

UNIVERSITY OF KENTUCKY BOARD OF TRUSTEES

Joe Reed, Chief Accountability Officer and Audit Executive



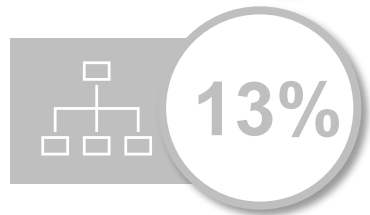
AN EQUAL OPPORTUNITY UNIVERSITY

UPDATE ON UK INTERNAL AUDIT'S ACTIVITY RELATED TO UK'S REPORTING TOOLS

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Trends as reported by the Association of Certified Fraud Examiners *Fraud 2024* report

Detection methods



■ Tip ■ Internal audit ■ Management review

Tip sources



70% of tips were reported via a **web-based form** or by **telephone**.



52% of tips came from **employees**.

Source: Association of Certified Fraud Examiners' *Occupational Fraud 2024: A Report to the Nations*.

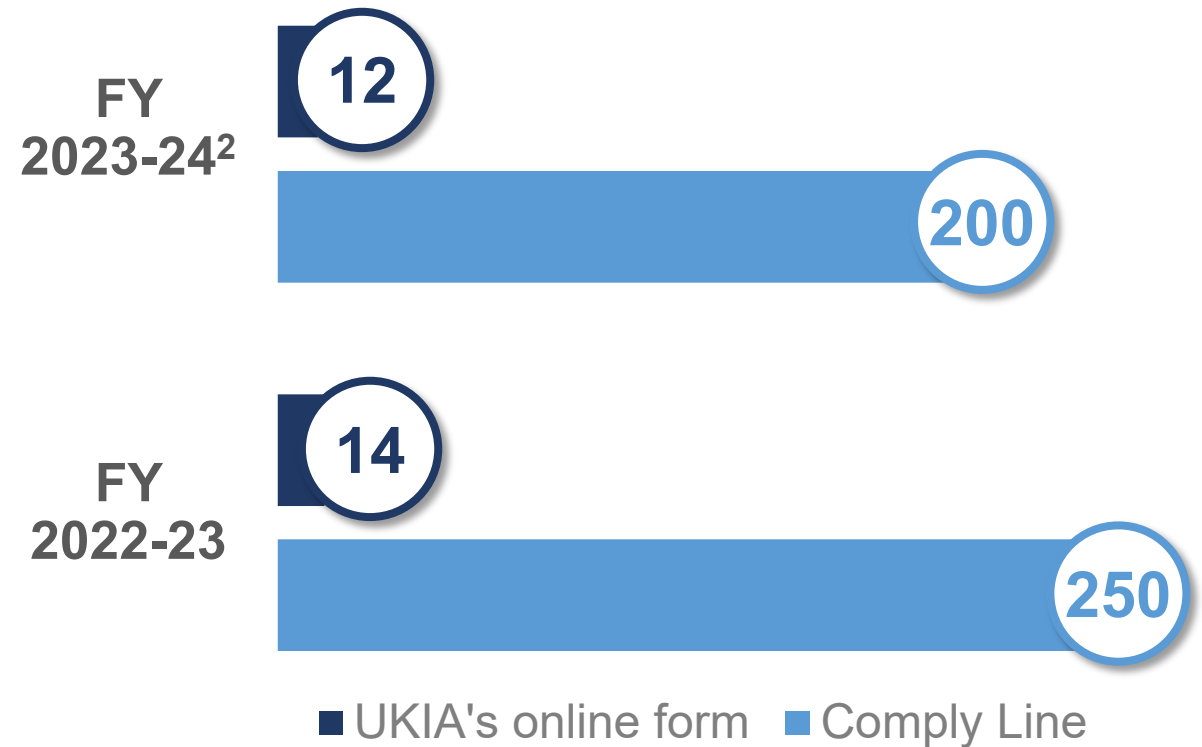
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Reporting sources

UKIA's investigations typically stem from information provided through the following sources:

- 1. UKIA's online form (anonymous)**
 - Reporting form on UKIA's website
- 2. Comply Line (anonymous)**
 - 24-hour telephone hotline
- 3. Other methods**
 - Stakeholder contacts
 - Auditor outreach

