

UNIVERSITY OF KENTUCKY BOARD OF TRUSTEES

Joe Reed, Chief Accountability Officer and Audit Executive



AN EQUAL OPPORTUNITY UNIVERSITY

ACCOUNTABILITY OFFICE ACTIVITY REPORT

ONGOING ACCOUNTABILITY OFFICE ACTIVITY

The Accountability Office **continuously evaluates workplace practices** and **appraises employee adherence** to federal and state regulations and university policies related to high-risk processes.

The methodology for enterprise compliance is shown here:



UK INTERNAL AUDIT FY 2024-25 WORK PRIORITIZATION

FY 2024-25 work prioritization

Processes

Business continuity

Contract management

Enrollment management

Institutional compliance

Medical revenue cycle

Planning, design and
construction

Procurement card

Records management

Information systems

Data Centers

Electronic discovery

Enterprise applications

Disaster recovery

Units

Ambulatory services

Ancillary units/entities

Athletics

Externally-funded academic centers

Continuous/ Unplanned Activities

Inquiries

- Comply line calls
- Direct reports (first-hand accounts)
- UKIA website reporting form

Follow-ups

- Comprehensive reviews
- Information technology
- Inquiries/investigations
- Repetitive audits

Other/ongoing activities

- Committee membership
- Partnerships
- Task force participation
- Consultations

UKIA BUSINESS RISK FACTOR (BRF) COMPONENTS

Business Risk Factor		Definition/Measurement	Component	
1	Public Exposure	Media coverage intensity and type of clientele	1. Media Coverage 2. Customer Type	3. Current Affairs 4. Program Visibility
2	External Factors	Federal and state regulations and industry standards	5. State Regulations 6. Federal Regulations	7. Industry Compliance
3	Materiality	Financial and budgetary impact	8. Sources of Revenue 9. Transaction Volume	10. Budget Breakdown 11. Transaction Complexity
4	Audit Interval	Interval since last external and/or internal audit	12. Internal Audits 13. External Audits	14. Other Audits
5	Control Environment I	Workplace culture and practices	15. Operational 16. Event Identification	17. Key Position Turnover Rate
6	Control Environment II	Information technology culture and practices	18. Information System (IS) Applications 19. Data Centers	
7	Management Requests	Review request made by university management	20. Management Requests	

ONGOING ACCOUNTABILITY OFFICE ACTIVITY

Current Accountability Office (AO) Activity

Project	Process	Process Owner	Risk Profile		Engagement Date	Project Status
			Identified Risk	BRF Component		
1 International Travel	Registration	Travel Center	Traveler registration	(16) Event Identification	12/1/23	Communication
			Employee Safety	(18) Application		
2 Willed Body	Tracking	College of Medicine	Recording, Tracking, and donor intent (e.g. burial and family notification)	(1) Media Coverage (16) Event Identification	10/23/24	Validation
			Data integrity	(15) Operational		
3 Motor Vehicle Records	Documentation	Risk Management	Negligent entrustment or legal requirement	(15) Operational (16) Event Identification	10/29/24	Validation
			Regulatory compliance	(6) Federal regulations		

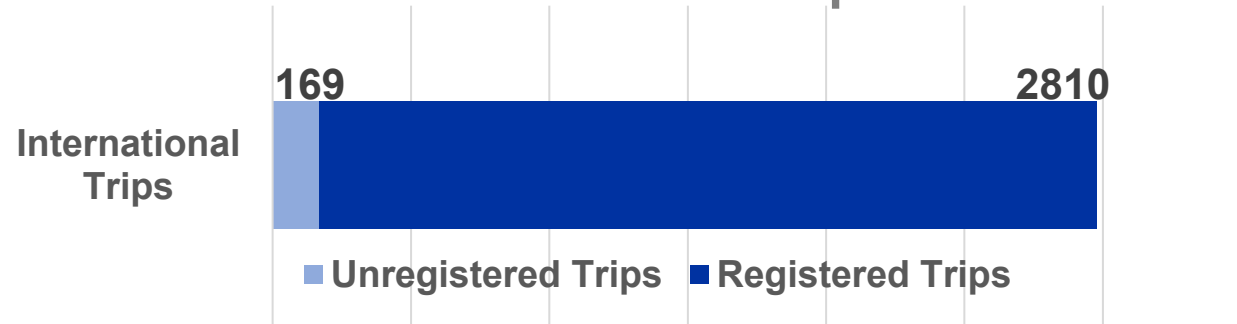
*Project in Communication status is highlighted in subsequent pages.

