



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, 2019

Including Audit Plan

For the Year Beginning July 1, 2019

For Presentation to the University of Nebraska Board of Regents Audit, Risk and Compliance Committee
August 2019

Strategic Vision shared by President Bounds

“Four fundamental commitments that we must relentlessly pursue – that will separate us from the rest of the higher education world.”

- Cornerstone 1: **“The University of Nebraska will be the best place in the nation to be a student.”**
 - Cornerstone 2: **“The University of Nebraska will transform lives through research and innovation.”**
 - Cornerstone 3: **“The University of Nebraska will work hand-in-hand with our partners to achieve our goals.”**
 - Cornerstone 4: **“The University of Nebraska is going to win with people.”**
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Interim President Fritz 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, 2019.

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:

- coordinated Human Resources review of the non-faculty hiring process, annual salary and benefit increase processes, and personnel files for all campuses;
- completed 8 reports, consuming more than 1300 hours for work related to fraud or potential fraud;
- completed 22 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.

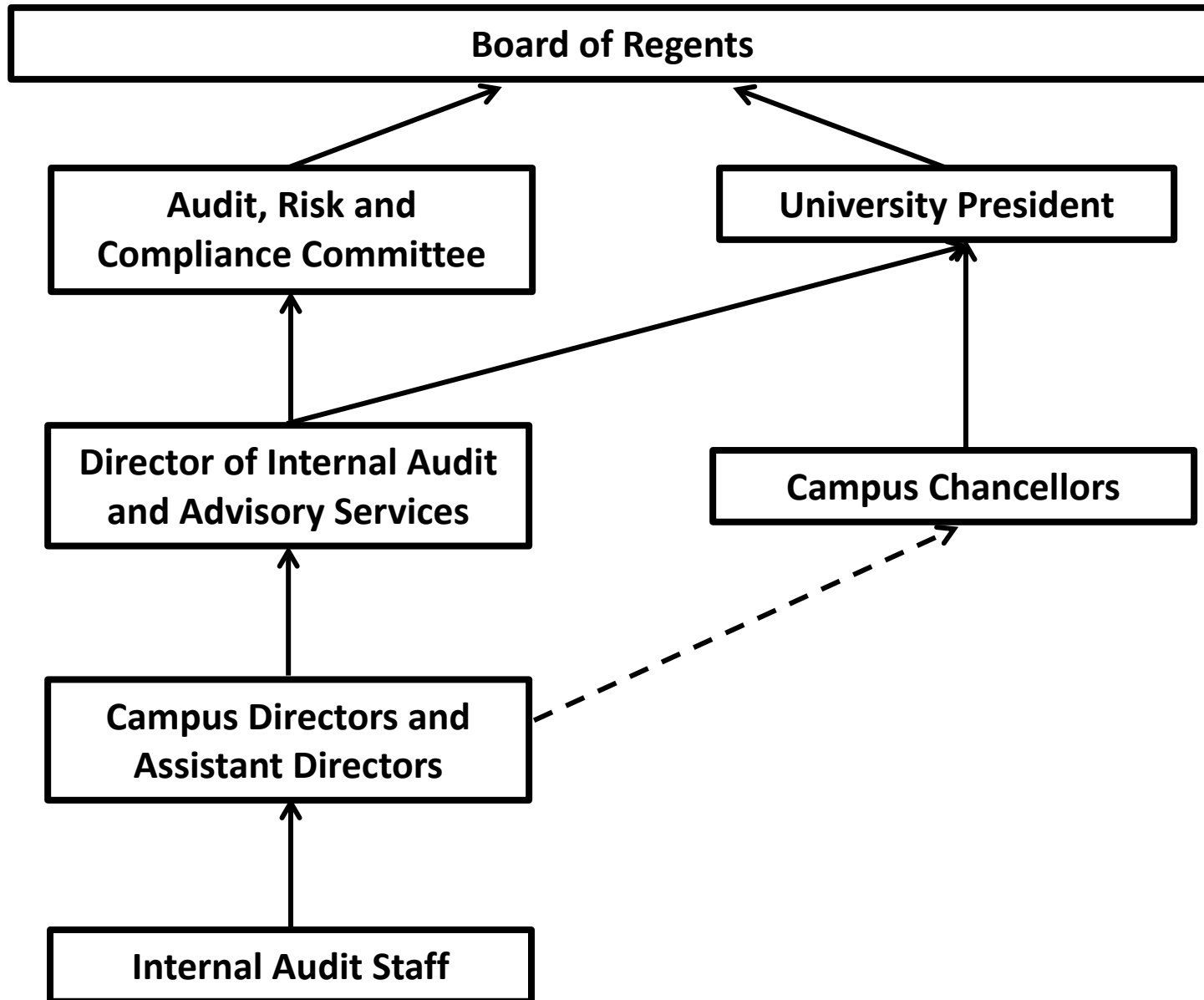
The Institute of Internal Auditors (IIA) *International Standards for the Professional Practice of Internal Auditing (Standards)* require that we make several disclosures to you, which are included in this report; however, please note that:

