

# FINANCE & AUDIT COMMITTEE “FY2020 RISK ASSESSMENT”

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Monday, September 16, 2019



# FISCAL YEAR 2020 RISK ASSESSMENT

Each fiscal year, the Internal Audit and Compliance department assesses the impact and likelihood of occurrence of over 900 business risks in over 90 key business processes in the University. These key business risks are summarized in this Risk Assessment document.

Through an assurance mapping process, we ensure that these risks will be reviewed during the fiscal year, either via the FY2020 Internal Audit Plan, or by the University's various compliance officers, in cooperation with other assurance providers, such as: line management and employees (management provides assurance as a first line of defense over the risks and controls for which they are responsible); senior management; external auditors; quality assurance professionals; risk management; environmental auditors; workplace health and safety auditors; government performance auditors; financial reporting review teams; subcommittees of the Board of Trustees; and external assurance providers, including surveys, specialist reviews (health and safety), etc.

# FISCAL YEAR 2020 RISK ASSESSMENT

KEY RISK AREAS	BUSINESS RISK	PLANNED ACTIVITY
ACADEMIC AFFAIRS	<ul style="list-style-type: none"> <li>Are procedures addressing University of Toledo state authorization of online degree programs and professional licensure disclosure aligned with University policy and relevant Federal and State regulations?</li> </ul>	<ul style="list-style-type: none"> <li>Review procedures and controls pertaining to <a href="#">State Authorization of Online Degree Programs Compliance</a></li> <li>Assurance Mapping: Compliance Officer</li> <li>Annual Review Cycle</li> </ul>
	<ul style="list-style-type: none"> <li>Are effective internal controls in place in the academic affairs area, and are they functioning as intended by management?</li> </ul>	<ul style="list-style-type: none"> <li>Conduct a <a href="#">Compliance Risk Assessment</a> of the following academic affairs areas:               <ul style="list-style-type: none"> <li>✓ Instruction</li> </ul> </li> <li>Assurance Mapping: Compliance Officer</li> <li>5-Year Review Cycle</li> </ul>
CLINICAL AFFAIRS, COLLEGE OF MEDICINE AND LIFE SCIENCES	<ul style="list-style-type: none"> <li>Is the oversight of this highly-visible Federal grant program sufficient to maximize financial accountability, in terms of operating expenses and time and effort reporting?</li> </ul>	<ul style="list-style-type: none"> <li>Review procedures and controls pertaining to administration of the <a href="#">Ryan White Program</a></li> <li>Assurance Mapping: Internal Audit Plan</li> <li>3-Year Review Cycle</li> </ul>
	<ul style="list-style-type: none"> <li>Are procedures addressing University of Toledo clinical trials aligned with University policy and relevant Federal and State regulations?</li> </ul>	<ul style="list-style-type: none"> <li>Review procedures and controls pertaining to <a href="#">Clinical Trials Compliance</a></li> <li>Assurance Mapping: Compliance Officer</li> <li>Annual Review Cycle</li> </ul>



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FINANCE AND ADMINISTRATION	<ul style="list-style-type: none"> <li>Does the potential exist for misuse or diversion of funds?</li> </ul>	<ul style="list-style-type: none"> <li>Review procedures and controls pertaining to <u>Cash Handling, and Planning for Minimizing/Reducing University of Toledo's Cash Footprint</u></li> <li>Assurance Mapping: Internal Audit Plan</li> <li>Annual Review Cycle</li> </ul>
	<ul style="list-style-type: none"> <li>Are University procedures regarding requesting, approving, and recording employee absences allowable per the Family and Medical Leave Act (FMLA) consistent with policy and Federal regulations in this area, and are effective controls in place to reduce the likelihood of employee abuse of these procedures?</li> </ul>	<ul style="list-style-type: none"> <li>Review procedures and controls pertaining to management of compliance with <u>FMLA</u></li> <li>Assurance Mapping: Internal Audit Plan</li> <li>3-Year Review Cycle</li> </ul>
	<ul style="list-style-type: none"> <li>Does the University's employee onboarding processes effective in ensuring and documenting the employee's right to work in the United States on the date of hire?</li> </ul>	<ul style="list-style-type: none"> <li>Review procedures and controls pertaining to the <u>Form I-9 Employee Onboarding Process</u></li> <li>Assurance Mapping: Internal Audit Plan</li> <li>5-Year Review Cycle</li> </ul>
	<ul style="list-style-type: none"> <li>Are procurement practices aligned with Ohio Revised code and University policy, and do they promote competitive bidding and engage minority suppliers?</li> </ul>	<ul style="list-style-type: none"> <li>Review procedures and controls pertaining to <u>Procurement Practices</u></li> <li>Assurance Mapping: Internal Audit Plan</li> <li>4-Year Review Cycle</li> </ul>



