AGENDA

JOINT MEETING
FINANCE/AUDIT AND CONSTRUCTION COMMITTEES

UNIVERSITY OF SOUTHERN INDIANA
BOARD OF TRUSTEES

March 6, 2008

(CONSTRUCTION)

1. APPROVAL OF CONSTRUCTION BIDS FOR PHASE II OF THE RECREATION AND FITNESS CENTER

At its meeting on November 2, 2005, the Board of Trustees authorized the Construction Committee to request and review construction bids and award contracts or reject any and all bids for the construction of Phase II of the Recreation and Fitness Center.

Construction bids for Phase II of the Recreation and Fitness Center were received on February 26, 2008, and reviewed by the architects and the University staff. Attachment A includes an analysis of the bids. A recommendation will be presented to the Committee.

Approval of a staff recommendation regarding construction bids for Phase II of the Recreation and Fitness Center is recommended.

(FINANCE/AUDIT)

2. REVIEW OF COMPLETED AUDITS AND APPROVAL OF THE ANNUAL AUDIT PLAN

A summary of audits and other activities conducted by the Internal Audit Department for the 2006-2007 fiscal year (Attachment B) will be reviewed with the Committee. The proposed 2008 Annual Audit Plan will be presented (Attachment C).

Approval of the proposed 2008 Annual Audit Plan in Attachment C is recommended.

3. APPROVAL OF RECOMMENDATION TO THE BOARD OF TRUSTEES REGARDING REFINANCING OF THE UNIVERSITY OF SOUTHERN INDIANA AUXILIARY SYSTEM VARIABLE RATE DEMAND REVENUE BONDS, SERIES 2001B, AND DELEGATION OF CERTAIN POWERS IN REGARD THERETO TO THE FINANCE/AUDIT COMMITTEE

The Auxiliary System 2001 Series B Bonds are a variable rate issue originally totaling $10,800,000. The rate resets weekly. The Bonds are backed by insurance from Ambac Assurance Corporation and a line of credit liquidity facility. Uncertainty regarding the stability of the bond insurer has created an unacceptable level of volatility in the variable rate of the issue. The proposed resolution (Attachment D) authorizes the refinancing of the remaining $9,800,000 principal balance of the issue.

Approval of a recommendation to the Board of Trustees to approve the *Resolutions of the University of Southern Indiana Board of Trustees* in Attachment D is recommended.

4. APPROVAL OF RECOMMENDATION TO THE BOARD OF TRUSTEES REGARDING A PLAN FOR REFINANCING OF THE UNIVERSITY OF SOUTHERN INDIANA AUXILIARY SYSTEM VARIABLE RATE DEMAND REVENUE BONDS, SERIES 2001B

A Request for Proposal was issued to determine market interest in a bank-qualified private placement issue for refinancing the Auxiliary System Variable Rate Demand Revenue Bonds, Series 2001B. The proposed refinancing will be reviewed and the staff will recommend a specific plan.

Approval of a recommendation to the Board of Trustees to approve the proposed financing plan is recommended.