- 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 Justus
Director of Internal Audit and Advisory Services



Summary of the Prior Year

Internal Audit completed their eighth year with an Audit Plan based on the campus risk assessments, which were approved by the Audit Committee at the August 2018 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 nine. The average staff in the Big 10 is 14.6 (based on the December 2016 survey).

Key accomplishments during the year included finalizing a strategic plan, using data analytics in more projects, and reviewing more areas on a system-wide level.

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) 2019								
Activity Description	Audit Plan	Completed	Eliminated or Suspended	Planning Stage	Fieldwork Stage	Draft Report Stage	Carry Forward to FYs 2020-21	Risks Low-ered
Audits/ Reviews	31	8	1	4	1	2	13	2
Management Requests	6	1	1	1	1	2	0	0
Follow-ups	23	5	4	2	6	2	4	0
Fraud/ Investigation	4	4	0	0	0	0	0	0
Consulting	5	4	0	0	0	1	0	0
Total	69	22	6	7	8	7	17	2

Mandatory Disclosures (based on the IIA Standards)

1. The internal audit activity's purpose, authority, and responsibility, as defined in the University of Nebraska Internal Audit Charter (see pages 14-16), 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, 2019.
3. The Director of Internal Audit and Advisory Services (Director) met with the Audit Committee in Executive Session once during Fiscal Year 2019. 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 the internal audit organization'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; however, this group is not formally organized, which makes coordination problematic at best.
8. The Director has one non-internal audit job duty related to the coordination of Legislative Fiscal Notes, but that function does not include management-level decision-making and does not impact independence. This made the Director position approximately 0.87 FTE (280 hours during FY 2019).