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<b>FINANCE AND ADMINISTRATION (CONTINUED)</b>	<ul style="list-style-type: none"> <li>• Will a catastrophic failure of infrastructure be avoided through strategic management of maintenance expenses?</li> </ul>	<ul style="list-style-type: none"> <li>• Review procedures and controls pertaining to <u>Maintenance of Infrastructure</u></li> <li>• Assurance Mapping: Internal Audit Plan</li> <li>• 4-Year Review Cycle</li> </ul>
	<ul style="list-style-type: none"> <li>• Are cash and cash equivalents managed to maximize return and ensure integrity and liquidity of assets?</li> </ul>	<ul style="list-style-type: none"> <li>• Review procedures and controls pertaining to <u>Treasury Management</u></li> <li>• Assurance Mapping: Internal Audit Plan</li> <li>• 4-Year Review Cycle</li> </ul>
	<ul style="list-style-type: none"> <li>• Are incentive compensation payments to senior leaders, academic leaders, and athletics coaches accounted for in the year earned, and have are they paid in accordance with the terms of their employment contracts?</li> </ul>	<ul style="list-style-type: none"> <li>• Review procedures and controls pertaining to <u>Incentive Compensation</u></li> <li>• Assurance Mapping: Internal Audit Plan</li> <li>• Annual Review Cycle</li> </ul>
	<ul style="list-style-type: none"> <li>• Is the University well positioned to accurately report campus crime and fire safety statistics?</li> </ul>	<ul style="list-style-type: none"> <li>• Issue the University's <u>Annual Security and Fire Safety Report</u></li> <li>• Assurance Mapping: Compliance Officer</li> <li>• Annual Review Cycle</li> </ul>



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<b>FINANCE AND ADMINISTRATION (CONTINUED)</b>	<ul style="list-style-type: none"> <li>• Are procedures addressing University of Toledo Clery Act compliance aligned with University policy and relevant Federal and State regulations?</li> <li>• Are effective internal controls in place in the finance and administration area, and are they functioning as intended by management?</li> </ul>	<ul style="list-style-type: none"> <li>• Review procedures and controls pertaining to compliance with the <u>Jeanne Clery Act</u></li> <li>• Assurance Mapping: Compliance Officer</li> <li>• Annual Review Cycle</li> <li>• Conduct a <u>Compliance Risk Assessment</u> of the following finance and administration areas:             <ul style="list-style-type: none"> <li>✓ Auxiliary Enterprises Administration</li> <li>✓ Bookstore</li> <li>✓ Accounting</li> <li>✓ Accounts Payable</li> <li>✓ Capital Asset Depreciation</li> <li>✓ Financial Management Operations</li> <li>✓ Payroll</li> <li>✓ Revenue</li> <li>✓ Strategic Financial Management</li> <li>✓ Compliance</li> <li>✓ Hospital Equipment and Supplies</li> <li>✓ Physical Plant Administration</li> <li>✓ Grants Accounting</li> </ul> </li> <li>• Assurance Mapping: Compliance Officer</li> <li>• 5-Year Review Cycle</li> </ul>



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STUDENT AFFAIRS	<ul style="list-style-type: none"> <li>Do Title IX procedures effectively deter sexual misconduct across campus, including “high traffic” areas such as athletics and healthcare?</li> </ul>	<ul style="list-style-type: none"> <li>Review procedures and controls pertaining to <u>Sexual Misconduct</u></li> <li>Assurance Mapping: Internal Audit Plan</li> <li>3-Year Review Cycle</li> </ul>
	<ul style="list-style-type: none"> <li>Are effective internal controls in place in the student affairs area, and are they functioning as intended by management?</li> </ul>	<ul style="list-style-type: none"> <li>Conduct a <u>Compliance Risk Assessment</u> of the following student affairs areas:               <ul style="list-style-type: none"> <li>✓ Housing</li> </ul> </li> <li>Assurance Mapping: Compliance Officer</li> <li>5-Year Review Cycle</li> </ul>
ENROLLMENT MANAGEMENT	<ul style="list-style-type: none"> <li>Are effective internal controls in place in the enrollment management area, and are they functioning as intended by management?</li> </ul>	<ul style="list-style-type: none"> <li>Conduct a <u>Compliance Risk Assessment</u> of the following enrollment management areas:               <ul style="list-style-type: none"> <li>✓ Admissions</li> <li>✓ Financial Aid</li> </ul> </li> <li>Assurance Mapping: Compliance Officer</li> <li>5-Year Review Cycle</li> </ul>