Recreation and Fitness Center Expansion - General Contract Bid Tabulation

CONTRACTORS (GENERAL)	Arc Construction	Deig Brothers	Empire Contractors	Industrial Contractors	Peyronnin Construction	Weddle Brothers Construction
GENERAL BASE BID	$ 5,210,000.00	$ 5,767,670.00	$ 5,390,900.00	$ 5,990,000.00	$ 5,620,000.00	$ 5,639,600.00
ALT. G-1 (Balconies)	$ 50,000.00	$ 47,347.00	$ 77,000.00	$ 49,300.00	$ 58,000.00	$ 67,300.00
ALT. G-2 (Glazed tile walls in lieu of paint)	$ 125,500.00	$ 35,844.00	$ 118,500.00	$ 33,444.00	$ 120,000.00	$ 32,900.00
ALT. G-3 (Carpet) (Enter preferred carpet)						
A Mohawk Commercial, "One First Modular"	$ 58,300.00	$ 49,000.00	$ 52,000.00	$ 63,315.00	$ 52,600.00	$ 50,000.00
B Mohaw Comemrcial, "The Original Modular"	$ 58,300.00	$ 49,000.00	$ 52,000.00	$ 63,315.00	$ 52,600.00	$ 50,000.00
C Bigelow Commercial, "Adapt Modular"	$ 58,300.00	$ 49,000.00	$ 52,000.00	$ 63,315.00	$ 52,600.00	$ 50,000.00
D Bigelow Commercial, "Buzz Modular"	$ 58,300.00	$ 49,000.00	$ 52,000.00	$ 63,315.00	$ 52,600.00	$ 50,000.00
E Bigelow Commercial, "Connect Modular"	$ 58,300.00	$ 49,000.00	$ 52,000.00	$ 63,315.00	$ 52,600.00	$ 50,000.00
F Lees, "Neofloor"	$ 80,000.00	$ 61,000.00	No Bid	$ 76,650.00	$ 52,600.00	$ 77,400.00
G Lees, "Sequences Collection"	$ 82,000.00	$ 76,000.00	No Bid	$ 78,435.00	$ 52,600.00	$ 79,200.00
ALT. G-4 (Existing Locker, Shower and Toilet Rooms - grind and apply new matte, non-slip urethane finish to existing terrazzo)	$ 8,300.00	$ 8,000.00	$ 16,500.00	$ 15,750.00	$ 8,000.00	$ 15,400.00
ALT. G-5 (Construction Area 2)	$ 75,500.00	$ 115,779.00	$ 99,900.00	$ 106,000.00	$ 102,000.00	$ 79,000.00
ALT. G-6 (Climbing Tower, Bouldering Wall, and Resilient Floor in Climbing Rock 109, is included in contract)	$ 199,500.00	$ 196,749.00	$ 211,800.00	$ 215,000.00	$ 203,000.00	$ 192,500.00
ALT. G-7 (Women's Locker room 110 and Men's Locker room 111 items are included: Ceilings, toilet and shower, partitions, toilet accessories, lockers, benches, vanities and supports)	$ 98,000.00	$ 84,182.00	$ 114,000.00	$ 111,000.00	$ 116,000.00	$ 100,700.00
ALT. G-8 (Demolishing and replacing floor in Basketball Court "A", installing two additional basketball goals and installing all wall padding in Basketball Court 102)	$ 120,000.00	$ 126,149.00	$ 127,000.00	$ 134,000.00	$ 105,000.00	$ 105,000.00

Recreation and Fitness Center Expansion - Mechanical Contract Bid Tabulation

CONTRACTORS (MECHANICAL)	Deig Brothers	Goedde Plumbing & Heating	Hampton Plumbing	Industrial Contractors	J.E. Shekell	PPMI	Ritzert Company	Peyronnin
MECHANICAL BASE BID	$ 944,477.00	$ 992,300.00		$ 1,162,000.00	$ 966,010.00	$ 957,000.00		$ 908,000.00
ALT M-1 (Construction Area 2)	$ 650.00	$ -		$ 2,000.00	$ -	$ -		$ -
ALT M-2 (Women's Locker Room 110 and Men's Locker Room 111 have following items: Lavatories, urinals and water closets)	$ 10,427.00	$ 9,375.00		$ 11,500.00	$ 10,393.00	$ 26,300.00		$ 9,100.00
ALT M-3 (Women's Locker room 110 and Men's Locker room 111 have the following items: VAV units, fan coil units, duckwork, grilles, diffusers and related controls)	$ 20,187.00	$ 23,470.00		$ 25,623.00	$ 26,375.00	$ 33,800.00		$ 22,800.00