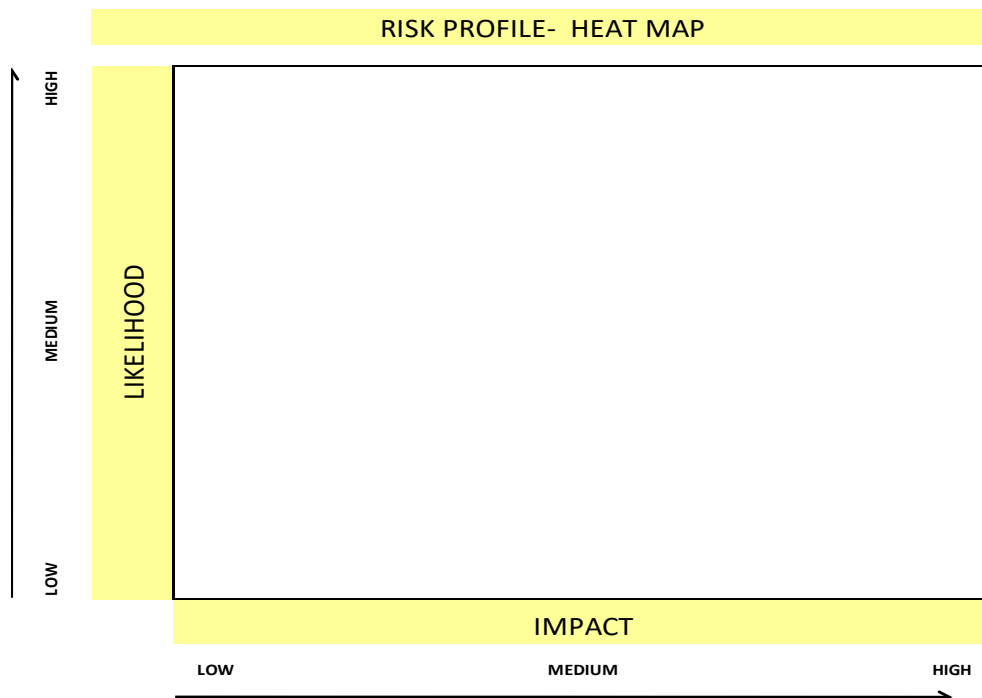
Risk Assessment Process

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 level, 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 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 Interim President, who modified the results to be consistent with her assessment. The final Audit Plan is based on the Interim President's risk assessment.

Current Fiscal Year's Top 5 Risks

Rank	Identified Risk	Risk Description
1	Budget Climate	<p>The combination of a lackluster State economy, flat funding and a lack of significant enrollment growth leads us to believe that continued searches for ongoing efficiencies and strengthening government relations will be vital to the University.</p> <p>A. Budget/Funding: The current State budget and economic environment, including a lack of foreseeable growth, coupled with uncertainty in Federal funding of research, result in challenges to our growth. Future flat funding or cuts seem like the most feasible scenario.</p> <p>B. Enrollment Growth/Management: Generating enrollment growth across the system in association with higher tuition remissions creates a challenge for net tuition growth, especially in the face of declining international enrollment and changing State and national demographics.</p> <p>C. Continuing Efficiencies: We must pursue efficiencies in our processes that will allow us to allocate additional resources to the University's primary mission of educating students. The continued implementation of the BRT processes and identification of additional areas for cost savings are critical components of the changing budget climate.</p> <p>D. Government Relations: While our relationships with the Legislature seem to have improved (less negative impact) over the last year, we must keep an eye on, and continue to cultivate our relationships with the Cities of Lincoln, Omaha and Kearney, the Legislature, the Governor, and the Federal delegation.</p>
2	Attract and Retain Quality Faculty and Staff	<p>The vision and goals that the Board, President and Chancellors have established will not be possible without quality faculty and staff. The University is operating in the most competitive higher education environment of our lifetimes. In some cases, salaries are lower than our peers – yet the current budget climate makes it difficult to attract, reward and retain the best and brightest talent.</p>
3	Information Management and Cybersecurity	<p>The threat of cyberattack 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. The University is managing the threat as it simultaneously consolidates its IT units into a single, University-wide function – work that must be approached with great care so that budgetary savings can be realized without compromising the safety of University data.</p>
4	Mental Health Issues	<p>We are seeing an increase in student, faculty and staff use of the mental health resources we provide. Student suicide rates are too high and we have to ask ourselves if we are providing adequate resources. More and more students arrive unprepared for the rigors of higher education and life away from the support of their family and friends.</p>
5	Compliance	<p>Oversight from State and Federal governments continues to grow. Compliance issues are mounting, whether they originate from Title IX, the Clery Act, EPA, NCAA, NIH or NSF in research, the new tax law which will cost the University millions, or a state law requiring agencies to post contracts in an online database. Continued compliance is often more costly in terms of personnel or staff time than in monetary terms.</p>

Two-Year Audit Plan

We look forward to Fiscal Years 2020 and 2021 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 2020

