



UNIVERSITY OF Nebraska

University of Nebraska-Lincoln • University of Nebraska Medical Center • University of Nebraska at Omaha • University of Nebraska at Kearney

Internal Audit and Advisory Services

Annual Report

For the Year Ended June 30, 2021

Including Audit and Strategic Plans

For the Year Beginning July 1, 2021

For Presentation to the University of Nebraska Board of Regents Audit, Risk, and Compliance Committee
August 2021

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President Carter and Members of the University of Nebraska Board of Regents Audit, Risk, and Compliance Committee (Audit Committee),

On behalf of Internal Audit and Advisory Services (Internal Audit), I am pleased to present the Annual Report for the Fiscal Year ended June 30, 2021.

The mission of Internal Audit is to provide independent, objective assurance and consulting services designed to add value and improve the University of Nebraska's (University's) operations. Internal Audit assists the Board of Regents, the Audit Committee, and the President by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes. This Annual Report describes the scope and results of our activities, metrics, accomplishments, and other measures of our performance. Selected highlights include:

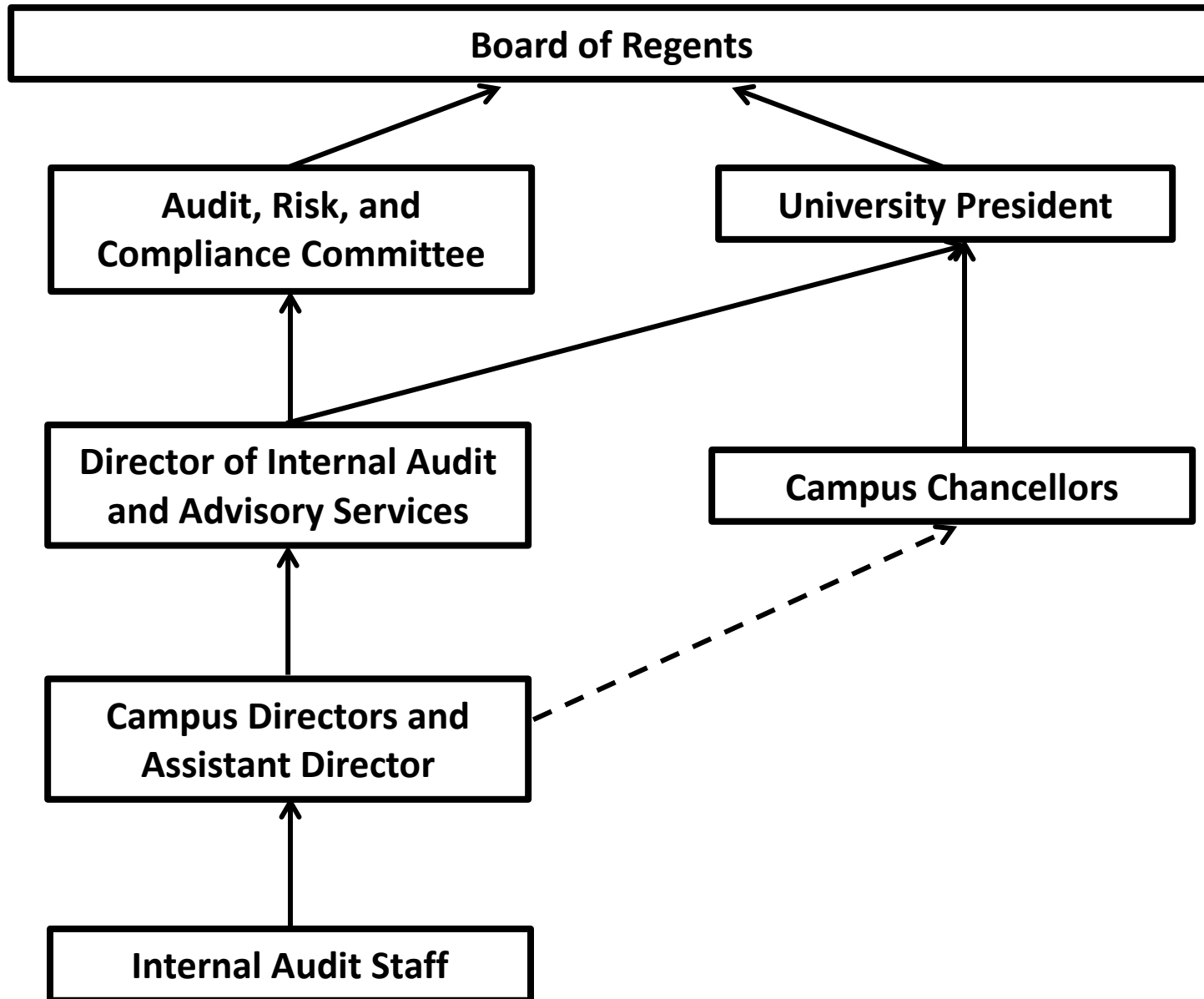
- received the highest possible rating of "generally conforms" to standards of the Institute of Internal Auditors on our external Quality Assessment Review (completed in August 2020);
- completed 20 projects and provided those reports to the Audit Committee during the year;
- performed annual risk assessment interviews, coordinated the campus risk assessments, and continued the standardization of the University-wide risk assessment; and
- improved the Internal Audit Policy and Procedures manual, along with related forms and processes, to support Internal Audit.

The Institute of Internal Auditors (IIA) *International Standards for the Professional Practice of Internal Auditing (Standards)* require that we make several disclosures to you, which are included in this report; however, please note that:

- each individual audit was risk-driven; and
- projects were conducted in accordance with the IIA *Standards*.

This Annual Report is intended to demonstrate our accountability to you by attesting that the internal audit function is operating as intended.

Respectfully,
Michael D. Justus, CPA
Michael Justus
Director of Internal Audit and Advisory Services



Summary of Prior Fiscal Year

Internal Audit completed its tenth year with an Audit Plan based on the campus risk assessments, which were approved by the Audit Committee at the August 2020 Audit Committee meeting.

As with all University departments, resources are limited and must be applied thoughtfully to ensure the maximum contribution and benefit possible toward achieving the University's vision and objectives. The University's audit staff is among the smallest in the Big 10 Conference with a staff of seven. The average staff count in the Big 10 is 15.7 (based on the Fall 2020 survey), and the average staff count for the education industry is 15.6 (based on the Global Audit Information Network Benchmarking Tool in 2019).

Key accomplishments during the year included attaining an average of 48 training hours per auditor (all auditors hold one or more professional certifications that require continuing education), using data analytics in more projects, making progress on our strategic plan, and reviewing several areas on a system-wide level. Training hours per auditor is a new metric we will continue to track, and in the future we will track audit report timeliness and use of data analytics.

Other projects consisted of investigations for potential fraud or fiscal misconduct; reviews of Information Technology (IT) controls for selected UNL, UNMC, UNO and ITS areas; reviews of business processes and internal controls; continued development of the risk assessment process and annual risk assessments; research on various subjects to support management; and correspondence and meetings with the University's various external auditors. The chart below reflects our activity against the Audit Plan; further detail is provided in Appendix C.