Recreation and Fitness Center Expansion - Electrical Contract Bid Tabulation

CONTRACTORS (ELECTRICAL)	Capital Electric	Deig Brothers	Industrial Contractors	Mel-Kay Electric	Premier Electric	J.E. Shekell	PPMI	State Group
ELECTRICAL BASE BID	$ 1,085,551.00	$ 1,353,000.00	$ 1,218,000.00	$ 1,013,000.00	$ 1,028,800.00	$ 1,109,924.00	$ 1,089,850.00	$ 1,056,000.00
ALT E-1 (Panel FP2-5)	$ 10,337.00	$ 17,379.00	$ 14,300.00	$ 13,142.00	$ 11,780.00	$ 11,747.00	$ 14,350.00	$ 7,600.00
ALT E-2 (Electrical demolition in Court A)	$ 1,748.00	$ 10,557.00	$ 4,000.00	$ 3,600.00	$ 4,000.00	$ 1,182.00	$ 1,550.00	$ 4,800.00
ALT E-3 (Women's Locker Room 110 and Men's Locker Room 111 have the following items: Light switches, receptacles, light fixtures, wiring for VAV units and fan coil units)	$ 17,749.00	$ 19,258.00	$ 27,200.00	$ 18,000.00	$ 20,000.00	$ 22,605.00	$ 18,150.00	$ 36,400.00

Recreation and Fitness Center Expansion - Combination Bid Tabulation

CONTRACTORS (COMBINATION)	Industrial Contractors	Deig Brothers	Weddle Brothers			
General (mark X)	x	***	x			
Mechanical (mark X)	x		x			
Electrical (mark X)	x		x			
BASE BID	$ 8,286,000.00		$ 7,630,000.00			
ALT. G-1 (Balconies)	$ 49,300.00		$ 67,300.00			
ALT. G-2 (Glazed tile walls in lieu of paint)	$ 33,444.00		$ 32,900.00			
ALT. G-3 (Carpet) (Enter Preferred Carpet)						
A Mohawk Commercial, "One First Modular"	$ 63,315.00		$ 50,000.00			
B Mohaw Comemrcial, "The Original Modular"	$ 63,315.00		$ 50,000.00			
C Bigelow Commercial, "Adapt Modular"	$ 63,315.00		$ 50,000.00			
D Bigelow Commercial, "Buzz Modular"	$ 63,315.00		$ 50,000.00			
E Bigelow Commercial, "Connect Modular"	$ 63,315.00		$ 50,000.00			
F Lees, "Neofloor"	$ 76,650.00		$ 77,400.00			
G Lees, "Sequences Collection"	$ 78,435.00		$ 79,200.00			
ALT. G-4 (Existing Locker, Shower and Toilet Rooms - grind and apply new matte, non-slip urethane finish to existing terrazzo)	$ 15,750.00		$ 15,400.00			
ALT. G-5 (Construction Area 2)	$ 106,000.00		$ 79,000.00			
ALT. G-6 (Climbing Tower, Bouldering Wall, and Resilient Floor in Climbing Rock 109)	$ 215,000.00		$ 192,500.00			
ALT. G-7 (Women's Locker room 110 and Men's Locker room 111 items are included: Ceilings, toilet and shower, partitions, toilet accessories, lockers, benches, vanities and supports)	$ 111,000.00		$ 100,700.00			
ALT. G-8 (Demolishing and replacing floor in Basketball Court "A", installing two additional basketball goals and installing all wall padding in Basketball Court 102)	$ 134,000.00		$ 105,000.00			
ALT M-1 (Construction Area 2)	$ 2,000.00		$ -			
ALT M-2 (Women's Locker Room 110 and Men's Locker Room 111 have following items: Lavatories, urinals and water closets)	$ 11,500.00		$ 18,000.00			
ALT M-3 (Women's Locker room 110 and Men's Locker room 111 have the following items: VAV units, fan coil units, duckwork, grilles, diffusers and related controls)	$ 25,623.00		$ 22,300.00			
ALT E-1 (Panel FP2-5)	$ 14,300.00		$ 13,900.00			
ALT E-2 (Electrical demolition in Court A)	$ 4,000.00		$ 3,400.00			
ALT E-3 (Women's Locker Room 110 and Men's Locker Room 111 have the following items: Light switches, receptacles, light fixtures, wiring for VAV units and fan coil units)	$ 27,200.00		$ 17,100.00			