Total reports by anonymous source¹

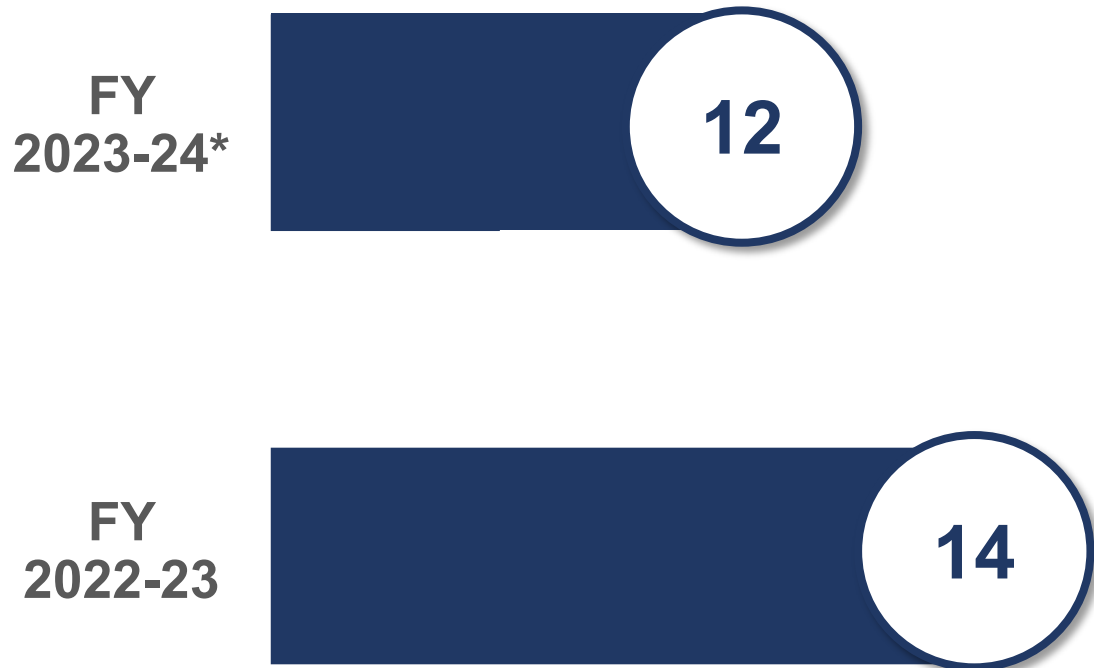


¹Direct call/email and stakeholder outreach data not available.

²As of 4/3/2024.

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UKIA's online form submissions