Carryforwards	Description	Hours
HR/Payroll	A review of the hiring process, the July 1 automated pay increase, benefit increases and certain personnel file information.	40
State Contracts Database	A quarterly review (Q2 – Q4).	92
ACL – Data Analytics		
Data Analytics using ACL #1 of 5	Compare FTINs in vendor database to SSNs in employee database for matches.	101
Data Analytics using ACL #3 of 5	Sort employees by bank routing numbers. Search for non-Nebraska banks and/or employees with no banking information.	101
Data Analytics using ACL #4 of 5	Sort by home address zip and identify non-Nebraska employees (90 mile radius).	101
Data Analytics using ACL #5 of 5	Search for employees getting benefits without pay.	117
UNO Child Care Center	A review of child care operations for financial assurance, compliance with State regulations and child safety.	300
UNMC Data Center Physical Security	A review of policy, physical access and environmental controls.	318
Tuition Remissions	A review of policy, budget, calculation and eligibility.	24
Risk-Based Audits	Description	Hours
Accounts Receivable	A review of policy/procedure, account reconciliations, state regulations, account balances, and account write-offs.	693
Student Refunds	Testing will be performed for each campus.	794
Vulnerability Management	A review of policy and testing of the identification, assessment/prioritization, remediation, and maintenance/improvement processes for servers and end-user devices.	460
Incident Management	A review of the ITS Disaster Recovery Plan.	624
UNL NCAA Attendance	A required annual report for the NCAA.	62
Export Controls	A review of/for state-of-the-art policies.	572
Governance: Ethics	A review of the Board/University's ethics policy and climate.	251
Accounting Fees Oversight	A review of payments to outside accounting and consulting firms to ascertain appropriate	219

Accounting Fees Oversight, cont.	Audit Committee approval and processes were used.	
Clery Act Summary	A review of the requirements of the law for Clery Act reporting and a comparison/summary of the results between campuses.	27
UNK Clery		175
UNL Clery		168
UNMC Clery		160
UNO Clery		168
Follow-Up Audits	Description	Hours
F&A Strategy, Policy, and Expenditures	Work to assure that recommendations in the original projects have been accomplished.	40
UNK Student Fees		63
UNL Student Fees		56
UNMC Student Fees		63
UNO Student Fees		41
UNL Data Center Physical Security		51
UNMC Data Center Physical Security		61
UNO Data Center Physical Security		51
UNO Ticketing		265
UNO IS&T Stipends		51
HR/Payroll		99
Tuition Remissions		100
UNK International Education		50
Splunk		19
Splunk #2		34
UNK SOC Reporting		5
ITS Change Control Policy		50
Governance		69
UNL Child Care (Outside Bank Account)		22
UNL Procurement		34
UNL Raikes		59
Healthcare RFP / UNL Software and NEW work with DocuSign		11
UNK Server Security #2		11
CASNR IT Access De-provisioning #2		11
UNL Compliance		50
Department Audits	Description	Hours
UNK International Programs	A review of policy, financial activity, MOUs, and compliance tracking.	426
UNMC International Programs	A review of policy, financial activity, MOUs, and compliance tracking.	293
UNL Arts and Sciences: Physics	A review of business operations.	365
UNL Arts and Sciences: Modern Languages	A review of business operations.	365
UNMC Munroe-Meyer Institute	A review of business operations, patient billing, Medicaid/Medicare, clinical trials, billing compliance tracking, and grants/contracts.	729

UNCA Self-Insurance Trust (not Health)	A review of the Trust document, financial activity, actuarial valuations, account reconciliations and testing of claims.	366
Other Projects	Description	Hours
Internal Audit Strategic Plan	Complete key tasks due.	260
QAR Self-Assessment	A self-evaluation of our processes before an external Quality Assessment Review (Aug 2020).	280
Development of the Audit Universe	Continue to improve our process.	140
Develop Risk Assurance Map	A key task of the Strategic Plan.	95