International Travel

Purpose

UKIA will validate UK's International Travel Registry against UK Travel Services' database to ensure all individuals traveling on behalf of the university outside of the United States (including to U.S. territories) have properly registered.

CY 2023 International Travel Exceptions: Travelers and Trips



- **5.67%** of all international trips taken in 2023 had **not been registered**.
- These trips involved **149 unique travelers from 27 units**
- **Seven trips were to countries that were under travel advisories** (0 trips to maligne countries*)

* Countries which have undertaken hostile efforts to influence the political, military, economic or other policies or activities of the U.S.

ONGOING ACCOUNTABILITY OFFICE ACTIVITY

Communication of results

Project	Activity	Entity	Date
International Travel	Closing meeting	Held with the five units with highest rate of unregistered travel	July 15, 2024
			August 6, 2024
			August 6, 2024
			August 13, 2024
			August 19, 2024
	Closing Meeting	Process Owner	September 27, 2024
	Website Report	Enterprise	October 18, 2024
	Lessons Learned	Enterprise	November 6, 2024
	Final Communication	Process Owner	November 18, 2024
	Enterprise Communication	UKHC Leadership	November 21, 2024
		Deans	November 26, 2024
Academic Chairs		November 27, 2024	

Willed Body Program

Purpose

*The UK College of Medicine Willed Body Program accepts donated bodies for medical education and research. To help instill public confidence and protect the university, the Accountability Office (AO) will provide management and families with **reasonable assurance** that the **dignity of each donor** is upheld at a every step of the process.*

The AO will focus on the following areas to validate program effectiveness:

- Timely and expeditious flow of cadavers from donation through research/examination and finally to burial.
- Regular and consistent communication with donors' families regarding the status of their loved ones' remains.
- Proper documentation protocols that are consistently followed throughout the workflow.
- Appropriate metrics have been established and effectively monitored.

Commenced:
October 23, 2023

**Opening
Conference:**
May 20, 2024

**Progress Update to
Process Owner:**
October 16, 2024

Motor Vehicle Reports

Purpose

All UK employees whose job descriptions include driving responsibilities as designated in their Job Analysis Questionnaire (JAQs) are required to submit a *Motor Vehicle Record Release (MVR) and Information Form* to Risk Management. To assist Risk Management in reducing risk associated with “negligent entrustment,” the Accountability Office (AO) is commencing an ongoing evaluation of MVR form adherence.

For these annual evaluations, the AO will assess the completeness of the MVR form submittals through analysis of the following:

- MVR Records
- Database of known drivers (e.g. UK Police, UKHC bus drivers, Facilities Maintenance workers, County Extension Services, UKY Research Farm workers, etc.)
- MVR Collection Process
 - *Process ownership*
 - *Workflow*

Commenced:
October 29, 2024

**Opening
Conference:**
TBD

Partnerships with AO Deliverables

Project		Process Owner	Risk Profile		Engagement Purpose
			Identified Risk	BRF Component	
1	Records Management	UK Libraries	Regulatory non-compliance	(5) State Regulations (9) Transaction Volume (15) Operational	Evaluate the status of the university's record retention and destruction as follows: 1. Compliance with State university model retention schedule 2. Volume of records 3. Protocol for record destruction 4. Existence of any systems currently in use 5. Expenditures related to record storage
2	Capital Construction	Capital Project Management Division	Contract Compliance Transparency	(7) Industry Compliance (9) Transaction Volume (15) Operational	Review capital construction projects for the efficient and effective practices and protocols in the planning, design and build.
3	COI&C	Accountability Office	Regulatory non-compliance	(5 and 6) State and Federal Regulations	Partner with stakeholders across the university for development of revised COI policies, processes, and systems.
			Misappropriation	(15) Operational	

QUESTIONS





UK INTERNAL AUDIT MISSION STATEMENT

To support UK in its pursuit of excellence by providing expert analyses and advice to champion the achievement of institutional objectives.



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