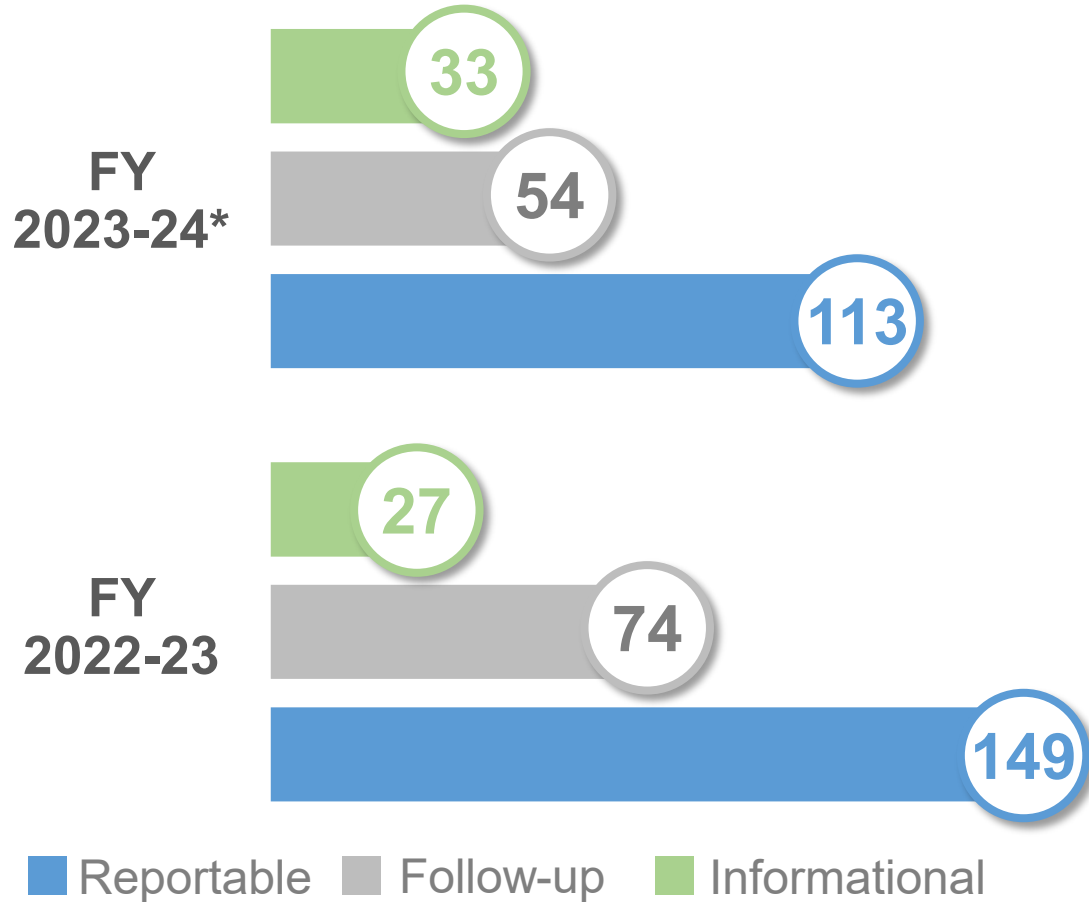


President's Cabinet Area	Reportable tips	
	FY23	FY24*
Enterprise-wide	1	0
Executive Vice President for Finance and Administration	6	2
Provost/Campus	2	2
Provost/Health Care	4	1
Student Success	0	4
UK HealthCare	1	3

*as of 4/3/2024.

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Comply Line calls



President's Cabinet Area	Reportable tips	
	FY23	FY24*
Executive Vice President for Finance and Administration	5	2
President/Athletics	1	9
Provost/Campus	1	1
Provost/Health Care	4	3
Student Success	4	3
UK HealthCare	134	94
Vice President for Research	0	1

*as of 4/3/2024.

Other methods

Stakeholder contacts

- Process owners
- Management
- Other University personnel

Auditor outreach

- Audit services (repetitive, consultation, comprehensive, information technology, etc.)
- Ongoing data analytics
- In-person training

Overview

People – **Services** – Process

Inquiries/ Investigations

Inquiries

- Validating/substantiating event
- Communicating results

Investigations

- Confirming details of misappropriation/violation
- Quantifying losses
- Communicating results

Partnerships

- Human Resources
- Office of Legal Counsel
- UK Police Department
- Other compliance entities

Assistance as needed from specialized support services

- Information Technology Services
- External consultants

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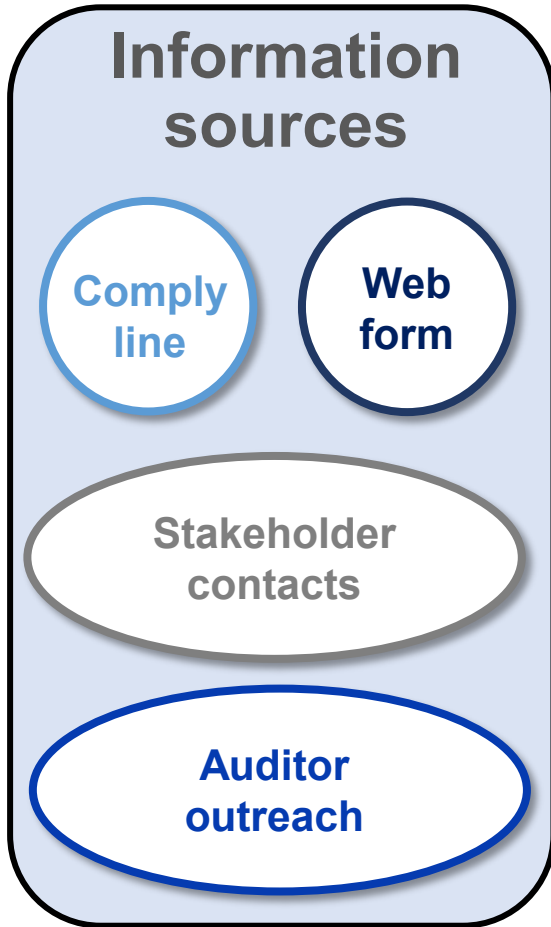
Overview

