

## **Executive Summary**

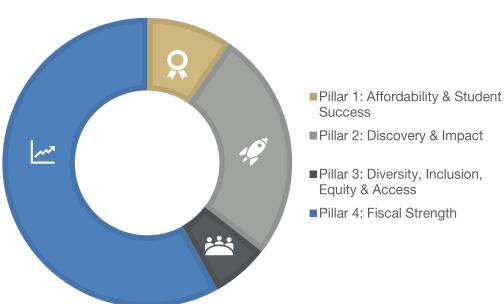
- Chief Audit Executive & Leadership Transition
- Completed majority of the audit plan despite the COVID-19 pandemic challenges
- Continued to successfully manage CU EthicsLine
- ✓ Increased focus on the investigation process timeliness
- Renewed focus on team engagement and culture
- Revised Internal Audit Charter
- Maintained independence and objectivity in all engagements
- ✓ Looking forward to the future: a vision to take Internal Audit a step further

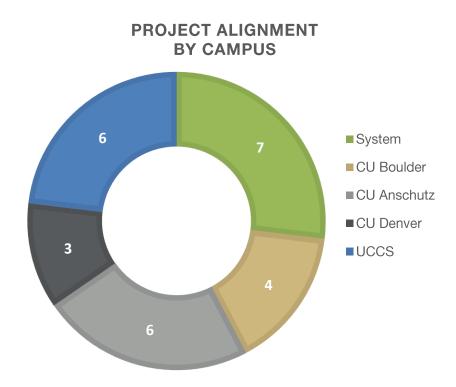


# A Lookback at FY21: Projects

- 18 assurance projects completed, 3 in reporting
  - 4 advisory projects completed, 1 ongoing









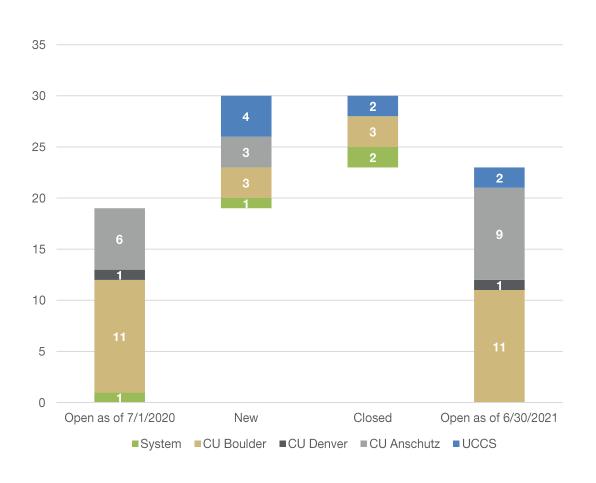
# A Lookback at FY21: Findings



- One UCCS MAP from FY19 continues to remain open in FY22 and is expected to be closed and resolved by 12/31/2021.
- Of the 14 FY20 MAPs that remained open at the start of FY21, 11 have been resolved. The expected resolution date for the remaining three
   CU Boulder MAPs is yet to be determined, as new management in the responsible area is assessing processes and procedures in the audit area.
- FY21 audits resulted in 39 MAPs. Throughout the year, 15 MAPs were closed and considered resolved. The 24 MAPs from FY21 that remained open at the start of FY22 will continue to be followed up on during the year.



