4.32%
Research and Demonstration Farms	400	5.76%
School of Education	300	4.32%
Small Business Development Center	250	3.60%
Study Abroad Center	300	4.32%
University Human Resources - Background Checks	300	4.32%
Veenker Memorial Golf Course	250	3.60%
Velocity Access Control System	50	0.72%
Virtual Reality Applications Center	250	3.60%
Follow-up Audits	413	5.95%
Unassigned/Unplanned	550	7.92%
Subtotal	5,413	78.0%
<u>Other Audit Responsibilities</u>	<u>Hours</u>	<u>Percent</u>
Administration	690	9.94%
Committee Participation	155	2.23%
Performance Evaluations	50	0.72%
Professional Development	312	4.49%
Staff Meetings	324	4.67%
Subtotal	1,531	22.0%
Total	6,944	100%

UNIVERSITY OF NORTHERN IOWA		
Proposed Internal Audit Plan for FY 2016		
<u>Audits and Reviews</u>	Hours	Percent
Annual Risk Assessment	200	5.3%
Campus Supply and Warehousing	320	8.5%
Center for Energy and Environmental Education	320	8.5%
Center for Social and Behavioral Science	64	1.7%
Center for Teaching and Learning Mathematics	320	8.5%
College of Education	98	2.6%
Event Center Beverages	100	2.7%
Regional Business Center	43	1.1%
Special Compensation and Summer Pay	256	6.8%
Technology Department	320	8.5%
Theatre	320	8.5%
Follow-up Audits	432	11.5%
Unassigned/Unplanned	350	9.3%
Subtotal	3,143	83.3%
<u>Other Audit Responsibilities</u>	Hours	Percent
Administration	240	6.4%
Committee Participation	105	2.8%
Performance Evaluations	24	0.6%
Professional Development	120	3.2%
Staff Meetings	140	3.7%
Subtotal	629	16.7%
Total	3,772	100.0%

UNIVERSITY OF IOWA				
Audits Completed for the Past Four Fiscal Years				
	FY12	FY13	FY14	FY15
ORIGINAL REPORTS				
Intercollegiate Athletics - Home Game Ticket Revenue	√	√	√	√
2014 Outback Bowl			√	
340B Drug Pricing Program			√	
Accounts Payable and Purchasing				√
AcuDose			√	
AeroScout			√	
Ambulatory Surgery Center		√		
Anesthesia	√			
Athletics Operations - Apparel and Promotional Items		√		
Athletics Ticket Office	√			
Bidding and Purchasing Processes	√			
Biochemistry			√	
Biology Information Technology				√
Bowen Science Building Information Technology				√
Building Access Security				
BuildUI			√	
Campus Conflict of Interest	√			
Campus Recreation and Wellness Center	√			
Carver College of Medicine Administration			√	
Center for Biocatalysis and Bioprocessing			√	
Center For Conferences	√			
Center For Digestive Disease		√		
Centralized Management of Scheduling Program Audit				√
Clery Act		√		
Clinical Quality Safety and Performance Improvement	√			
College of Dentistry			√	
College of Education	√			
College of Engineering Sponsored Research Administration			√	
College of Law		√		
College of Liberal Arts and Sciences School of Social Work		√		
College of Nursing			√	
College of Pharmacy				√
College of Public Health			√	
Communication Sciences and Disorders				√
Criminal Background Checks			√	
Department of Anatomy and Cell Biology				√
Department of Athletics Special Project		√		
Department of Family Medicine			√	
Department of Microbiology		√		
Department of Neurology	√			
Department of Neurosurgery		√		
Department of Nursing		√		
Department of Orthopaedics		√		
Department of Otolaryngology		√		
Department of Pathology			√	
Department of Psychiatry	√			
Department of Public Safety - Lost and Found	√			
Department of Radiology			√	
Department of Risk Management, Insurance and Loss Prevention				√
Department of Surgery	√			
Department of Urology		√		
Division of Pulmonary Medicine				√
Division of Sponsored Programs	√			
EPIC Beaker				√
Export Controls		√		
Extended Care Moves	√			
Facilities Management Information Technology				√
Fleet Services				√
Flexible Benefits				√
Fraternal Order of Eagles Diabetes Research Center				√
Ghost Employees			√	
Grade Entry and Grade Changes				√
Hawkeye Express Cash Handling			√	
Hematology, Oncology, and Blood & Marrow Transplantation				√
Hospital Dentistry		√		
Iowa Care	√			
Iowa Comprehensive Lung Imaging Center			√	
Iowa House Hotel				√
Iowa Lions Eye Bank	√			
Iowa River Landing and Billing Financials			√	