Internal Audit Plan Project Achievement for Fiscal Year (FY) 2021								
Activity Description	Audit Plan	Report Issued	Eliminated or Deferred	Planning Stage	Fieldwork Stage	Draft Report Stage	Carry Forward	Risks Lowered
Audits/ Reviews	36	6	13	2	3	1	11	-
Follow-Ups	23	7	-	4	5	2	5	-
Management Requests	2	2	-	-	-	-	-	-
Fraud and Consulting	6	5	-	1	-	-	-	-
Total	67	20	13	7	8	3	16	-

Mandatory Disclosures (based on the IIA Standards)

1. Internal Audit's activity, purpose, authority, and responsibility, as defined in the University of Nebraska Internal Audit Charter (see pages 18-20), continues to be adequate to enable the activity to accomplish its objectives.
2. We do not believe there are any issues regarding organizational independence as of June 30, 2021.
3. The Director of Internal Audit and Advisory Services (Director) met with the Audit Committee in Executive Session once during Fiscal Year 2021. However, there was an opportunity for Executive Session at each meeting if it had been deemed necessary.
4. The IIA *Standards* require the disclosure of any known weaknesses in Internal Audit's proficiency, and we are not aware of any at this time.
5. The IIA definition of Internal Audit, the Code of Ethics, and the *Standards* are included by reference in our current Internal Audit Charter.
6. Resource limitations do exist. As mentioned previously, the staff size for the system is small, which generally makes it impossible to address all high-risk issues identified by management. Our university operations are no different than those at Ohio State University or the University of Michigan in complexity and breadth, only in size, and perhaps not even in size when one considers our four-campus system and the special entities.
7. The Director coordinates with the General Counsel's Office, as necessary, on assurance issues (general compliance such as Title IX and conflict of interest). The Director also communicates with the compliance contacts for each campus and at Central Administration.
8. The Director had one non-internal audit job duty related to the coordination of Legislative Fiscal Notes, but that function did not include management-level decision making and did not impact independence. These non-internal audit hours totaled 216 hours for Fiscal Year 2021, which made the Director position approximately 0.9 FTE for internal audit functions. This job duty has been removed beginning July 1, 2021.

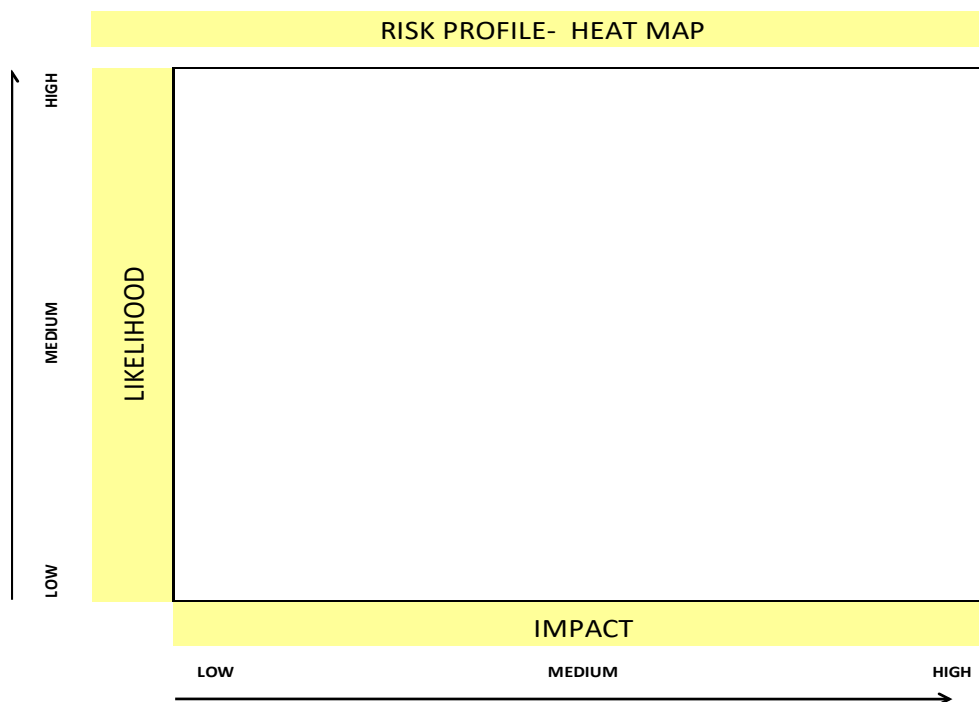
Risk Assessment Process

Internal Audit assisted management in conducting a risk assessment of the University in March through June of this year. The risk assessment process allows management to focus on key issues and enhance decision making, allows for a more effective use of University resources, and provides information to develop an internal audit plan.

The Audit Committee agreed to use the Committee of Sponsoring Organizations of the Treadway Commission (COSO) as the framework for the risk assessment discussion. The COSO standard has not been adopted as the internal control framework itself. Internal Audit performed the assessment by interviewing selected individuals from administration at each campus.

Internal Audit used COSO's risk definition: "The possibility that an event will occur and adversely affect the achievement of objectives." Internal Audit also emphasized the following COSO categories of risk: compliance, financial reporting, strategic, and operations. Several open-ended questions were asked of each interviewee that centered on objectives, key risks and initiatives, compliance, and controls. The questions not only related to the system-wide and campus levels, but also to the particular area which the interviewee manages. Internal Audit also reviewed the risks identified by the interviewee during the previous year's interview.

The residual risks identified in the interviews were then plotted on a "heat map" (see example below) during the interview based on the likelihood of the risk occurring and the impact the risk would have on the University.



Internal Audit also assisted management by preparing a system-level risk assessment using the work prepared and the final risk assessments completed by each of the campuses. Finally, this overall assessment was shared with the President, who modified the results to be consistent with his assessment. The final Audit Plan is based on the President's risk assessment.

President's Current Fiscal Year's Top Risks

Rank	Identified Risk	Risk Description
1	Cybersecurity	The threat of cyber-attack is an ongoing and growing concern. Like any large organization, the University faces daily attacks on its systems. Theft of data, including by foreign governments – whether financial, healthcare, student, or research data – could be devastating.
2	Long-Term Budget and Financial Planning	Politics, external factors, and competing interests can affect long-term budget and financial planning. Planning and management of the budget is critical for the success of the University.
3	Athletics (Including Name, Image, and Likeness)	Due to the pandemic, there has been a major loss of ticket revenue; budgets will need to be rebuilt as operations return to normal. Athletics will be impacted by policy decisions on the use of players' name, image, and likeness.
4	Enrollment Growth and Pipeline Development	Successful enrollment management is critical to the University's financial health and mission attainment. Risks include tuition remissions, international enrollment, changing demographics, questions about the value of higher education, price sensitivity, and an increasingly competitive higher education marketplace.
5	Campus Safety (Response/Return from COVID, Mental Health and Well Being, etc.)	Our highest priority is the safety of our students, employees, and visitors to campus. Student, faculty, and staff usage of physical and mental health resources continues to increase, in part due to social distancing over the past year. There is also the risk of a resurgence of COVID-19 variants.
6	Employee Recruitment, Retention, and the Compensation System	The University will only achieve its goals through the recruitment, retention, and development of high-quality faculty and staff. We are operating in the most competitive higher education environment of our lifetimes. In some cases, salaries are below peer averages, making it difficult to attract, reward, and retain the best and brightest talent.
7	Compliance (Title IX, Foreign Influence, Conflict of Interest, etc.)	The University is committed to the prevention of sexual discrimination, sexual harassment, and sexual misconduct and providing a safe campus for its students and employees. Additionally, the current emphasis on identifying conflicts of interest with foreign entities must be addressed.
8	Implementing Diversity, Equity, and Inclusion	A diverse and inclusive environment is critical to the University's success. In view of local and national events, issues regarding racial injustice and inclusion are at the forefront for many students, faculty, and staff. The University must have strategies in place to increase the diversity of its students and employees and to create a more actively inclusive and welcoming culture for all.
9	Health System Partner (Success and Relationship)	The University is intricately tied to our clinical partner, Nebraska Medicine. Nebraska Medicine's continued success in an important part of our research, outreach, and teaching missions. The fiscal impact of COVID-19 on clinical revenue remains negative and uncertain.
10	Deferred Maintenance and Sustainability of Infrastructure	The University continues to address deferred maintenance of its facilities and will need to make sure that funds from the State are allocated according to need and that Legislature reporting requirements are met. IT infrastructure costs continue to rise as well.
11	Foundation Success (Developing Scholarship Resources)	Due to the impact of COVID on University operations and revenues, it is important that funding from the Foundation covers needs and scholarship resources.

Two-Year Audit Plan

We look forward to Fiscal Years 2022 and 2023 and the positive impact we can make on the University. Our two-year audit plan, developed through the risk assessment process, is detailed below.