People – **Services** – Process



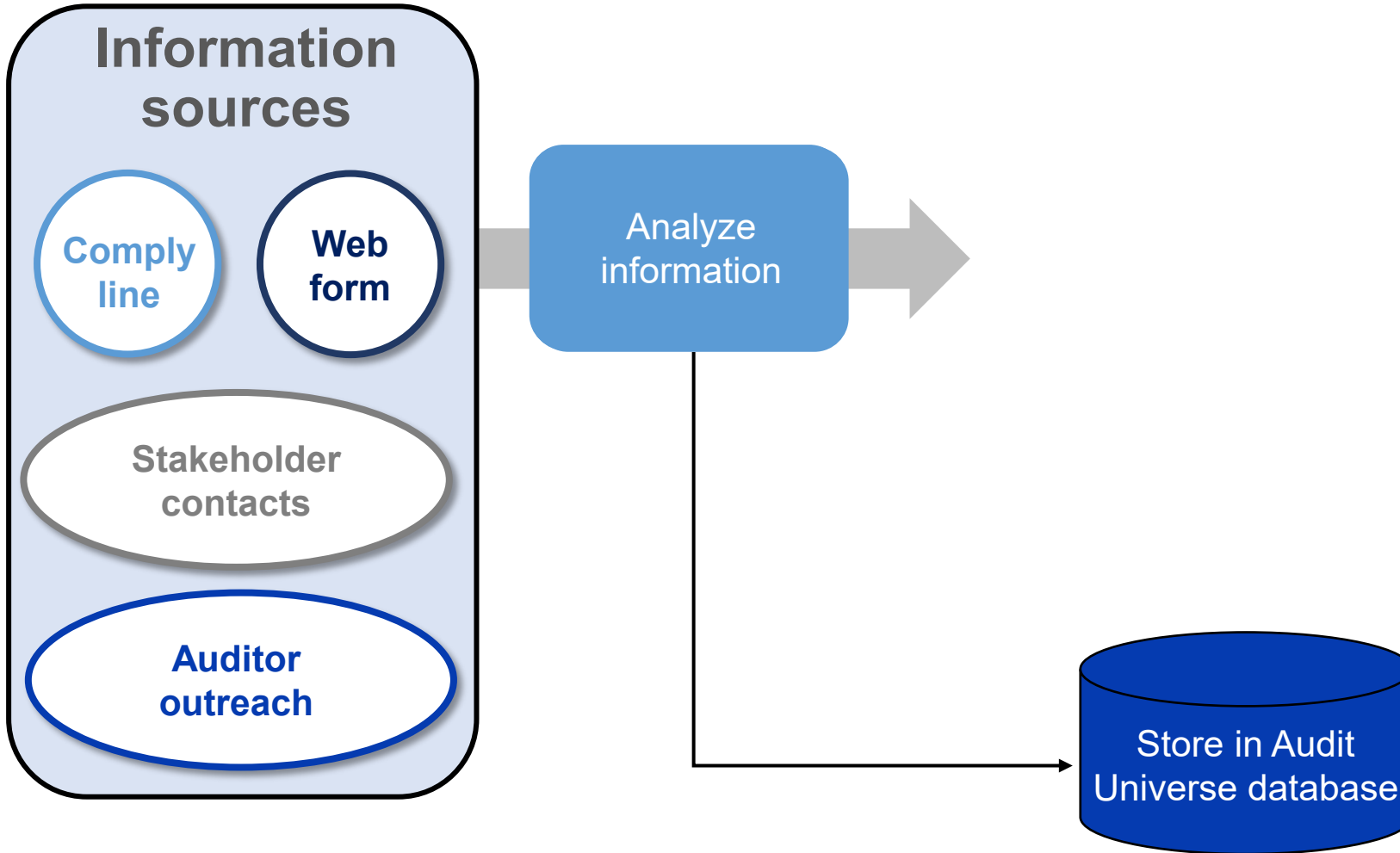
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Inquiry/investigation general process