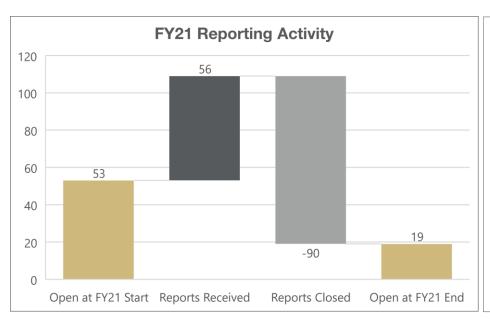
# A Lookback at FY21: Investigations

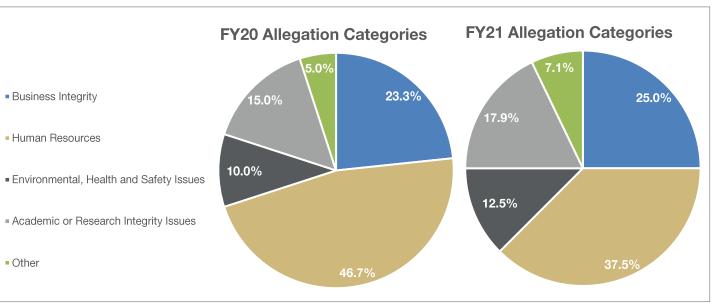


Out of the 7 cases closed during FY21,
 1 substantiated fiscal misconduct



### A Lookback at FY21: CU EthicsLine

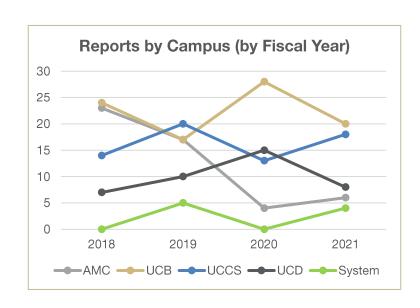


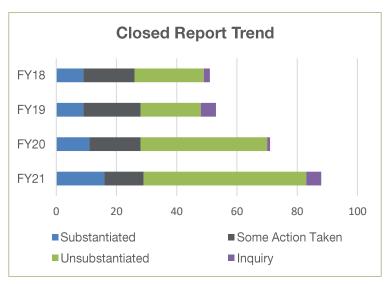


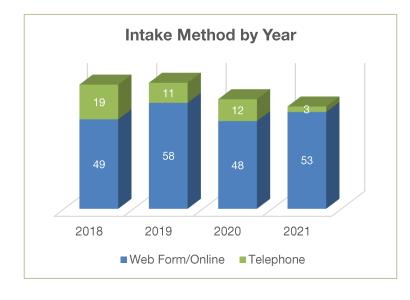
- IA undertook a concerted effort to address the backlog of reports that remained open at the beginning of the fiscal year. This effort resulted in identifying a large number of reports that had been fully investigated and completed but not closed administratively. To prevent this from happening in the future, IA changed some of its administrative processes to better track and more timely address outstanding reports.
- Across the past three fiscal years, approximately 1/3 of all reports received resulted in some action being taken by university personnel to address the allegation directly or to enhance communications or controls that contributed to the reported situation.
- At the end of FY21, the number of reports received was 4.67 per month, down from 5.00 per month in FY20 and 5.75 per month in both FY18 and FY19.



### A Lookback at FY21: CU EthicsLine







- During FY21, reporters relied on the online reporting option more than in previous fiscal years, with only 3 reporters utilizing the telephonic option to submit a report, down from 12 in the previous year.
- The decrease in hotline utilization from year-to-year reflects an opportunity to increase awareness and provide education about this resource.
- Historically, reporters have self-identified in only 25% of the reports received. However, the percentage of self-identified reporters has continued to increase over the past two fiscal years. This is a positive sign, as an increase in self-identifying reporters may corollate to increased trust in and reputation of the reporting system.



### **Internal Audit Team**

#### Agnessa Vartanova

**AVP & Chief Audit Executive** CIA, CFE, CPA (CO), CISA, CRMA

**Ginger Minges** Executive Assistant

#### Brett Kellum

Sr. Manager (Assurance) CIA, CFE

#### Karisa McCulloch

Sr. Manager (Assurance) CFE

#### Jim Dillon

Director (IT) CISA, CISSP

#### Kathleen Sutherland

Sr. Manager (Advisory) **CCEP** 

#### **Debbie Chapman**

Director (Investigations) CIA, CFE, CPA (CO)

#### Tim Dulaney

Manager CIA. CFE

**Diane Main** 

Manager

CIA, CPA (CO)

#### Patty Durbin

Manager CIA, CPA (WA), CCEP

#### Jeff Lutterman

Sr. Manager (IT) CISA, CISM, CRISC

#### Sarah Tuttle

Sr. Auditor CPA (CO, FL)

#### Minna Briscoe

Manager (IT) CISA

Craig Winbush Sr. Auditor (IT) CISA

#### **Steve Smith**

Sr. Manager

### **Eric Thompson**

Sr. Manager CFE, CPA (CO)

#### **OPEN**

Sr. Auditor

#### **Assurance & Advisory**

**Investigations** 

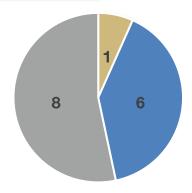


### **Team Profile**

#### **Years of Expertise**

Area of Expertise	Avg Years of Experience at CU IA	Avg Years of Relevant Experience
Audit	8	20
Investigations	11	24
Legal/Compliance	9	19
Information Technology	8	20
Team Total	9	21