Fiscal Year 2022

Carryforwards	Description	Hours
China/Foreign Travel	A review of faculty travel to China or other risky areas and tying back to research, CoI, and CoC.	101
Export Controls	A review of/for state-of-the-art policies. 300 hours to be outsourced to an outside firm.	80
Fraud Policy	Determine if there is a system-wide fraud policy and compare it to campus, industry, and Big 10 policies.	4
Governance: IT Governance	Review in accordance with IIA Practice Guide "Assessing Org Governance in the Public Sector."	149
Governance: Org Accountability		74
ITS Incident Management, Business Continuity, and Disaster Recovery	Compare ITS processes to industry standards.	11
ITS Penetration Testing	120 hours to be outsourced to SecureWorks.	10
ITS Policy Development	400 hours to be outsourced to Protiviti.	20
Non-ITS Endpoint Management	A review of the process to detect, provision, deploy, update, and troubleshoot non-ITS endpoint devices.	700
UNL NCAA Compliance	A review of 3 sections of the NCAA Guide.	6
UNL Food and Housing Refunds	Obtain and review payments to determine how refunds and CARES Act funding are calculated and distributed.	50
UNO Food and Housing Refunds		160
UNL G/L Revenue	A review of how revenue is collected and recorded.	705
UNO G/L Revenue		9
UNO Accounts Receivable	A review of policy/procedure, reconciliations, state regulations, account balances, and account write-offs.	405
Fraud Policy Follow-Up (FU)	Work to ensure that recommendations of the original projects have been accomplished.	11
Governance: BoR & Audit Committee FU		21
Hiring, Salary and Benefit Increases, and Personnel Files FU		63
IRS Tax Communications and Forms FU		11
ITS Change Control FU #2		5
ITS Change Control FU #3		98
ITS Splunk FU #3		65
ITS Vulnerability Management FU		61
RBE Segregation of Duties Reports FU		83
Tuition Remissions FU		341
UNK Accounts Receivable FU		99
UNK G/L Revenue FU		62
UNK Neb. Safety Center Contract FU		59
UNK Univ. Tickets SOC Report FU #3		16
UNL CASNR De-Provisioning FU #2		50
UNL Data Center Physical Security FU		6
UNL Data Center FU #2		49

UNL NCAA Compliance FU	Work to ensure that recommendations of the original projects have been accomplished.	98
UNL Psychology Student Hours FU		11
UNL Student Fees FU		74
UNL Weihe University Services FU #2		11
UNMC Munroe Meyer Institute FU		490
UNMC Student Fees FU #2		51
UNO Data Center FU #2		31
UNO NCAA Compliance FU		40
UNO Student Fees FU		49
UNO Ticketing FU		171
Risk-Based Audits	Description	Hours
Late Fees Assessed to Students	A review of fees for transparency and reasonableness. Obtain and review policies, compare by campus and by peers, and review effectiveness of billing process. <i>(Risks #2 Budget & #4 Enrollment)</i>	292
ITS Identity Management	A review of the entire process from provisioning to de-provisioning of IDs. <i>(Risk #1 Cybersecurity)</i>	474
ITS Two-Factor Authentication	150 hours to be outsourced to Campus Guard. <i>(Risk #1 Cybersecurity)</i>	28
UNK Diversity Implementation	A review of diversity strategies around hiring, climate surveys, monitoring, and training. <i>(Risk #8 Diversity)</i>	100
UNK Student Mental Health Resources	Review resource usage over a 3–4-year period (i.e., budget resources, counselors, phone lines, documented suicide attempts, etc.). <i>(Risk #5 Campus Safety)</i>	241
UNL Building Safety and Hazard Mitigation Plan	A review of campus building access and safety, including geographic surroundings. <i>(Risk #5 Safety)</i>	224
UNMC ITS Overview	A review of organizational structure, inventories, software, and policies and procedures. <i>(Risk #1 Cybersecurity)</i>	250
UNO Diversity Implementation	See "UNK Diversity Implementation" above. <i>(Risk #8 Diversity)</i>	116
Visiting Faculty and Students	Obtain and review policies and operations, compare by campus and by peers, and recommend a single policy. <i>(Risk #7 Compliance)</i>	98
Weapons and Ammunition	A management request for a review of where weapons/ammunition are stored and how they are accounted for. <i>(Risk #7 Compliance)</i>	415
Other Projects	Description	Hours
Management Requests	Time allotted for management requests and fraud reviews not yet known throughout the year.	310
Fraud and Ethics Point		468
Internal Audit Projects	Strategic Plan (108); Audit Universe, Assurance Map, Audit Plan (300); Quarterly and Annual Reporting (48); Risk Assessment (764)	1,220
Total Project Hours	N/A	8,846
Administrative Hours	Audit Committee Meetings and Prep (372); Internal Audit Staff Meetings (440); Building/Campus Meetings (206); CIO/CISO Security Council (120); General Counsel/COI/Compliance (140); Legislation (10); Policies, Procedures, and Forms Updates (160); Timekeeping, Scheduling, and Progress Reporting (410); Outsourcing/RFPs (60); Hiring and Evaluations/HR (172); Training (580); Big 10 Issues/Website (76); APA and Foundation (16)	2,762
Leave Hours	Vacation (1,200), Sick (1,180), Holidays (672), Other – Funeral, Admin Leave, COVID, etc. (56)	3,108
Total Project & Non-Project Hours	N/A	14,716

Fiscal Year 2023

Carryforwards	Description	Hours
ITS Identity Management	A review of the entire process from provisioning to de-provisioning of IDs.	142
UNL Accounts Receivable	A review of policy/procedure, reconciliations, state regulations, account balances, and account write-offs.	605
UNMC G/L Revenue	A review of how revenue is collected and recorded.	509
UNO Building Safety	A review of campus building access and safety.	111
Risk-Based Audits	Description	Hours
Drug Inventories Planning	A review of how medical prescription drugs are tracked, stored, and accounted for. <i>(Risk #7 Compliance)</i>	48
Faculty and Administrative Hiring Process	A review of the hiring process and the July 1 automated pay increase. <i>(Risk #6 Employee Recruitment & Comp)</i>	1,240
Governance: IT Governance at Nebraska Medicine	Review alongside IIA Practice Guide "Assessing Org Gov in the Public Sector." <i>(Risk #1 Cybersecurity)</i>	122
Neb. Medicine Identity Management	A review of the entire process from provisioning to de-provisioning of IDs. <i>(Risk #1 Cybersecurity)</i>	625
Neb. Medicine Splunk Equivalent	Review implementation and operation of software. <i>(Risk #1 Cybersecurity)</i>	300
Stipends and Overloads	A review of volume, classification, and usage. <i>(Risks #2 Budget, #6 Employee Comp, & #7 Compliance)</i>	365
UNK Data Center Physical Security	A review of policy, physical access, and environmental controls. <i>(Risk #1 Cybersecurity)</i>	241
UNL Clery Act	Review compliance with the law. <i>(Risk #7 Compliance)</i>	221
UNL & UNMC Diversity Implementation	A review of diversity initiatives around hiring, climate surveys, monitoring, and training. <i>(Risk #8 Diversity)</i>	196
UNL Student Mental Health Resources	Review resource usage over a 3–4-year period (i.e., budget, counselors, phone lines, documented suicide attempts, etc.) <i>(Risk #5 Campus Safety)</i>	116
UNMC Student Mental Health Resources		362
UNO Student Mental Health Resources		241
		240
Follow-Up Audits	Description	Hours
Export Controls	Work to ensure that recommendations of the original projects have been accomplished.	118
Governance: IT Governance		49
ITS Campus Guard HIPAA		40
ITS Incident Management, Business Continuity, and Disaster Recovery		365
ITS Protiviti SAP Policy and Procedures		200
UNL Food and Housing Refunds		45
UNL Student Fees #2		98
UNO Accounts Receivable		124
UNO Data Center Physical Security #3		20
UNO Food and Housing Refunds		45
UNO G/L Revenue		395
UNO Student Fees #2		49
UNO Ticketing #2		111
Other Projects		Description
Management Requests	Time allotted for management requests and fraud reviews not yet known throughout the year.	300
Fraud and Ethics Point		400
Internal Audit Projects	Strategic Plan (108); QAR (52); Audit Universe, Assurance Map, Audit Plan (300); Quarterly and Annual Reporting (48); Risk Assessment (674)	1,182
Total Project Hours	N/A	9,225

Beyond Two-Year Audit Plan

Areas we identified as high risk to the campuses, but we are not able to audit within the next two years due to limited staffing, are as follows: ITS cell phone sales, UNK Parking, UNL Agriculture Research Division, UNMC Accounts Receivable, UNMC College of Pharmacy, and UNO Business and Finance. We identified these as areas as high risk based on ratings for recent leadership changes, federal award expenditures, sales/other revenue activity, and/or compliance requirements/regulations.