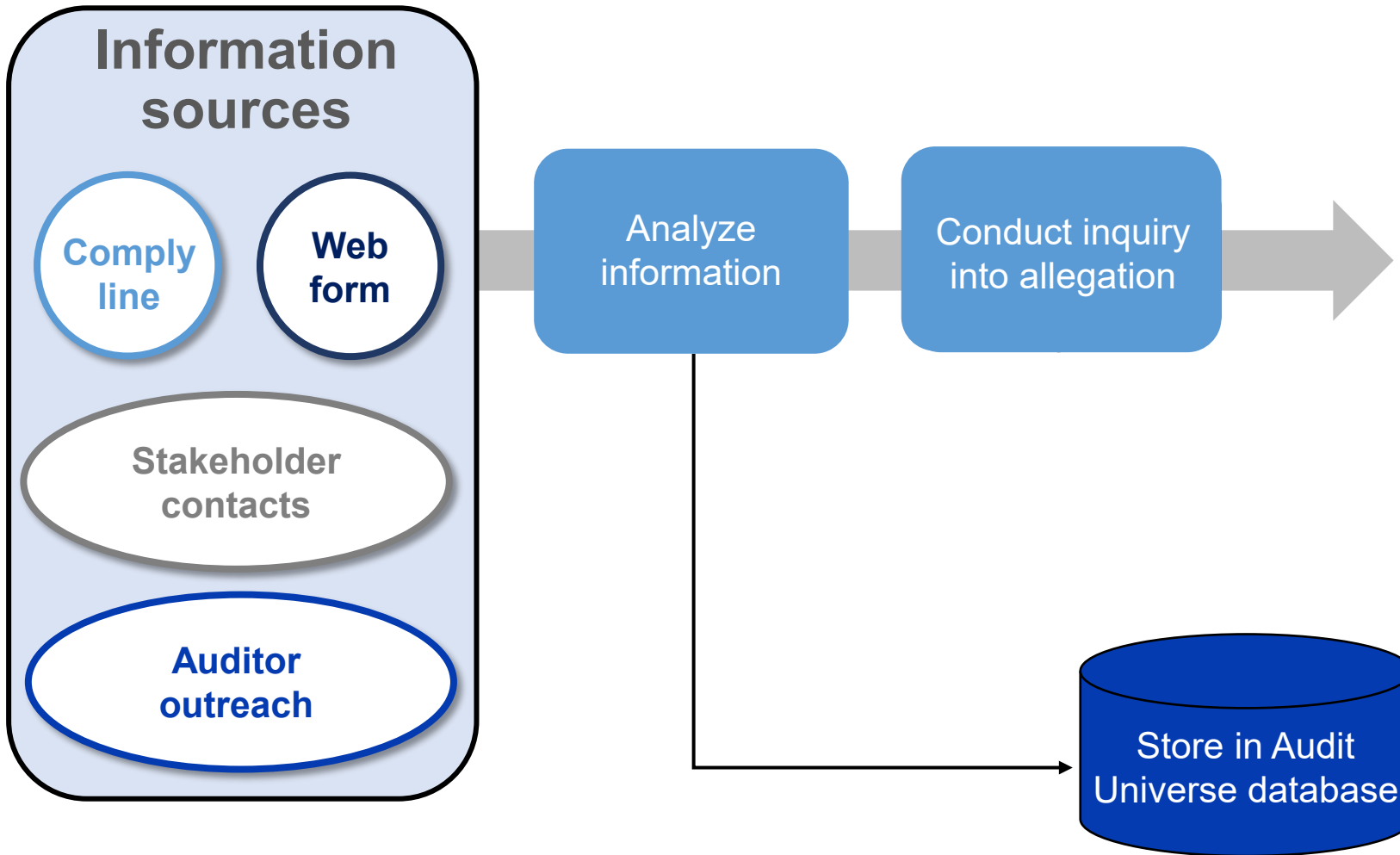
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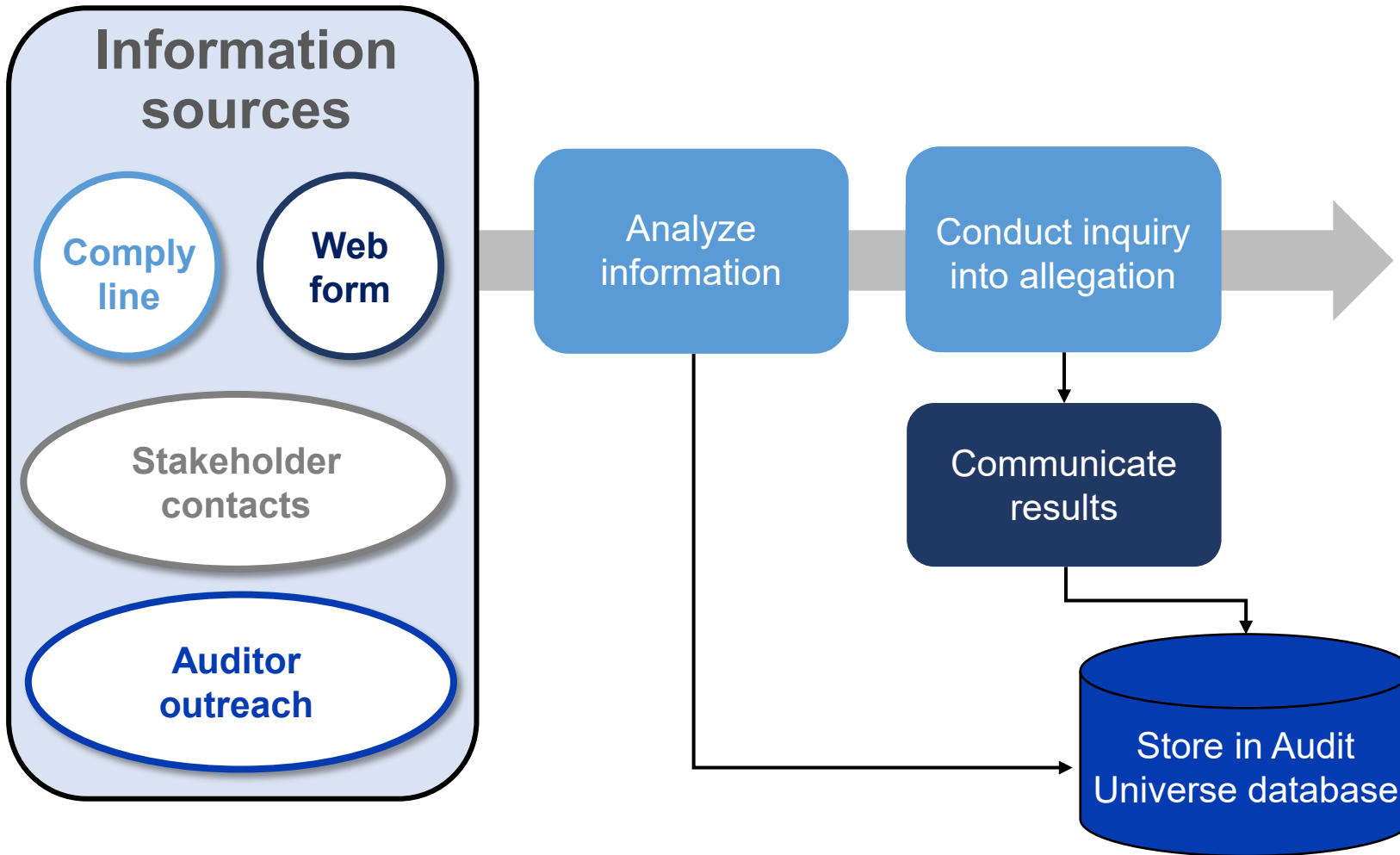
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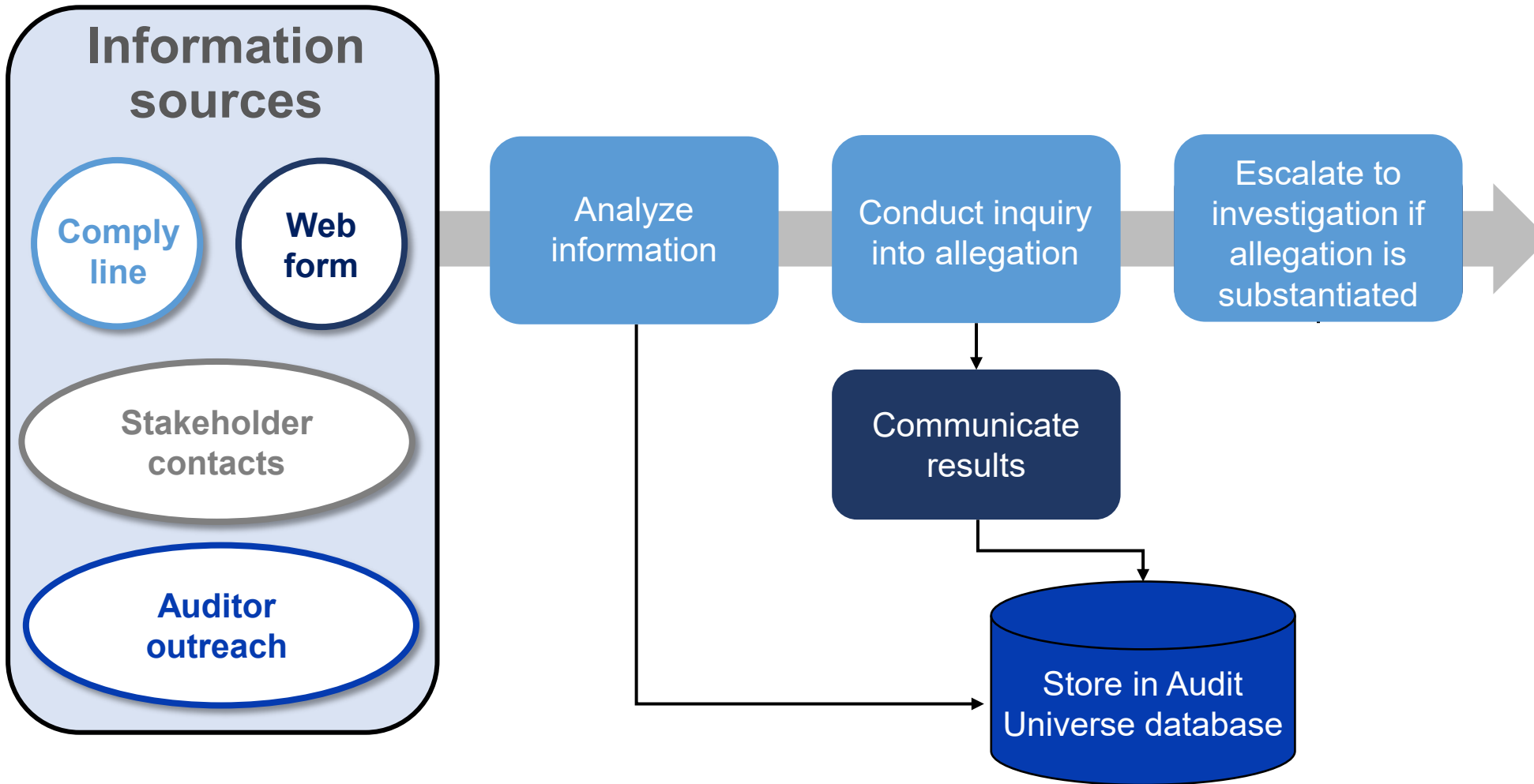