Fiscal Year 2021

Carryforwards	Description	Hours
ACL #2 of 5	Search for employees at full-time status who don't have an item on their W-2 in box 12 "C" for life insurance with a salary in excess of \$50k.	101
UNL Child Care Center	A review of child care operations for financial assurance, compliance with State regulations and child safety.	660
Risk-Based Audits	Description	Hours
Admissions Summary	A review of policies, admitted and denied applications, fee and deposit collections, and external reporting. There will be separate report for each campus as well as a summary report.	25
UNK Admissions		450
UNL Admissions		450
UNMC Admissions		465
UNO Admissions		450
Identity Management	A review of the entire process from provisioning to de-provisioning of IDs.	616
UNK Data Center Physical Security	A review of policy, physical access and environmental controls.	246
IT Risk Assessment Assistance	Assisting ITS in the evaluation of servers not located in the data center.	493
Business Continuity	Review the Business and Finance requirements and ITS plan to continue operations in the event of a disaster	193
UNL NCAA Compliance	A review of Governance and Organization, and Amateurism.	729
Title IX Summary	A review of policies/procedures and processes, training and prevention programs, and reporting requirements. There will be separate report for each campus as well as a summary report.	100
UNK Title IX		253
UNL Title IX		568
UNMC Title IX		253
UNO Title IX		253
Faculty Hiring	A review of the hiring process and the July 1 automated pay increase.	772
ACL: Non-travel Reimbursements	A review of policies and testing for compliance with policies and regulations.	100
UNCA Building Access and Safety	A review of selected campus building access and safety. There will be a separate report for each campus.	99
UNK Building Access and Safety		183
UNL Building Access and Safety		283

UNMC Building Access and Safety		183
UNO Building Access and Safety		183
Governance: Topic to be Determined	A review of Board and upper management activity contributing to our culture and tone at the top.	172
Follow-Up Audits	Description	Hours
ACL #1 - 5	Work to assure that recommendations in the original projects have been accomplished.	50 each (150 total)
Clery		97
Vulnerability Management		80
Identity Management		99
UNK Data Center Physical Security		51
UNK International Programs		30
UNCA Building Access and Safety		50
UNK Building Access and Safety		50
UNL Building Access and Safety		50
UNMC Building Access and Safety		50
UNO Building Access and Safety		50
UNL Child Care		50
UNO Child Care		50
Faculty Hiring		99
Stipends and Overloads		40
Student Refunds		52
Governance: Ethics		41
Accounts Receivable		96
Export Controls: State of the Art Policies		50
UNL Arts and Sciences: Physics		50
UNL Arts and Sciences: Modern Languages		50
UNMC Munro-Meyer Institute		50
UNMC International Programs		50
UNCA Self-Insurance Trust		50
Department Audits	Description	Hours
UNK Athletics	A review of business processes.	426
UNL Eastern Nebraska Research and Extension Center	A review of business operations and grants/contracts.	366
EHS/Disposal	This will likely need to be outsourced, but we have yet to find a resource.	467
Other Projects	Description	Hours
Internal Audit Strategic Plan	Complete key tasks due.	260
QAR Self-Assessment	An external Quality Assessment Review due in 2020.	260
Update the Audit Universe	Continue to improve our process.	100
Update Risk Assurance Map	A key task of the Strategic Plan.	28

Appendix A: List of Staff and Credentials

MICHAEL JUSTUS, Director of Internal Audit and Advisory Services

Bachelor of Arts in Business Administration (Accounting Emphasis)
Certified Public Accountant
35 Years Audit Experience * 18 Years with the University

BARBARA BREY, Director

Bachelor of Science in Business Administration
Emphasis in Accounting
Certified Public Accountant
25 Years Audit Experience * 4.5 Years with the University

KAYLA JAMES, Director

Bachelor of Science in Business Administration (Accounting Emphasis)
Emphases in Accounting and Business Management
Certified Public Accountant
Certified Internal Auditor
13 Years Audit Experience * 24 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 Fraud Examiner
7 Years Audit Experience * 2 Years with the University

VINOTH KUMAR BALAKRISHNAN, IT Auditor

Bachelor of Engineering (Information Technology)
Lead Auditor ISO/IEC 27001
Certified Payment Card Industry Security Implementer,
Certified Information Systems Auditor,
Certified Information Systems Security Professional
13 Years IT Audit Experience * 3.5 Years with the University