In addition, below is a list of processes we are NOT able to include in the Audit Plan. Our intent is for you to be aware of the many areas of the University which are not subject to review by our team. These areas include:

Operating Revenues

- Tuition and Fees
 - Enrollment management (strategies, action plans, and budget), admissions process (recruiting and exception process, needs and demands of future students), retention rates (processes and programs in place), graduation rates, gross tuition (differential tuition [i.e., Career Currency at UNO], online tuition, online/distance education strategy and mission, refunds, internal and external scholarships, cash payments)
- Federal, Private, and State Grants and Contracts
 - Grant submission process, sub awards, grant monitoring process (including effort reporting), grant closeout process (including transfers), fringe benefit rates (private and state grants only)
- Sales and Services of Educational Activities (dual credit courses, lab fees, non-athletic camps)
- Sales and Services of Healthcare Activities (student health centers [i.e., RPS, Barkley at UNL])
- Sales and Services of Auxiliary Operations (rentals, food services, campus recreation, bookstores, athletic camps, computer and telephone sales, dairy store)
- Other Operating Revenue (i.e., Pepsi contract)

Operating Expenses

- Compensation and Benefits
 - Pre-hiring items (background checks, credit checks, recruiting, I-9s), tenure, onboarding (training, benefits enrollment), timekeeping, payroll processing, classifications and rates of pay, job descriptions and evaluations/fitness for duty (including title changes promotion process, reclassifications, contractor vs. employee), employee development/training (including tracking), employee recognition, succession planning, separations (RIF, exit interviews/process), coach/employment contracts, HR/payroll compliance (i.e. tax treaties), diversity planning and reporting, pay inequity, payroll imprest fund process, faculty workload and overload structure, remote work applications
 - Employee wellness/assistance program, COVID-19 administrative leave, health and dental plan, vision, disability, pharmacy, retirement (Fidelity and TIAA), moving expenses, life insurance, spouse/dependent life insurance, long-term care insurance, leave, total comp/comp strategy
- Supplies and Services (eShop-vs. non-eShop [i.e., Athletics], PCards and TCards, ghost cards)
- Repairs and Maintenance (maintenance operations – auto repair shops and inventory)
- Depreciation (capital additions, capital removals from service, annual inventory of capital equipment)
- Scholarships and Fellowships

Non-Operating Revenues and Expenses

- State of Nebraska Non-Capital Appropriations (Programs of Excellence funds use), Federal Grants, Gifts (including transfers to/from the Foundation), Investment Income (investment purchases and sales, Foundation agreement – comparison to market), Interest on Bond Obligations, Equity in Joint Venture

Other Revenue, Expenses, Gains, and Losses

- State of Nebraska Capital Appropriations, Capital Grants and Gifts, Permanent Endowment Additions

Assets and Deferred Outflows

- Current Assets (outside bank accounts), Capital Assets (construction process – bidding to production), Other Non-Current Assets (inventory, annual inventory process, fuel inventory, research animals, livestock, hazardous chemicals, vehicle inventory, utilities [generator inventory, UNK and UNL Steam and Chillers, UNMC Steam and Electrical, UNO Central Utility Plant], Deferred Outflows of Resources

Liabilities, Deferred Inflows, and Net Position

- Current and Non-Current Liabilities, Deferred Inflows of Resources, Net Investment in Capital Assets, Permanent Endowment, Loan Funds, Externally Restricted Funds, Plant Construction, Debt Service, Unrestricted Funds

Other Processes and Risk Considerations

- Artwork and Other Collections (not capitalized, charged to operations at time of purchase)
 - Museums (i.e., Morrill Hall, Larsen Tractor Museum, Dental Museum), library collections, art collections (i.e., Sheldon Museum of Art, MONA, Cancer Center, Samuel Bak Collection), musical instruments, athletic awards, and memorabilia
- Contractual Services
 - IT, marketing expenses, legal expenses, external affairs (lobbying), business and finance/AP/P2P, travel and employee reimbursement (including Fox and Hotel.com), China/foreign travel, general liability trust fund/insurance programs, self-insurance fund (building and auto), other insurance (i.e., travel, student health, directors, and officers), leases, contract management (wire transfers and signature authority)
- Reconciliations
 - SAP and State system, bank transfers and payroll, CashNet and SAP, Foundation and University transfers, UTDC and University transfers, SAP and bond trustee transfers, student mental health operations, student health center operations, hospital and clinical revenues and joint ventures
- Financial Management Issues
 - Ability to Monitor and Track Employees and Students, Alignment of Finance with Board and U-wide Strategic Priorities, Budgeting and Forecasting, Capital Planning Process, Cash Flow Monitoring, Debt and Credit Ratings (Moody's, etc.), Deferred Maintenance Backlog Maintenance Program and New Projects (LB588), Deferred Maintenance Central Maintenance Fund (LB588), Emergency Preparedness (not just IT related), Endowment/Investment Management (Foundation - Divestment, etc.), Facilities Planning, Faculty and Staff Retention Programs, Financial Reporting (identification and implementation of new standards), Key Performance Indicators (measures against competition), Marketing Programs and Expenditures, Monitoring of related entities/MOUs/etc., Monitoring of Unit Fiscal Stewardship, Organizational Structure (decentralization), Oversight/Monitoring of International Operations, Pcard Process, Real Estate Management, Reorganizations (P2P, ITS, etc.), Risk Management (insurance - property, buildings, student health, etc.), Student Loans (Perkins), Supplier Concentration (sole source, limited suppliers, supplier diversity), Third Party Services Providers (not just SOC situations), Use of Foundation Funds, Vendor Setup
- Athletics and Athletics Compliance
 - Sponsorships/Licensing, Concessions, TV Revenue, Guarantees, Camps/Outside Events, Merchandise, Baxter Arena, Fundraising, Coaching Contracts/Outside Activities, Facilities Usage (including rentals)/Facilities Upkeep, Academic Support, Concussions/Student Health, Event Safety Programs, Team Travel, Name/Image/Likeness, Athletic Training (medical malpractice, student-athlete insurance), Athletic Equipment
 - Title IX Gender Equity, Financial Aid Administration, Recruiting, Camps and Clinics, Extra Benefits, Student-Athlete Employment, Amateurism, Commitment of Personnel to Rules-Compliance Activities
- Governance (Strategy, ERM, Ethics, Compliance, Monitoring, Campus Culture)

