The University of Toledo
Trusteeship, Governance, and
Audit Committee Meeting

“Advisory Services”

October 10, 2011
Risk-Based Audits vs. Advisory Services

Objectives of “Risk Based Audits”
- Effectiveness and Efficiency of Operations
- Reliability of Financial Reporting
- Compliance with Laws and Regulations

Focus of “Risk Based Audits”
- Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring

“Advisory Services” leverage the discipline employed in risk-based auditing in order to assist management in solving a business problem in a consultative manner.
Examples of Advisory Services Recently Delivered by the Internal Audit Department …

**Student Affairs/Customer Service**
Supported the Vice President of Student Experience and leaders in Finance, Information Technology, and Student Customer Service in identifying ways to reduce wait times for receiving services such as meal plan maintenance, residence hall assignments, financial aid and building security

**Higher Learning Commission (HLC) Assessment**
Worked with the Provost’s Office to ensure that the academic program self-assessments required by the Higher Learning Commission were completed on time and in the level of detail and quality required

**Classification of Instructional Programs**
Worked with the Provost’s Office to ensure that our academic programs are appropriately registered with the State of Ohio in a way that legally maximizes the funding the University will receive
**Continuous Controls Monitoring**
This series of more than 100 reports and queries of academic and clinical data has produced almost $900,000 in cash recoveries to the University in the past 12 months.

**Quality Assurance Reviews**
In addition to the review we received from The University of Texas System in 2010, The University of Toledo has led reviews at some of our fellow institutions, including Ohio University and Cuyahoga Community College.

**Advancing Areas of the Strategic Plan through Analysis/Development of Policy Recommendations**
Examples include work load guidelines, development of accountability of workload policy, minimum class size guidelines, etc.

**“Step 5” of the Strategic Plan**
Step 5 of The University’s strategic plan pertains to the reorganization of the academic departments. Provided support to this project by conducting analytical reviews of programs and their cost/profitability/intrinsic value.
Advisory Services (cont’d.)

**FY2012 Budget Formulation**  
Member of the steering committee to accumulate, analyze, and develop plans for implementing employee recommendations for reducing operating expenses by $35 million

**Organization Development**  
This subcommittee of the above FY2012 Budget Formulation Committee analyzed span-of-control and the organizational hierarchy of the academic enterprise, and also analyzed the levels of administrative support

**Student Issues Resource Group**  
This subcommittee of the Student Affairs/Customer Service Committee benchmarked the scope of The University’s “one-stop” customer service center to those of 15 peer and “best practice” universities

**ICD-10 Preparedness**  
Effective in 2013, ICD-10 will be the new industry standard for health care electronic data interchange. Reviewed the recordkeeping and documentation processes at the clinics and its information systems to determine the necessary steps to be taken to be ready for ICD-10
**Joint Commission Compliance**
In anticipation of the upcoming visit by the Joint Commission, reviewed the alignment of UTMC internal procedures intended to ensure compliance with their provisions. Also reviewed the “self-auditing” and test plans executed by the operating departments that ensure appropriate supervision of employee activities.

**Community Engagement**
Our employees share their talents with the local community.

For example, David Cutri is a member of the Board of the Northwest Ohio chapter of the IS Audit and Control Association. He also represents The University on the Auditor Of State’s regional advisory board. In addition, David recently independently advised Toledo Public Schools on their financial forecasting process.

Lynn Hutt (Compliance and Privacy Officer) chairs the program committee of the Central Ohio chapter of the Health Care Compliance Association.

Brian Lutz (Athletics Compliance Officer) is on the Board of Apple Tree Nursery.
Educating Our Employee Population
We developed an internal control training program that qualifies for University certificate credit and is available “on demand” to any department.

David Cutri has served as a guest instructor for The Institute of Internal Auditors for the past 15 years, and also for The Performance Institute.

Lynn Hutt and Karen Keune (Staff Compliance Auditor) regularly provide HIPAA training to new employees and administer our online education program spanning various compliance topics.

Brian Lutz publishes a quarterly athletics compliance newsletter and a daily compliance bulletin distributed electronically across campus.