DERRICK BLOMSTEDT, Senior Auditor

Master of Accountancy
Bachelor of Science in Business Administration
Emphasis in Accounting
Certified Public Accountant
6 Years Audit Experience * New Hire (July 2019)

DIANE HOLTORF, Senior Auditor

Bachelor of Science in Business Management
Certified Public Accountant
22 Years Audit Experience * New Hire (July 2019)

JASON FARBER, Senior Auditor

Bachelor of Science in Business Administration
Certified Internal Auditor
Certified Fraud Examiner
14 Years Audit Experience * 8.5 Years with the University

PAMELA PETERS, Senior Auditor

Bachelor of Arts in Accounting
Certified Fraud Examiner
18 Years Audit Experience * 7.5 Years with the University

Appendix B: Internal Audit Charter

Mission/Scope of Work

The mission of the internal audit activity is to provide independent, objective assurance and consulting services designed to add value and improve the University's operations. It helps the University accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The scope of work of the internal audit activity 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:

- 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.
- Employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulations.
- Resources are acquired economically, used efficiently and adequately protected.
- Programs, plans, and objectives are achieved.
- Quality and continuous improvement are fostered in the University's control process.
- 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 of management.

Accountability

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

- Provide annually an assessment 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.
- Periodically provide information on the status and results of the annual audit plan and the sufficiency of activity resources.
- Coordinate with other control and monitoring functions (risk management, compliance, security, legal, ethics, environmental, external audit) to conduct risk assessments and develop or recommend monitoring activities to evaluate the adequacy and effectiveness of internal controls.

Independence

To provide for the independence of the internal auditing activity, all internal audit personnel report to the Director, who reports functionally to the Audit Committee and administratively to the President in a manner outlined in the above section on Accountability. The Director will include as part of the annual report to the Audit Committee a section on internal audit personnel.

The Campus Directors (or Assistant Directors) will be the primary point of contact for their campus Chancellor.

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 as well as periodic updates.
- Implement the annual audit plan, as approved, including as appropriate, any special tasks or projects requested by management and the audit committee.
- Maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this Charter.
- Evaluate and assess significant merging/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 results of audit activities.
- 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.
- 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.

Each campus director or assistant director has a responsibility to:

- Meet with their Chancellor on a quarterly basis.
- Keep the chief audit executive informed of emerging trends and significant issues, as it relates to their campus.
- Be the point of contact for their campus Chancellor, including incidents of fraud, assisting the Chancellor in performing the campus risk assessment, if requested to, and management requests for audits or consulting work, as authorized by the Director.

Authority

The Director and personnel of the internal audit activity are authorized to:

- Have unrestricted access to all functions, records, property and personnel (the University Technology Development Corporation and its entities 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, determine scopes of work, and apply the techniques required to accomplish audit objectives.
- 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 the internal audit activity are not authorized to:

- Perform any operational duties for the University or its affiliates.
- Initiate or approve accounting transactions external to the internal auditing activity.

- Direct the activities of any University employee not employed by the internal auditing activity, except to the extent such employees have been appropriately assigned to auditing teams or otherwise assist the internal auditors.

Standards of Audit Practice

The internal audit activity will meet or exceed the [International Standards for the Professional Practice of Internal Auditing](#), mandatory guidance including the Definition of Internal Auditing and "[Code of Ethics](#)" of The Institute of Internal Auditors.

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 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 internal audit. Management is responsible to address issues identified by implementing recommendations or agreed-upon corrective action plans.

Access to the Audit Committee

All internal audit 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 the internal audit function 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 attorney's official duties, the Nebraska Auditor of Public Accounts or to the Legislative Performance Audit Committee in the course of the committee's official duties. University units being audited and the federal agencies that have made grants to them 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 auditor'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 internal auditing standards.

Approved by Audit Committee on October 27, 2011 and last amended May, 2017.