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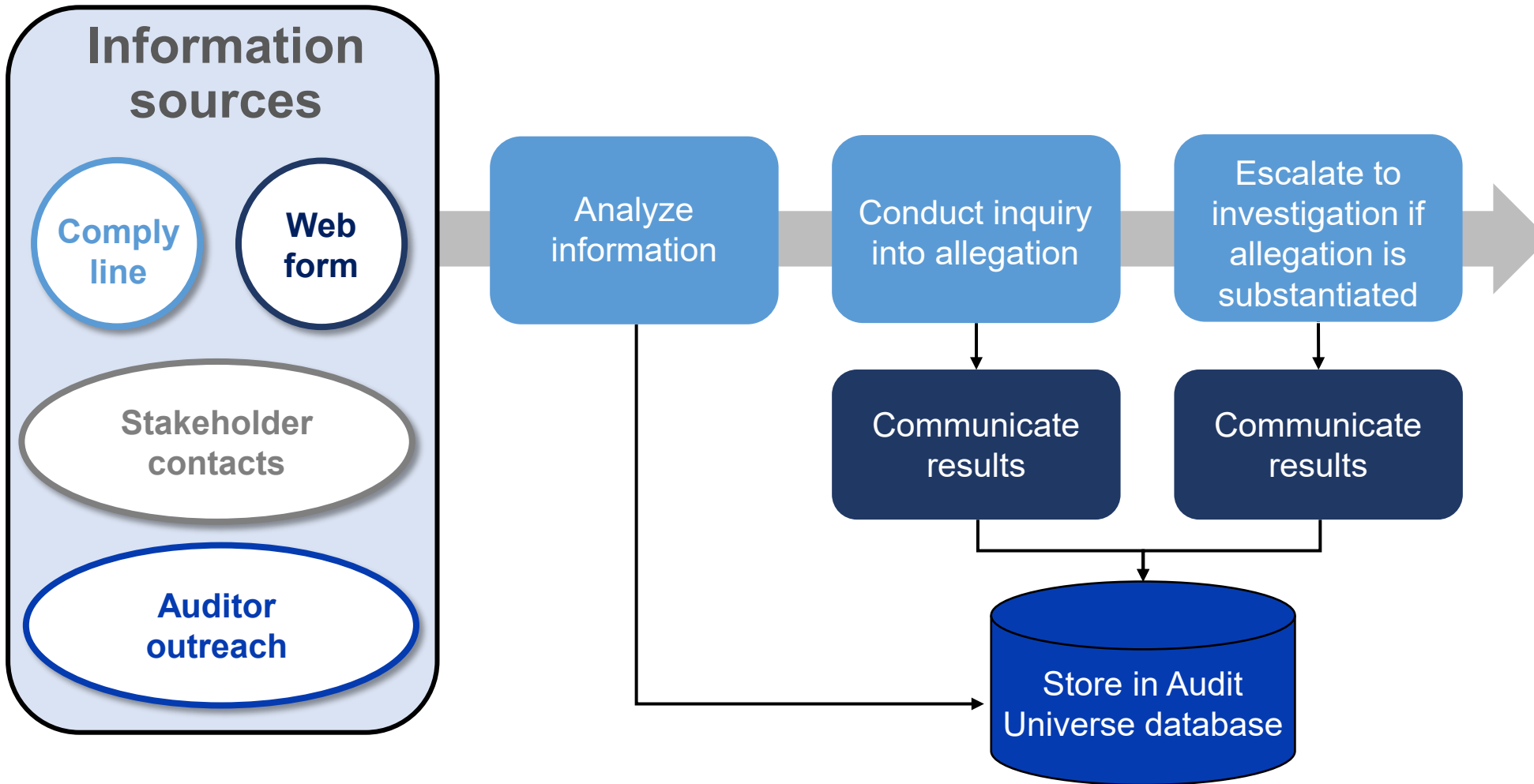
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Overview

People – Services – **Process**



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Overview

People – Services – **Process**

Communicate
results

Process weaknesses and/or inappropriate activity

Entity	Process weakness	Inappropriate activity
Unit/department	X	X
Relevant process owners	X	X
University administration	<i>*see footnote</i>	X

*e.g., policy violation with unit's responsibility for mitigation.

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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