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<b>RESEARCH</b>	<ul style="list-style-type: none"> <li>• Are the University’s research compliance procedures aligned with policy and with requirements of granting agencies, in areas such as Conflict Of Interest, research misconduct/research integrity, foreign threats, grant expenditures, animal care per diems, and research systems?</li> </ul>	<ul style="list-style-type: none"> <li>• Review procedures and controls pertaining to <u>Research Compliance</u></li> <li>• Assurance Mapping: Internal Audit Plan</li> <li>• 3-Year Review Cycle</li> </ul>
<b>LEGAL AFFAIRS</b>	<ul style="list-style-type: none"> <li>• Is the University proactively managing the activities of minors on campus, including preapproving hosted events, conducting thorough background checks, and accounting for the whereabouts of minors attending campus at all times?</li> </ul>	<ul style="list-style-type: none"> <li>• Review procedures and controls pertaining to <u>Minors On Campus</u></li> <li>• Assurance Mapping: Internal Audit Plan</li> <li>• 3-Year Review Cycle</li> </ul>





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INFORMATION TECHNOLOGY	<ul style="list-style-type: none"> <li>• Are data privacy practices aligned with current HIPAA and FERPA regulations, are self-insurance plans designed optimally, according to HIPAA?</li> </ul>	<ul style="list-style-type: none"> <li>• Review procedures and controls pertaining to <u>Data Privacy (HIPAA and FERPA)</u></li> <li>• Assurance Mapping: Compliance Officer</li> <li>• Annual Review Cycle</li> </ul>
	<ul style="list-style-type: none"> <li>• Are effective internal controls in place in the information technology area, and are they functioning as intended by management?</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct a <u>Compliance Risk Assessment</u> of the following information technology areas:               <ul style="list-style-type: none"> <li>✓ IT Daily Operations</li> <li>✓ IT Strategic Planning and Governance</li> </ul> </li> <li>• Assurance Mapping: Compliance Officer</li> <li>• 5-Year Review Cycle</li> </ul>
INTERCOLLEGIATE ATHLETICS	<ul style="list-style-type: none"> <li>• Are processes, systems, and support adequate to meet business needs-information relating to student athletes, revenues, expenses, National Collegiate Athletics Association (NCAA) compliance, etc.?</li> </ul>	<ul style="list-style-type: none"> <li>• Review procedures and controls pertaining to financial management via the <u>NCAA Agreed-Upon Procedures</u></li> <li>• Assurance Mapping: Internal Audit Plan</li> <li>• Annual Review Cycle</li> </ul>
	<ul style="list-style-type: none"> <li>• Are intercollegiate athletics practices aligned with current University policies, as well as published guidance from the National Collegiate Athletics Association (NCAA) and the Mid-American Conference?</li> </ul>	<ul style="list-style-type: none"> <li>• Review procedures and controls pertaining to <u>Intercollegiate Athletics Compliance</u></li> <li>• Assurance Mapping: Compliance Officer</li> <li>• Annual Review Cycle</li> </ul>



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<b>INTERCOLLEGIATE ATHLETICS (CONTINUED)</b>	<ul style="list-style-type: none"><li>• Does the University maintain paid attendance levels at its home football games to retain its Division I status, and are its procedures for counting attendance reliable?</li><li>• Are effective internal controls in place in the intercollegiate athletics area, and are they functioning as intended by management?</li></ul>	<ul style="list-style-type: none"><li>• Review procedures and controls pertaining to <u>NCAA Football Attendance</u></li><li>• Assurance Mapping: Compliance Officer</li><li>• Annual Review Cycle</li><li>• Conduct a <u>Compliance Risk Assessment</u> of the following intercollegiate athletics areas:<ul style="list-style-type: none"><li>✓ Athletics (NCAA)</li></ul></li><li>• Assurance Mapping: Compliance Officer</li><li>• 5-Year Review Cycle</li></ul>



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<b>UNIVERSITY OF TOLEDO MEDICAL CENTER</b>	<ul style="list-style-type: none"><li>• Are procedures addressing University of Toledo Medical Center (UTMC) compliance aligned with University policy and relevant Federal and State regulations, as well as Joint Commission Accreditation requirements?</li><li>• Are effective internal controls in place at the University of Toledo Medical Center, and are they functioning as intended by management?</li></ul>	<ul style="list-style-type: none"><li>• Review procedures and controls pertaining to <u>UTMC Compliance</u></li><li>• Assurance Mapping: Compliance Officer</li><li>• Annual Review Cycle</li><li>• Conduct a <u>Compliance Risk Assessment</u> of the following areas within UTMC:<ul style="list-style-type: none"><li>✓ Charge Capture and Collection</li><li>✓ Hospital General Administration</li><li>✓ Patient Care</li><li>✓ Health Services</li></ul></li><li>• Assurance Mapping: Compliance Officer</li><li>• 5-Year Review Cycle</li></ul>