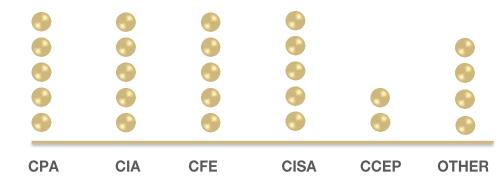
#### **Education**



Juris Doctorate Master's/MBA Bachelor's



#### **Professional Certifications**



**CPA** – Certified Public Accountant

**CIA** – Certified Internal Auditor

**CFE** – Certified Fraud Examiner

**CISA** – Certified Information Systems Auditor

**CCEP** – Certified Compliance & Ethics Professional

Other - Certifications in Information Security Management; Risk and Information Systems Controls; Information System Security; Risk Management Assurance

#### Languages













### Mission

The mission of the University of Colorado Department of Internal Audit is to enhance and protect organizational value by providing risk-based and objective assurance, advice and insight.

- University of Colorado Department of Internal Audit Charter (Revised June 2021)



## Risk Management Roles

#### **BOARD OF REGENTS**

Accountability to stakeholders for organizational oversight

General supervision, control of funds, enactment of laws, appointments, approval of tuition/fees

Leadership through integrity and transparency



Actions (including managing risk) to achieve organizational objectives

Provide high-quality
education and
professional training,
public service, advancing
research and knowledge
and state-of-the-art
healthcare

Lead, support, monitor and challenge risk-related and compliance matters

#### **INTERNAL AUDIT**

Independent assurance

Independent and objective assurance and advice on all matters related to the achievement of objectives

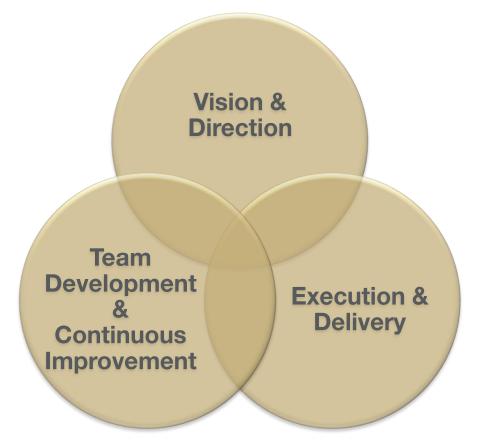
EXTERNAL **ASSURANCE PROVIDERS** 

# Looking to the Future

Meet the needs of CU stakeholders through timely delivery of valuable work Embody a high-performance team culture | Support CU in delivering on its strategy

Continually seek excellence and drive improvement in operational performance:

- Create processes that promote sustainable efforts
- Reflect on how to become more effective, then turn and adjust our process accordingly
- Support operational improvements across the organization



Increase data literacy in audit team and use of data analytics in engagements

Provide the team with the environment and support they need to do their best work

Harness change for a competitive advantage



# **Strategic Initiatives**

Promote and commit to quality improvement and innovation through a **Quality Assurance & Improvement Program** (QAIP). Update internal practices to align with the latest IIA guidance.

Service-oriented mindset underpinned by feedback through **post-engagement surveys**. Identify and share emerging trends with stakeholders.

Establish a focus on development of **data analytics** capabilities for project risk assessment and execution.

Deliver services cost effectively by ensuring that methodologies allow for agile and effective service delivery. Design and track meaningful **KPI's**.

Quality and innovation Service culture Internal Collaborative Cost effectiveness partnerships

Align scope and audit plan with stakeholder expectations, effectively addressing organizational strategic objectives and emerging risks.

Focus on critical risks and relevant issues by enhancing the **risk assessment process** through closer alignment with strategic pillars.

Focus on mentorship and talent development through enhanced job descriptions, clear expectations, and performance management practices (e.g., Cornerstone rollout). Implement semiannual "Pulse of IA" survey.

Partner with stakeholders in meaningful ways to raise level of engagement through **educational support**, advisory and ad hoc projects. Increase **alignment with various compliance functions** through improved communication to avoid effort redundancy.



Source: adapted from the PwC State of Internal Audit Profession Study

### In Conclusion...