Appendix C: Prior Year Audit Plan Hours

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

Audit Work	Additional Details	Planned Hours	Actual Hours	Status
Annual HR/Payroll Audit	A review of the hiring process, the July 1 automated pay increase, benefit increases and certain personnel file information.	2,110	2,005	Draft Report
Outside Consulting on Hazardous Materials (excludes 600 hours of consulting time)	If a resource can be found, a review of hazardous waste materials.	72	-	Suspended
Governance: Strategy	A review of the University's strategic framework and campus strategic plan alignment.	302	-	Carryforward
IT Risk Assessment Assistance	Assisting IT in evaluating servers not located in the data center.	37	24	Completed - No Report Issued
UNL NCAA Attendance	A required report for the NCAA.	72	39	Report Issued January 18, 2019
UNL Athletics Compliance - The NCAA has several areas of compliance to consider.				
b. Initial-eligibility certification	Our intent is to review these areas for UNL over a five year period.	147	589	Reports Issued April 5, 2019
d. Transfer-eligibility certification		144	53	
l. Playing and practice seasons		171	44	
U-wide Clery Act Reporting and Campus Comparison	A review of the requirements of the law.	200	-	See Below
UNK - Clery	N/A	84	51	Planning
UNL - Clery	N/A	168	8	Planning
UNMC - Clery	N/A	84	-	Carryforward
UNO - Clery	N/A	84	-	Carryforward
Building Access and Safety - report for UNK	A review of campus building access and safety.	97	-	Carryforward
Building Access and Safety - report for UNL	N/A	193	-	Carryforward
Building Access and Safety - report for UNMC	N/A	97	-	Carryforward
Building Access and Safety - report for UNO	N/A	97	54	Planning

Building Access and Safety - report for UNCA	N/A	50	-	Carryforward
Payroll and HR - Stipends and Overloads	Our initial review shows a higher than expected number of stipends, including some that appear to be overloads recorded as stipends.	408	-	Carryforward
ACL - Data Analytics				
Compare FTINs in vendor database to SSNs in employee database.	N/A	97	-	Carryforward
Search for employees at FT status who don't have an item on their W-2 in box 12 "C" for life insurance with a salary in excess of \$50k.	N/A	97	-	Carryforward
Sort employees by bank routing numbers. Look for non-Nebraska banks and employees with no banking information.	N/A	97	-	Carryforward
Sort by home address zip and identify non-Nebraska employees (150 mile radius).	N/A	97	-	Carryforward
Search for employees receiving benefits without pay. The false positives will be auxiliary employees. Can we determine if an HR employee has figured out how to provide someone free benefits?	N/A	97	65	Planning
Accounting Fees Oversight	A review of payments to outside accounting and consulting firms to ascertain appropriate approval and processes were used.	142	207	Report Issued October 15, 2018
Child Care Centers - A review of our child care operations for financial assurance, compliance with State regulations and child safety.				
UNK	N/A	-	9	Risk Lowered
UNL	N/A	362	-	Carryforward
UNMC	N/A	362	50	Risk Lowered
UNO	N/A	337	178	Fieldwork