*** Deig Brothers will deduct 0.5% of sum for combination bid

UNIVERSITY OF SOUTHERN INDIANA

2007 INTERNAL AUDIT REPORTS

Prepared by

Diana M. Biggs, CPA, CIA, CICA
Director of Internal Audit

and

J. Robert Howell, CPA, CIA, CICA
Internal Audit Manager

**University of Southern Indiana
Internal Audit Report Summaries
Calendar Year 2007**

AUDIT NAME OBJECTIVE	OBSERVATIONS	RECOMMENDATIONS	MANAGEMENT RESPONSE	STATUS
Vendor Payments Analysis (1.) To identify and resolve anomalies in AP vendor data.	Altering invoice numbers is necessary when an invoice needs to be split between purchase orders, when a vendor re-uses the same number in a new year, and when an invoice is cancelled due to entry error and requires re-entry for payment.	1. Document the policy detailing when an altered vendor invoice number should be used, standardize the method of entering an altered number, and notate the invoice with an explanation of the alteration.	Agreed that documentation of the policy was needed. Agreed to including an explanation of the alteration on the invoice.	Completed
		2. Standardize and document the process to be followed when invoices are cancelled.	The process was standardized before completion of audit. Agreed to document the process.	Completed
	In a few instances Financial Manager approval of payments was inadequately documented.	3. Verify Financial Manager approval for all transactions.	An automated negative receiving process will be tested and implemented to reduce human error.	Testing revealed problems with the process. Target date moved from September 2007 to April 2008
	Numerous instances of poor invoice (commodity) descriptions. Difficult to determine payment purpose without physically pulling invoice.	4. Ensure that descriptions clarify the purpose of the purchase or add Banner document text to provide descriptions.	Accounting Services Manager will implement Xtender Solutions for regular (purchase order) invoices to allow Banner users to view supporting documentation from Banner.	Target date moved from September 2007 to April 2008
(2.) To screen AP vendor electronic data for, and investigate, possible fraud indicators.	We found no indications of fraudulent activity.	None	NA	NA
Adjunct Payroll (1.) To confirm that adjunct faculty have authorized contracts and that actual compensation is according to the contractual agreement.	Compensation in agreement with contract amounts. One contract in sample missing from files.	Initiate a file tracking system to prevent files from being misplaced.	File tracking system is in place. A reminder will be issued to the staff to use it.	Completed
	Adjustments to contracts communicated by administrative assistants not always approved by the financial manager.	Place renewed emphasis on the need to obtain financial manager approval for all transactions.	HR will evaluate all change requests for proper approval notification. If financial manager has not been copied on the request, HR will forward to his/her attention.	Completed and ongoing
	Exceptions to standard contractual terms not formally authorized by the Provost.	Obtain Provost's documented approval of exceptions to standard contractual terms.	The Provost will initial or confirm via email her concurrence with exceptions to adjunct contracts.	Completed and ongoing
(2.) To evaluate compliance with published hiring and payroll policies, procedures, or guidelines for adjunct faculty.	Personnel changes or dropped classes were not communicated to the HR/Payroll department in a timely manner on two of our sample items, causing much rework and adjustments, in addition to exposing the University to potential violations of employment laws and regulations.	Continue to emphasize the need for timely communication regarding personnel and payroll changes.	The Director of HR will ask the Provost to communicate to the deans, department chairs, and administrative assistants the importance of notifying HR/Payroll of changes in a timely fashion.	Completed

University of Southern Indiana
Internal Audit Report Summaries
Calendar Year 2007