- Student Organizations/Alumni Organizations/Fraternities and Sororities (GASB 84 Implementation, Alcohol and Drug Use/Programs, Career Services, Alumni Relations, Finances)
- Public/Private Partnerships
 - UNK - University Village; UNL – NICDC and NUCorp; UNMC - MCDC, UNeMed, UNeTech, and UNeHealth; UNO - PKIDC; UNCA - UTDC, NUTech Ventures, NSRI, and NDRC; NeXT; NSWERS
- Institutes (Water for Food, Buffett Early Childhood, Rural Futures)
- Campus Safety
 - Active Threat/Shooter, Athletic Training (medical malpractice), Building Safety and Accessibility (master keys, ability to close down campus, small appliances, etc.), Campus Grounds Safety and Lighting (video cameras, blue light phones, etc.), Campus Security Structure (armed or unarmed police, safety employee vs. rent, etc.), Clery Act/Safety Reporting, Discrimination (gender, race, religion, political, etc.), Dorm and Fire Safety, Drug and Alcohol Issues, Emergency Preparedness, Employees and Student Training, Greek Housing, Health (COVID-19/return to campus), Medical/Clinical Operations (medical malpractice), Policy Creation and Review Process (pets, technology, etc.), Sexual Assault, Stadium/Large Event Security, Student Activism, Student Judiciary/Government, Suicide Prevention, Traffic Safety, UNMC Ice Rink, Youth on Campus
- Compliance
 - Accreditation, ADA, Animal Research Subjects, Anti-Corruption and FCPA, Building and Fire Codes, Clery Act, Compliance Charter, Compliance with NIST (FISMA or others as applicable), Conflict of Commitment and Interest, Consensual Relationships Policy, Effort Reporting, Environmental Health and Safety/Lab Safety, Export Controls, FERPA, Financial Aid Compliance (part of Uniform Guidance work), Foreign Influence, Graham Leach Bliley, Hazardous Materials Handling, Higher Education Opportunity Act, HIPAA (including medical/clinical operations and athletic training), Intellectual Property/Tech Transfer Process, IRB, Leadership Travel, Minority/Women Business Enterprises, Minors on Campus, Radiation and Laser Safety, Research Integrity and Academic Misconduct Processes, Safety and Wellness Abroad, Student and Visiting Scholars, Student Code of Conduct and Judicial Process, Tax Laws, Tax Reporting by non-University Entities and Daycares, Title IX – Sexual harassment, Tracking/Monitoring Funding from Foreign Governments and Entities, Uniform Guidance Changes, Whistleblower Policy and Procedures/Marketing to Employees, Consolidated Appropriations Act
- Information Technology
 - University-wide IT Processes, Ability to Harness and Analyze Data (Big Data), Application Controls (SAP, NeSIS, etc.), Data Breach Notification and Response, Data Consistency (including integration between applications), Data Security and Privacy (including data classification), Data Use Agreements, Data Warehouses, Disaster Recovery, End User Computing, GDPR Consulting, IT Strategic Plan, ITS Operations (backup and recovery), Logical Security, Mobile Device Security Plan, Network Architecture, Non-ITS Facilities, Physical Security (Non-Data Centers), Social Media Policy, System Development Life Cycle, System Outages (normal), Third-Party Vendor Security (SOC policy), Two-Factor Security, Website Security
- COVID-19 Related
 - Business Continuity Plan Updates, CARES Act/HEERF Revenues to Student Health Centers, Compare Faculty Activity Reports/Google to Conflict of Interest Reports, Contract Language (force majeure), Title IX Training for "Employees" Listed as Affiliates in SAP, Internally Funded Research using IRB/Animals, Pcard Purchases (especially deliveries to home addresses), Refunds of Housing and Food to Students, Remote Work Policy, Return to Work (including tracking vaccinated statuses), Salaries During "No Raises" Period, Visiting Scholars Policy, Federal Award Use for Students
- Academic (academic or research misconduct allegations process, tenure revocation process)

Strategic Plan Update

Below are the strategic plan tasks we plan to complete in Fiscal Year 2022, listed in chronological order. Most tasks relate to recommendations given to us during our external Quality Assessment Review (QAR).

Task	Description
4b)	By July 9, 2021, and each year thereafter, the Director and UNO Assistant Director will review the Annual Report and consider providing additional metrics, such as training hours, audit report timeliness, use of data analytics, and other relevant data. (QAR 14)
3a)	By July 15, 2021, and each year thereafter, the IT Auditor will formalize and document the inquiry with ITS and NE Med IT on IAAS's technology audit planning strategy. (QAR 45)
1c)	By July 18, 2021, and each year thereafter, the Director and Campus Directors will create a draft two-year Audit Plan, to be included in the Annual Report, which aligns with the top ten University-wide risks. (QAR 20, 21, and 37)
1c)(1)	By July 27, 2021, and each year thereafter, the Director and Campus Directors will review the two-year Audit Plan with staff. (QAR 38)
4c)(1)	By July 31, 2021, and each year thereafter, the Campus Directors will draft any necessary clarifications or additions to items on the communication issues list identified in the prior year's task 4c). (IAAS Created)
4c)(2)	By July 31, 2021, the Campus Directors will revise the client survey to include a question about whether IAAS requested the client's input regarding the recommendation. (IAAS Created)
4d)	By July 31, 2021, the Campus Directors will review the IAAS report templates and consider visual enhancements and more empathetic language. (QAR 27, 52, and 53)
7a)(1)	By September 30, 2021, and each year thereafter, the Campus Directors will suggest a timeline for documenting the succession planning processes identified in prior year's task 7a). The timeline will be added to this plan. (IAAS Created)
7c)(1)	By September 30, 2021, and each year thereafter, the Campus Directors will obtain the related group training determined in the prior year's task 7c). (QAR 6, 32, and 47)
7d)	By September 30, 2021, and each year thereafter, the UNMC Director will conduct a semi-annual team building activity. (IAAS Created)
4e)	By October 31, 2021, the Director will review the standard audit report with the Audit Committee. (QAR 52)
1d)	By December 17, 2021, the Campus Directors will document in the IAAS Policies and Procedures manual the review and validation of the Risk Assessment on a quarterly basis for presentation to the Audit Committee. (QAR 16, 44, and 45)
6b)	By December 17, 2021, the Campus Directors and UNO Senior Auditor (ACL Specialist) will consider efforts and collaboration with ITS to fully utilize the current data analytics tool (ACL) to improve the audit process and results, and utilize any other tools or systems used in other areas of the University (Power BI, Tableau, etc.). (QAR 47 and 50)
1h)	By January 20, 2022, IAAS Campus Directors will develop a form for a pre-risk assessment questionnaire inquiring about significant turnover, system or application changes, and any self-identified risks. (QAR 49)

- 3b) By January 31, 2022, **IT Auditor, Deputy Director, and UNO Senior Auditor** will consider Big 10 scripts and other external resources to identify risk areas during preliminary planning using data analytics. (QAR 19 and 38)
- 3c) By January 31, 2022, the **IT Auditor** will develop an IT specific risk assessment plan and tool which considers the ITS and NE Med IT strategic plans. (QAR 48 and 50)
- 1i) By March 1, 2022, the **Director and Campus Directors** will provide the pre-risk assessment questionnaire to the auditable entities with a March 31, 2022, response date for use in the Auditable Entities Risk Assessment. (QAR 49)
- 7c) By March 31, 2022, and every year thereafter, the **Campus Directors** will identify a topic for group training in addition to IIA Code of Ethics training. The **Campus Directors** will also identify a trainer(s) (internal or external) as well as a date/agenda for the training for subsequent review by the Director. (QAR 6, 32, and 47)
- 1b) By April 15, 2022, and each year thereafter, the **Campus Directors** will review the completeness of the Auditable Entities and the Process Audit Universes and consider adding additional qualitative and quantitative factors (including those with high visibility) and emerging risks. (QAR 17, 22, 33, 40, 41, 42, 44, and 49)
- 1b)(1) By April 20, 2022, and each year thereafter, the **Audit Staff** will review the Auditable Entities and Process Audit Universes with the Campus Directors and Director. (QAR 38)
- 4a) By April 30, 2022, and each year thereafter, the **Director** will annually communicate the accepted risks to the Audit Committee during the external audit planning meeting. (QAR 30 and 31)
- 2b) By May 15, 2022, and each year thereafter, the **Campus Directors** will update the Risk Assurance Map with the current Strategic Plan for each campus/President. (QAR 43)
- 3a) By June 1, 2022, and each year thereafter, the **IT Auditor** will formalize and document the inquiry with ITS and NE Med IT on IAAS's technology audit planning strategy. (QAR 45)
- 1c) By June 10, 2022, and each year thereafter, the **Director and Campus Directors** will create a two-year Audit Plan, to be included in the Annual Report, which aligns with the top ten University-wide risks. (QAR 20, 21, and 37)
- 1c)(1) By June 15, 2022, and each year thereafter, the **Director and Campus Directors** will review the two-year Audit Plan with staff. (QAR 38)
- 2c) By June 30, 2022, the **Director, Campus Directors, and the IT Auditor** will discuss the Risk Assurance Map with management and functional oversight groups (Compliance, General Counsel, CIO, etc.) with the goal of obtaining mutual agreement. (QAR 50)
- 4b) By June 30, 2022, and each year thereafter, the **Director and UNO Assistant Director** will review the Annual Report and consider providing additional metrics, such as training hours, audit report timeliness, use of data analytics, and other relevant data. (QAR 14)
- 4c) By June 30, 2022, and each year thereafter, the **Campus Directors** will review the IAAS Charter, Policy and Procedures Manual, and audit forms to develop a comprehensive list of communication issues and draft any necessary clarifications or additions. (IAAS Created)
- 4f) By June 30, 2022, the **Campus Directors** will review reporting tools, such as Power BI, Tableau, or other reporting dashboards for use by IAAS. IAAS should consider tools in use by ITS. (QAR 26, 47, and 50)