UNIVERSITY OF IOWA				
Audits Completed for the Past Four Fiscal Years				
	FY12	FY13	FY14	FY15
ORIGINAL REPORTS				
Iowa River Landing Cash Handling			√	
Iowa River Landing Medication Security			√	
Iowa Testing Programs			√	
Maintenance and Flood Response Equipment	√			
MAUI Billing			√	
MAUI Security		√		
MAUI Software Change Management			√	
Maxient Student Discipline Database Software				√
Museum of Art		√		
National Advanced Driving Simulator Information Technology			√	
NCAA Camps and Clinics			√	
NCAA Certification of Compliance	√			
NCAA Commitment of Personnel to Rules - Coaching Staff Limits and Contracts			√	
NCAA Compliance - Eligibility, Amateurism and Academic Performance Program	√			
NCAA Compliance - Equipment and Apparel		√		
NCAA Compliance - Extra Benefits - Student-Athlete Vehicles				√
NCAA Compliance - Playing and Practice Seasons				√
NCAA Complimentary Admissions	√			
NCAA Extra Benefits - Representatives of the University's Athletic Interests			√	
NCAA Financial Aid		√		
NCAA General Compliance	√			
NCAA Student-Athlete Employment		√		
NCAA Team Travel		√		
Observation Patient Status - Revenue Loss				√
Office of Admissions				√
Office of Animal Resources			√	
Office of Equal Opportunity and Diversity		√		
Office of Strategic Communication			√	
Onboarding			√	
Optiflex				√
Pain Medicine Clinic				√
Physical Therapy and Rehabilitation Sciences				√
Physician On-Boarding		√		
Physics and Astronomy		√		
Recharge Centers			√	
Recreational Services Equipment Disposal	√			
Reduction in Force				√
Residence Hall Security				√
Sports Clubs			√	
State Hygienic Laboratory	√			
Student Activity Fees				√
Student Course Fees			√	
Student Health Service		√		
Student Organizations - Dance Marathon		√		
Surgery Preauthorization				√
Tippie College of Business		√		
Tuition Set-Aside Fund and Iowa Grant Program	√			
UI Health Care Epic Stork				
UI Health Care Human Resources	√			
UI Health Care IT Purchase and Data Center Privatization		√		
UI Heart and Vascular Center	√			
UI Optical		√		
UIHC Centralized Pharmacy Inventory	√			
UIHC Child Care Center				
UIHC Contract Compliance			√	
UIHC Dialysis Services				√
UIHC Enterprise Labor Management System		√		
UIHC Food and Nutrition Services			√	
UIHC Project Art				√
UIHC Safety and Security				√
University Counseling Services			√	
University Dining Inventory Process		√		
University Employee Health Clinic	√			
University Housing & Dining StarRez System		√		
University Libraries			√	
University of Iowa Alumni Association				√
University of Iowa Community Medical Services			√	
University of Iowa Diagnostics Laboratory	√			
University Surplus				√
Valet Services				√
Veterans Affairs Contract Compliance	√			
Voalte				√
Volunteer Gift Shop				√
Work Injury Recovery Center			√	

IOWA STATE UNIVERSITY				
Audits Completed for the Past Four Fiscal Years				
	FY12	FY13	FY14	FY15
ORIGINAL REPORTS				
Security of Internet-Initiated ACH Transactions	√			
Bioeconomy Institute			√	
Bookstore		√		
Clery Act			√	
College of Business				√
College of Design			√	
College of Engineering				√
Department of Animal Science Farms			√	
Department of Biomedical Sciences				√
Department of Electrical and Computer Engineering		√		
Department of Physics and Astronomy			√	
Department of Residence				√
Export Controls	√			
Extension	√			
Facilities Planning and Management				√
Federal Work Study				√
Foundation Account Spending	√			
Global Programs - College of Agriculture and Life Sciences			√	
Graduate Student Admissions		√		
Identity and Access Management	√			
InTrans				√
Iowa State Center			√	
ISU Dining			√	
ISU Surplus	√			
Laboratory Animal Resources		√		
NCAA Compliance - Academic Performance Program	√			
NCAA Compliance - Amateurism	√			√
NCAA Compliance - Camps and Clinics			√	
NCAA Compliance - Commitment of Personnel to Rules Compliance			√	
NCAA Compliance - Extra Benefits		√		
NCAA Compliance - Financial Aid	√			
NCAA Compliance - Governance and Organization	√			√
NCAA Compliance - Investigation and Self Reporting	√			
NCAA Compliance - Playing and Practice Seasons			√	
NCAA Compliance - Recruiting		√		
NCAA Compliance - Rules Education			√	
NCAA Compliance - Student Athlete Employment			√	
Office of the President	√			
Office of the Provost		√		
Office of the Vice President for Research				√
Parking Division - Department of Public Safety		√		
Procure to Pay Process			√	
Programs for Youth	√			
Property Control System Analysis			√	
Recharge Centers	√			
Sponsored Programs Fiscal Compliance - OMB Circular A-21	√			
Student Organizations		√		
Study Abroad Rome Program	√			
University Community Childcare	√			
University Library				√
Velocity Access Control System				√
Veterinary Medical Center		√		

UNIVERSITY OF NORTHERN IOWA				
Audits Completed for the Past Four Fiscal Years				
	FY12	FY13	FY14	FY15
ORIGINAL REPORTS				
Adjunct Instructors and Temporary Employees	√			
Athletic Equipment & T-Shirts		√		
Athletic Summer Camps	√			
Athletic Travel				√
Audiology Clinic				√
Centers Administration				√
College of Humanities, Arts & Sciences		√		
Counseling Center				√
Effort Reporting		√		
Emeritus Controls				√
Events Complex Concessions	√			
Fringe Benefits Rates & Controls	√			
Gallagher-Bluedorn Performing Arts Center	√			
Graduate Assistantships	√			
International Programs		√		
International Student Teaching			√	
ITS Business Procedures & Chargebacks		√		
Jacobson Center			√	
McNair Scholars Program			√	
Metal Casting Center				√
Multicultural Center				√
Multimodal Transportation Center		√		
National Agricultural-Based Lubricants			√	
Physical Plant Administration				√
Physical Plant Utility Billing	√			
Price Laboratory School Food Service Program	√			
Psychological Assessment Clinic			√	
Public Safety			√	
Research & Sponsored Programs			√	
Student Health Center		√		
Student Organizations and Intramural & Club Sports			√	
Study Abroad Programs				√
UNI Center for Urban Education			√	
Wellness & Recreation Services			√	√