The University of Toledo
Finance and Audit Committee Meeting

“Internal Audit and Compliance Status Update”

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Director of Internal Audit and Chief Compliance Officer

May 12, 2014
FY2014 Audit Plan Progress

28 Projects on Approved Internal Audit and Compliance Plan

Projects Completed
Clery Act
Faculty Summer Compensation
Faculty Workload
Research and Sponsored Programs
Student Financial Aid
University of Toledo Innovation Enterprises
NCAA Football Attendance (Athletics)
Outside Income (Athletics)
Recruiting Activities (Athletics)
Revenues and Expenses (Athletics)
Distance Learning (ADA)
Facilities (ADA)
MyUT Mobile Application (ADA)

Projects Completed (Continued)
Catheterization Lab
Charge Capture
Clinical Joint Venture
Clinical Referrals from Athletics
Community Medicaid Program
Health Care Assurance Program
Pharmacy Billing

Projects in Progress
Payroll Processing
Health Care Compliance (various)

It is expected that all audits and projects on the FY2014 annual audit plan will be completed on time and within budget.
FY2014 Audit Coordination with Plante and Moran

As in previous years, the level of coordination between the University and Plante and Moran will be highly coordinated for the FY2014 financial statement audit

Internal Audit and Compliance Coordination
• Student Financial Aid Eligibility
• Research Expenditures
• Information Technology General Controls
• Intercollegiate Athletics Revenues/Expenses
• Reliance on Internal Audit and Compliance Activities/Audit Reports

Coordination with Administration and the Board
• Last Week of September: Meet with CFO to discuss findings
• September 29: Meet with President to discuss findings
• September 30: Mail draft financial statements to the Board
• ~ October 6: Joint meeting of Audit and Finance Committees
• October 15: Submit financial statements to State of Ohio
FY2015 Internal Audit Planning/Risk Assessment

• FY2015 audit planning process has begun and is in progress

• UT Internal Audit and Compliance employs a risk assessment planning program

• Input solicited from Finance and Audit Committee; senior leadership; external auditors

• Input to include feedback on risk exposure, new initiatives, strategic plans

• Process and risk universes have been developed using varied sources

• A risk model will be used to “score” all potential processes to be audited

• David will work with the Chief Financial Officer to ensure that there are sufficient resources to audit all high-risk projects
FY2015 Risk Assessment: Observations Thus Far

• Quality of reporting and monitoring procedures across The University
• Evaluating The University’s compliance with applicable laws and regulations at the department level, including healthcare compliance
• Assessing risk at the department level

High-Risk Functional Areas of Interest

1. Americans with Disabilities Act
2. Intercollegiate Athletics
3. Capital Construction
4. Clery Act
5. Departmental Field Reviews
6. Financial Aid
7. Information Technology
8. Purchasing Cards (P-Cards)
9. Payroll Processing
10. Payment Card Industry (PCI) Security
11. Healthcare Regulatory Compliance
12. State Share of Instruction
13. Student Experience
14. Innovation Enterprises
15. Faculty Workload
16. Charge Capture
17. ICD-10
18. Meaningful Use
19. HIPAA/FERPA/Privacy
20. Clinical Process Engineering

1 Annual audit cycle
2 Two-year audit cycle
3 Ad hoc/Special/One-time audit work
F&A Committee Discussion on the Audit Process

• AUDIT PLANNING
• AUDIT FIELDWORK / EXECUTION
• AUDIT REPORTING
• COORDINATION BETWEEN THE INTERNAL AND EXTERNAL AUDITORS

1. Are the University’s efforts in the above areas consistent with your (Finance and Audit Committee’s) view of the strategic plan?

2. Do we need a course correction?

3. Do you have suggestions or input?