- 7a) By June 30, 2022, and each year thereafter, for IAAS Director succession planning purposes, the **Campus Directors** will identify significant processes that have not been documented that will ensure continuity of the function. (QAR 2)
- 7d) By June 30, 2022, and each year thereafter, the **UNMC Director** will schedule a semi-annual team building activity. Additionally, by September 30, 2022, and each year thereafter, the **UNMC Director** will conduct the semi-annual team building activity. (IAAS Created)
- 8c) By June 30, 2022, the **Campus Directors** will develop a job description for an intern and a set of tasks that the intern can accomplish annually. (IAAS Created)

Appendix A: Staff Listing and Credentials

MICHAEL JUSTUS, Director of Internal Audit and Advisory Services

Bachelor of Arts in Business Administration
Emphasis in Accounting
Certified Public Accountant
37 Years Audit Experience * 20 Years with the University

KAYLA JAMES, Deputy Director

Bachelor of Science in Business Administration
Emphases in Accounting and Business Management
Certified Public Accountant and Certified Internal Auditor
15 Years Audit Experience * 26 Years with the University

BARBARA BREY, Director

Bachelor of Science in Business Administration
Emphasis in Accounting
Certified Public Accountant and Certified Internal Auditor
27 Years Audit Experience * 6.5 Years with the University

RACHEL POWELL, Assistant Director

Master of Professional Accountancy
Bachelor of Science in Business Administration
Emphases in Accounting, Finance, and Communication Studies
Certified Internal Auditor and Certified Fraud Examiner
9 Years Audit Experience * 4 Years with the University

DERRICK BLOMSTEDT, Senior Auditor

Master of Accountancy
Bachelor of Science in Business Administration
Emphasis in Accounting
Certified Public Accountant
8 Years Audit Experience * 2 Years with the University

STEPHANIE TODD, Senior Auditor

Bachelor of Science in Business Administration
Emphases in Accounting and Finance
Certified Public Accountant and Certified Fraud Examiner
13.5 Years Audit Experience * 1 Year with the University

SHASHANK REDDY NANDI, IT Auditor/Analyst

Master of Science in Management Information Systems
Certified Information Systems Auditor, Certified Information Security Manager, Certified Information Systems Security Professional, and Project Management Professional
5 Years Audit Experience * New Hire (November 2020)

Appendix B: Internal Audit Charter

Mission/Scope of Work

The mission of Internal Audit and Advisory Services (IAAS) is to enhance and protect the University of Nebraska's (University) value by providing risk-based and objective assurance, advice, and insight. The purpose of IAAS is to provide independent, objective assurance and consulting services designed to add value and improve the University's operations. IAAS helps the University accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of the University's risk management, control, and governance processes.

IAAS's scope of work is to determine whether the University's network of risk management, control, and governance processes, as designed and represented by management, is adequate and functioning in a manner to ensure that:

- Risks are appropriately identified and managed;
- Interaction with the various governance groups occurs as needed;
- Significant financial, managerial, and operating information is accurate, reliable, and timely;
- Employee actions are in compliance with policies, standards, procedures, and applicable laws and regulations;
- Resources are acquired economically, used efficiently, and protected adequately;
- Programs, plans, and objectives are achieved;
- Quality and continuous improvement are fostered in the University's control process; and
- Significant legislative or regulatory issues impacting the University are recognized and addressed appropriately.

Opportunities for improving management control, profitability, and the University's image may be identified during audits. They will be communicated to the appropriate level(s) of management.

Accountability

The Director of Internal Audit and Advisory Services (Director), in the discharge of his/her duties, is accountable to management, the President, and the Audit, Risk and Compliance Committee (Audit Committee) to:

- Provide an assessment annually on the adequacy and effectiveness of the University's processes for controlling its activities and managing its risks in the areas set forth under the mission and scope of work;
- Report significant issues related to the processes for controlling the activities of the University and its affiliates, including potential improvements to those processes, and provide information concerning such issues through resolution;
- Provide information on the status and results of the annual audit plan and the sufficiency of IAAS resources periodically; and
- Coordinate with other control and monitoring functions (such as risk management, compliance, security, legal, ethics, environmental health and safety, and external audit) to conduct risk assessments and develop or recommend monitoring activities to evaluate the adequacy and effectiveness of internal controls.
- Report any internal audit projects completed, but for which no report was issued.

Independence

To maintain the independence of IAAS, all internal audit personnel report to the Director. The Director reports to the Audit Committee functionally and to the President administratively in a manner outlined in the above section on Accountability. The Director will confirm at least annually the independence of the internal audit

activity to the Audit Committee and will include a section on the IAAS personnel's credentials in the Annual Report to the Audit Committee.

IAAS staff will maintain an unbiased mental attitude that allows them to perform engagements objectively and in such a manner that they believe in their work product, that no quality compromises are made, and that they do not subordinate their judgment on audit matters to others.

The Campus Directors (or Assistant Directors) will be the primary point of contact for his/her Campus Chancellors. Where there is no campus director, the Director of IAAS will be the point of contact.

Responsibility

The Director has the responsibility to:

- Develop a flexible annual audit plan using an appropriate risk-based methodology, including any risks or control concerns identified by management, and submit that plan to the Audit Committee for review and approval;
- Implement the annual audit plan, as approved, including special tasks or projects requested by management and the Audit Committee;
- Update the Audit Committee on the status and results of the annual audit plan periodically;
- Maintain a professional staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this Charter;
- Evaluate and assess significant merging or consolidating functions and new or changing services, processes, operations, and control processes coincident with their development, implementation, and/or expansion;
- Issue reports to the Audit Committee and management summarizing the results of audit activities, including any instances of fraud;
- Keep the Audit Committee informed of emerging trends and successful practices in internal auditing;
- Provide a list of significant measurement goals and results to the Audit Committee;
- Assist in the investigation of significant suspected fraudulent activities within the University and notify management and the Audit Committee of the results; and
- Consider the scope of work of the external auditors and regulators, as appropriate, for the purpose of providing optimal audit coverage to the University at a reasonable overall cost.

Authority

The Director and IAAS personnel are authorized to:

- Have unrestricted access to all University functions, records, property, and personnel (the University Technology Development Corporation and its entities, UNeHealth and NSRI Classified Task Orders and related activity are not in the scope/audit universe).
- Have full and free access to the Audit Committee;
- Allocate resources; set frequencies, select subjects, and determine scopes of work; and apply the techniques required to accomplish audit objectives; and
- Obtain the necessary assistance of personnel in units of the University where they perform audits, as well as other specialized services from within or outside the University.

Members of IAAS are not authorized to:

- Perform any operational duties for the University or its affiliates;
- Initiate or approve accounting transactions external to IAAS;
- Direct the activities of any University employee not employed by IAAS, except to the extent such employees have been assigned to auditing teams or to otherwise assist the internal auditors; or
- Assess specific operations for which they had responsibility within the previous year.

Standards of Audit Practice

IAAS will govern itself by adherence to the mandatory elements of the IIA's [International Professional Practices Framework \(IPPF\) including its *Standards, Core Principles for the Professional Practice of Internal Auditing*, Definition of Internal Auditing and *Code of Ethics \(IIA Standards\)*](#).

Quality Assurance and Improvement Program

IAAS will maintain a quality assurance and improvement program that covers all aspects of the internal audit activity including its evaluation of conformance to IIA Standards. The Director will report periodically the results of its quality assurance and improvement program to the Audit Committee and senior management and obtain an external assessment of the activity at least once every five years.