Tuition Remissions	Completion of a review of this area started in 2018.	160	1,166	Draft Report
UNO Surplus	Completion of a review of this area started in 2018.	36	30	Report Issued August 31, 2018
UNO Ticketing	Completion of a review of this area started in 2018.	10	100	Report Issued September 18, 2018
F&A Strategy, Policy, and Expenditures	Completion of a review of this area started in 2018.	5	233	Report Issued November 16, 2018
UNK Server Security	Completion of a review of this area started in 2018.	-	54	Report Issued September 11, 2018
Follow-up from Prior Year	Additional Details	Planned Hours	Actual Hours	Status
Governance	N/A	21	-	Carryforward
UNK International Education	N/A	50	3	Planning
Raikes	N/A	72	162	Fieldwork
Splunk	N/A	50	153	Draft Report
Change Control	N/A	50	5	Planning
Tuition Remission	N/A	423	-	Suspended
Student Fees	N/A	289	249	Fieldwork
UNO Surplus	N/A	72	-	Eliminated
UNK Server Security	N/A	72	122	Draft Report
UNL Server Security	N/A	82	154	Reports Issued September 7 and 19, 2018
UNO Athletics Ticketing	N/A	145	-	Suspended
F&A Policy, Strategy and Expenditures	N/A	72	-	Carryforward
Healthcare RFP / UNL Software and NEW work with DocuSign	N/A	28	-	Carryforward
UNO IS&T	N/A	41	-	Carryforward
CASNR IT Access De-provisioning	N/A	-	65	Report Issued August 10, 2018
EduCo Contract and Briefing Document	N/A	-	139	Reports Issued August 10, 2018 and March 11, 2019
TEI	N/A	-	2	Suspended per Management Request
Protiviti	N/A	-	8	Completed - No Report Issued
iExcel Travel Expenses	N/A	-	17	Report Issued February 28, 2019

UNK Tickets Contract, UNK SOC Report, and U-wide SOC Report Policy	N/A	-	41	Fieldwork
Management Request Projects	Additional Details	Planned Hours	Actual Hours	Status
IT - UNK Data Center Physical Security	N/A	242	22	Suspended - Data Center Relocated
IT - UNL Data Center Physical Security	N/A	290	465	Draft Report
IT - UNMC Data Center Physical Security	N/A	242	191	Fieldwork
IT - UNO Data Center Physical Security	N/A	-	628	Report Issued February 22, 2019
IT - Identity Management	N/A	604	4	Planning
State Contracts Database Compliance – Quarterly Review	N/A	295	271	Draft Report for Quarter 1
APA Requests/Fraud Issues/Consulting	Additional Details	Planned Hours	Actual Hours	Status
Time allotted for fraud reviews not yet known throughout the year.	N/A	430	292	Ongoing - Also See Reports Issued Below
UNO IS&T	A review of certain expenditures.	31	154	Reports Issued March 4 and 5, 2019
iExcel Travel Expenses	A review of certain expenditures.	44	167	Report Issued November 14, 2018
UNL Child Care	A review of fundraising activity and outside bank account.	-	150	Report Issued September 7, 2018
Barnett	A review of a separated employee's access to University funds.	-	In 292 Above	Report Issued February 22, 2019
UNK EthicsPoint Case #11	A review of State vehicle use.	-	In 292 Above	Report Issued March 15, 2019
UNL TRIO Program	A review of an employee's vacation leave use during outside employment.	-	96	Report Issued March 29, 2019
UNK Tickets Contract, UNK SOC Report, and U-wide SOC Report Policy	A review of a ticketing contract and SOC reporting.	-	125	Report Issued September 26, 2018
UNMC Travel and Effort Reporting	A review of certain expenditures.	-	230	Draft Report
UNL Athletics	A review of a coach's expense reimbursements.	-	129	Report Issued February 1, 2019

Consulting	Time budgeted without specific projects, including Committee participation and general discussions with management.	-	151	N/A
Other Items	Additional Details	Planned Hours	Actual Hours	Status
Risk Assessment	N/A	728	1,097	N/A
Strategic Plan, QAR, and Audit Universe	N/A	193	280	N/A
Reading and Research	N/A	-	140	N/A
Administrative	Vacation, Sick, Holiday, Funeral, Training, etc.	3,460	3,297	N/A
Other Non-Audit	Campus and Building Meetings, CAO/CBO Meetings, Legal Counsel, Conflict of Interest, etc.	368	980	N/A
Internal Audit Administration	Audit Committee meetings and prep (358 hrs.), Development of forms and policy (170), Big 10 (27), HR time including hiring (360), Time/Project Management (594), Staff Meetings (397), etc. (206)	1,330	2,113	N/A
Legislation	Mike's Non-Audit Role	400	280	N/A
Total Hours	Exceeds budget where hours exceed 40/week	16,640	17,341	N/A