Management's Responsibilities

Management is responsible for ensuring that systems of internal control are in place; good business practices are implemented and followed in all areas; compliance with federal, State, and University policies, laws, and regulations is maintained; fraud risks are identified and mitigated; and effective governance is established. This provides assurance that financial information and other management information are reliable, that University resources are used efficiently and effectively, and that the potential for fraud is minimized.

Management shall provide a written response to report recommendations issued within time frames requested by IAAS. Management is responsible for addressing issues identified by implementing recommendations or agreed-upon corrective action plans, and by providing updates to the Committee using the Audit Recommendations Tracking Document.

Access to the Audit Committee

All IAAS personnel will have access to the Audit Committee by requesting they be added to the next Audit Committee agenda.

Working Papers and Reports

All internal audit personnel have the responsibility for maintaining records as follows:

All internal audit reports, once accepted by the Audit Committee, shall be maintained in accordance with University Records Retention policies. Working papers and other audit files maintained by IAAS are privileged and confidential and may be withheld in response to a public records request. The information contained in working papers and audit files prepared pursuant to a specific audit is not subject to disclosure except to a county attorney, the Nebraska Attorney General, or University General Counsel in connection with an investigation made or action taken in the course of the official duties of the county attorney, the Nebraska Auditor of Public Accounts, or the Legislative Performance Audit Committee. University units being audited, and the federal agencies that have awarded grants to such units, shall also have access to the relevant working papers and audit files. For purposes of this subsection, working papers means those documents containing evidence to support the IAAS's findings, opinions, conclusions, and judgments and includes the collection of evidence prepared or obtained by the auditor during the audit. The University may make the working papers available for purposes of a quality assurance review as required by IPPF.

Approved by Audit Committee on October 27, 2011, and last amended December 3, 2020.

Appendix C: Prior Fiscal Year Audit Plan Hours

Below are the results of last year's Audit Plan.

Please note that some Plan Hours have changed since the Fiscal Year 2020 Annual Report was issued.

Carryforwards	Description	Plan Hours	Actual Hours	Status
Accounts Receivable	A review of policy/procedure, reconciliations, state regulations, account balances, and account write-offs.	1,449	512	Report Issued - UNK February 5, 2021 Fieldwork – UNO Carryforward – UNL Deferred – UNMC
Munroe-Meyer Institute	A review of business operations, patient billing, Medicaid/Medicare, clinical trials, billing compliance tracking, and grants/contracts.	248	1,359	Report Issued June 10, 2021
G/L Revenue	A review of how revenue is collected and recorded.	976	987	Report Issued - UNK August 20, 2020 Draft Report – UNO Carryforward – UNL, UNMC
Daycare Discount Rates	A review of how dependent care assistance is reported for tax purposes.	3	10	Report Issued July 27, 2020
Vulnerability Management	A review of policy and testing of the identification, assessment/prioritization, remediation, and improvement processes for servers and end-user devices.	5	6	Report Issued July 23, 2020
F&A Strategy, Policy, and Expenditures Follow-Up	Work to ensure that recommendations of the original projects have been accomplished.	3	35	Report Issued Sept. 17, 2020
UNL Student Fees FU		112	109	Fieldwork
UNMC Student Fees FU		5	54	Report Issued Oct. 20, 2020
UNO Student Fees FU		44	32	Fieldwork
UNL Data Center Physical Security FU		48	148	Fieldwork
UNO Data Center Physical Security FU		22	14	Report Issued July 29, 2020
Splunk #2 FU		82	250	Report Issued June 4, 2021
Protiviti Policy Review FU		54	147	Report Issued Sept. 24, 2020
ITS Change Control FU		-	2	Report Issued July 14, 2020
Risk-Based Audits		Description (Including U-Wide Risk Assessment category)	Plan Hours	Actual Hours
UNK Nebraska Safety Center Contract Review	A concern regarding CoI identified in the UNK Accounts Receivable review. <i>(Risk #12 Compliance)</i>	12	236	Report Issued Dec. 1, 2020
CARES Act for Health Centers	A review of if and how the campus health centers accepted award funding. <i>(Risk #1 Budget / Impact of COVID-19)</i>	100	14	Eliminated Based on Initial Review
Cash Flow Monitoring and Projection	Determine how much cash is on hand and how far out the campuses are forecasting. <i>(Risk #1 Budget)</i>	65	-	Deferred

Risk-Based Audits (Continued)	Description (Including U-Wide Risk Assessment category)	Plan Hours	Actual Hours	Status
Change and Patch Management	Phase II - Applying the Policy <i>(Risk #11 Cybersecurity)</i>	160	10	Deferred
China / Foreign Travel	A review of faculty travel to China or other risky areas and tying it back to research, CoI, and CoC. <i>(Risk #12 Compliance & Foreign Influence)</i>	170	-	Carryforward
Conflict of Interest / Foreign Influence	Compare campus policies and examine how the campuses are reviewing CoI statements. <i>(Risk #12 Compliance & Foreign Influence)</i>	479	-	Deferred
Food Services – UNK & UNMC	If the service is outsourced, a review of contractual compliance. If the service is in-house, a review of how food is priced and inventoried and how the POS system used/relied upon. <i>(Risk #1 Budget / Impact of COVID-19)</i>	60	-	Deferred
Fraud Policy	Review and compare campus policies. <i>(Risk #12 Compliance)</i>	41	76	Fieldwork
Governance: IT Governance	Review in accordance with IIA Practice Guide "Assessing Org Governance in the Public Sector." <i>(Risk #11 Info Mgmt. & Cybersecurity)</i>	510	-	Carryforward
Governance: Organizational Accountability		50	-	Carryforward
ITS Incident Management, Business Continuity, and Disaster Recovery	Compare ITS processes to industry standards. <i>(Risk #11 Cybersecurity)</i>	302	122	Planning
Remote Work Policy	Is the U-wide policy complete & effective? <i>(Risk #2 Health & Well-Being)</i>	40	-	Deferred
Refunds of Housing & Food for Students	Obtain and review payments to determine how the campuses are calculating and distributing refunds & CARES Act funding. <i>(Risk #1 Budget / Impact of COVID-19)</i>	440	89	Planning – UNL Carryforward – UNO Deferred – UNK, UNMC
UNL NCAA Attendance	A required annual report for the NCAA. <i>(Risks #5 Athletics & #12 Compliance)</i>	50	2	Eliminated Deemed Unnecessary
UNL NCAA Compliance	A review of 3 sections of the NCAA Guide. <i>(Risks #5 Athletics & #12 Compliance)</i>	502	481	Fieldwork
UNCA Building Safety	A review of campus building access and safety. <i>(Risk #7 Safety & Security)</i>	14	-	Deferred
UNO Building Safety		101	-	Carryforward
Entities Spreadsheet	A compilation of entities affiliated with each campus. <i>(Risk #12 Compliance)</i>	N/A	2	Deferred to General Counsel per President's Request
Non-ITS Endpoint Management	A review of the process to detect, provision, deploy, update, and troubleshoot non-ITS endpoint devices. <i>(Risk #11 Cybersecurity)</i>	49	-	Carryforward

Risk-Based Audits (Continued)	Description (Including U-Wide Risk Assessment category)	Plan Hours	Actual Hours	Status
Export Controls	A review of/for state-of-the-art policies – outsourced to an outside firm. <i>(Risk #12 Compliance & Foreign Influence)</i>	189	2	Carryforward
Penetration Testing	Outsourced to an outside firm. <i>(Risk #11 Cybersecurity)</i>	N/A	N/A	Carryforward
Follow-Up Audits	Description	Plan Hours	Actual Hours	Status
UNK Accounts Receivable	Work to assure that recommendations in the original projects have been accomplished.	49	-	Carryforward
UNO Accounts Receivable		49	-	Carryforward
G/L Revenue		160	-	Carryforward
Vulnerability Management		52	-	Carryforward
UNO Ticketing		265	166	Fieldwork
Splunk #3		49	-	Carryforward
UNK University Tickets SOC Report		6	111	Draft Report
Travel RFP		5	32	Report Issued Jan. 25, 2021
Hiring, Salary and Benefit Increases, and Personnel Files		121	58	Planning
Tuition Remissions		226	7	Planning
ITS Change Control #2		-	157	Draft Report
UNO Data Center Physical Security #2		-	112	Fieldwork
UNMC Student Fees #2		-	27	Planning
UNK Nebraska Safety Center Contract Review		-	11	Planning
Management Requests		Description	Plan Hours	Actual Hours
Various Requests	Time allotted for management requests not yet known throughout the year.	440	8	See Projects Below
UNO Student Fee Waivers	A follow-up to part of the U-wide tuition remissions review over waiving fees through the remissions process.	-	19	Report Issued July 8, 2020
Data Warehouses (DWs)	Review of Institutional Data Use Policy ID-01 (review of DWs will follow).	-	20	Report Issued March 6, 2021
Fraud and Ethics Point	Description	Plan Hours	Actual Hours	Status
Various Reviews	Time allotted for fraud reviews not yet known throughout the year.	550	90	See Project Below
UNL Psychology Dept.: Student Employee Hours	Review of student employee working on a grant funded by the National Science Foundation (NSF).	-	148	Report Issued Nov. 18, 2020
UNMC Ethics Point Case #163	Review of an employee's personal trip for conflict of interest.	-	30	Report Issued May 24, 2021

Consulting	Description	Plan Hours	Actual Hours	Status
Various Requests	Time budgeted without specific projects, including Committee participation and general discussions with management.	80	213	See Projects Below
Regents Policy 3.2.8 (10)	Feedback on how to address Institutional Conflict of Interest.	-	3	Report Issued July 3, 2020
IRS Tax Communications and Forms	Recommendation that all IRS communications be maintained and reviewed in/from a central repository.	-	8	Report Issued Feb. 15, 2021
RBE Segregation of Duties (SoD) Reports	Feedback on monitoring actual and potential SoD conflicts within SAP via review of RBE SoD reports.	-	38	Report Issued May 24, 2021
NeBIS and NeSIS Configurations	Feedback on NeBIS and NeSIS configuration considerations.	-	3	Planning
Other Projects	Description	Plan Hours	Actual Hours	Status
QAR Self-Assessment	Preparation for an external Quality Assessment Review (August 2020).	160	17	See Page 2
IAAS Strategic Plan	Revisions based on QAR results.	70	130	See Pages 14-16
Audit Universe	Annual review of University processes and risk coverage for Audit Plan.	-	81	See Pages 11-13
Risk Assurance Map		-	40	
Total Project Hours	N/A	8,667	6,228	N/A
Administrative Hours	Risk Assessment, Audit Plan, and Annual Report (1,058); Audit Committee Meetings and Prep (420); Internal Audit Staff Meetings (460); Building/Campus Meetings (216); CIO/CISO/Security Council (100); General Counsel/COI/Compliance (120); Policies, Procedures, and Manual Updates (192); Timekeeping, Scheduling, and Progress Reporting (520); Outsourcing/RFPs (100); Hiring and Evaluations/HR (208); Training (660); Big 10 Issues/Website (74); Emerging Issues (20), Foundation Relations (16), Other (Outside Organizations, Chancellor Meetings, Data Analytics, Emails, Computer Issues, Office Moving/Cleaning)	4,164	5,220	N/A
Leave Hours	Vacation (1,296), Sick (400), Holiday (712), Other (Funeral, Administrative / COVID-19)	2,408	2,800	
Legislative Hours	CAE's non-audit role coordinating legislative fiscal notes	350	216	
Total Project and Non-Project Hours	N/A	15,589	14,464	N/A

Appendix D: Prior Fiscal Year Audit Budget

INTERNAL AUDIT & ADVISORY SERVICES BUDGET VS. ACTUAL								
	FY 2020	Per Quarter FY 2020	% of Total FY 20	FY 2021	Per Quarter FY 2021	% of Total FY 21	\$ Variance (FY 21 vs. 20)	% Var
<i>SALARIES & BENEFITS</i>								
Salaries	\$ 841,588	\$ 210,397	73%	\$ 721,447	\$ 180,362	69%	\$ (120,141)	-4%
Benefits	238,854	59,714	21%	200,829	50,207	19%	(38,025)	-2%
<i>SUBTOTAL Salaries & Benefits</i>	\$ 1,080,442	\$ 270,111		\$ 922,276	\$ 230,569		\$ (158,166)	
<i>BUDGETED Salaries & Benefits</i>	<i>1,058,385</i>	<i>264,596</i>		<i>1,043,278</i>	<i>260,820</i>			
<i>UNDER (+) / OVER (-)</i>	<i>(22,057)</i>	<i>(5,514)</i>		<i>121,002</i>	<i>30,250</i>			
<i>OPERATING & SUPPLIES</i>								
Advertising & Recruiting	\$ 3,850	\$ 962	0%	\$ 1,880	\$ 470	0%	\$ (1,970)	0%
Communications (Fax, Mail, Phone)	3,779	945	0%	2,612	653	0%	(1,167)	0%
Conferences	8,946	2,236	1%	13,175	3,294	1%	4,229	0%
Copying, Printing, Publishing	333	83	0%	43	11	0%	(291)	0%
Dues, Subscriptions, Memberships	14,376	3,594	1%	20,192	5,048	2%	5,816	1%
Equipment - Office	320	80	0%	-	-	0%	(320)	0%
General Instruction Education	411	103	0%	14	3	0%	(398)	0%
Legal	-	-	0%	1,750	438	0%	1,750	0%
Networking/Data Services	3,000	750	0%	-	-	0%	(3,000)	0%
Other Contracted Services	12,683	3,171	1%	80,139	20,035	8%	67,456	7%
Other/Miscellaneous	211	53	0%	-	-	0%	(211)	0%
Repairs & Maintenance - Office Eq.	6,599	1,650	1%	62	15	0%	(6,537)	-1%
Supplies - Computer	2,945	736	0%	2,072	518	0%	(873)	0%
Supplies - Office	538	135	0%	308	77	0%	(231)	0%
<i>SUBTOTAL Operating & Supplies</i>	\$ 57,991	\$ 14,498		\$ 122,245	\$ 30,561		\$ 64,254	
<i>BUDGETED Operating & Supplies</i>	<i>136,441</i>	<i>34,110</i>		<i>134,688</i>	<i>33,672</i>			
<i>UNDER (+) / OVER (-)</i>	<i>78,450</i>	<i>19,612</i>		<i>12,443</i>	<i>3,111</i>			
<i>TRAVEL</i>								
Airfare	\$ 1,726	\$ 432	0%	\$ -	\$ -	0%	\$ (1,726)	0%
Lodging	3,020	755	0%	112	28	0%	(2,908)	0%
Meals	318	79	0%	58	14	0%	(260)	0%
Mileage	2,060	515	0%	242	61	0%	(1,817)	0%
Other/Miscellaneous	197	49	0%	12	3	0%	(185)	0%
<i>SUBTOTAL Travel</i>	\$ 7,320	\$ 1,830		\$ 424	\$ 106		\$ (6,896)	
<i>BUDGETED Travel</i>	<i>32,000</i>	<i>8,000</i>		<i>32,000</i>	<i>8,000</i>			
<i>UNDER (+) / OVER (-)</i>	<i>24,680</i>	<i>6,170</i>		<i>31,576</i>	<i>7,894</i>			
<i>TOTAL EXPENSES</i>	\$ 1,145,754	\$ 286,438	100%	\$ 1,044,946	\$ 261,236	100%	\$ (100,808)	
<i>TOTAL COMMITMENTS</i>	-	-		79,478	19,870			
<i>TOTAL EXPENSES & COMMITMENTS</i>	\$ 1,145,754	\$ 286,438		\$ 1,124,424	\$ 281,106			
<i>BUDGETED TOTAL EXP & COMMIT</i>	1,226,826			1,209,966				
<i>TOTAL UNDER (+) / OVER (-)</i>	81,072		7%	85,542		7%		