AUDIT NAME OBJECTIVE	OBSERVATIONS	RECOMMENDATIONS	MANAGEMENT RESPONSE	STATUS
Adjunct Payroll - cont'd	Two out of the five Colleges reported no absences for the entire semester. This may be accurate, but more likely some areas are enforcing the absence reporting policy and other areas not.	Reiterate to academic departments the need to comply with the policy regarding absences and missed classes for adjunct faculty. Highlight this policy in adjunct orientation sessions.	Agreed with observation and recommendation. In addition, the Provost will reinforce this message in the Academic Affairs Council on an annual basis.	Completed and ongoing
(3.) To evaluate if internal controls are preventing or detecting errors and irregularities in a timely manner.	Although employees exhibit a good knowledge and application of adjunct policies and procedures, there are no comprehensive written procedures for the adjunct/overload hiring and payroll process or for the adjunct/overload contract review process.	Develop a set of written procedures for the adjunct/overload hiring and payroll process.	Written procedures for adjunct/overload contract production and payroll processes will be completed while training the new HR Generalist, whose responsibilities include the adjunct/ overload process.	Training continues. Target date moved from December 2007 to February 2008.
		Develop a set of written procedures for the adjunct/overload contract review process.	The Provost and administrative assistant will frame a set of written procedures for the adjunct/overload contract review process.	Completed
Employee Travel (1.) To determine whether travel has been properly authorized	All travel documents reviewed were properly authorized.	None	NA	NA
(2.) To determine whether travel expense have been incurred for official university business.	The business purpose of all reimbursements reviewed was documented and appropriate for the traveler's job responsibilities.	None	NA	NA
(3.) To determine whether reimbursement requests are properly authorized, supported by required documentation, and adequately reviewed.	All reimbursements reviewed were properly authorized, supported by appropriate documentation, and adequately reviewed by the travel office staff.	None	NA	NA
(4.) To determine whether travel policies and procedures provide adequate controls and to evaluate compliance with policies and procedures.	The general travel policies are adequate and travelers are in compliance. Changes were made to the local travel policy and to the blanket travel authorization during this audit, which should improve issues that were sometimes problematic and unnecessarily cumbersome.	Remove existing language regarding blanket travel from travel policies and procedures documents. Revise language regarding local travel to reflect change from a 30-mile radius to include locations within a 50-mile radius.	Agreed to recommendations.	The language on the travel office Website has been changed. A request to update the University Handbook has been submitted to HR.

University of Southern Indiana
Internal Audit Report Summaries
Calendar Year 2007

AUDIT NAME OBJECTIVE	OBSERVATIONS	RECOMMENDATIONS	MANAGEMENT RESPONSE	STATUS

Banner Student - Registrar and Admissions Security
(1.) To evaluate security access granted to Registrar/ Admissions staff to
  a. determine if access is appropriate for related job duties
  b. confirm that excessive or conflicting update authority does not exist, and
  c. ensure that proper separation of duties exists.
 	
(2.) To evaluate security access granted to staff in other departments to determine appropriateness of access and update capabilities.
	No significant security issues were found. In general users are assigned roles that are closely aligned with their functional areas and job duties. User roles are adequately limited based on needed access for specific tasks or procedures. There are a few generic IDs created for specific functions. These IDs have very limited access and are necessary to accomplish specific tasks.	Suggestions to strengthen existing controls:
		
		- Periodically review entries by generic ID users for unusual activity.
		
		- Develop tracking reports for management review of grade postings and changes, degree and award information, registration and withdrawal changes, SSN field changes, transcript requests, enrollment verifications, and error override entries.
			Agreed with the suggested recommendations.	No target dates set at this time.

(3.) To review access approval procedures and controls.	Procedures and controls for access approval were adequate and documented.	- Pro-actively contact areas with non-USI employee users periodically to verify continuing employment and access need. - Place the generic ID control procedures in writing and periodically verify that generic ID is still needed.		

Report No. USI-A07-1
January 30, 2007

Attachment B
Finance/Audit Committee
03-06-08
Page 5

Audit Report
Vendor Payments Analysis
Computer Assisted Audit of Vendor Payments

RESULTS AT A GLANCE

AREAS	RISK MITIGATION		
	Adequate Controls and Practice	Opportunity for Minor to Moderate Improvement	Opportunity for Significant Improvement
Audit Objectives:			
Vendor data analysis		X	
Fraud indicators	X		
Other Issues		X	

EXECUTIVE SUMMARY

INTRODUCTION

The Internal Audit Department has concluded an audit of vendor electronic data records. The Business Office maintains vendor electronic data on the Banner Finance module on the University's Banner server. The University relies upon this information for vendor contact and identification information such as tax ID, name, address, phone, etc. The Banner software also records and provides data concerning payments such as invoice numbers, dates, amounts, etc.

AUDIT OBJECTIVES

The objectives of the audit are as follows:

1. To identify and resolve anomalies in AP vendor data such as gaps and duplicates.

2. To screen AP vendor electronic data for, and investigate, possible fraud indicators.

AUDIT SCOPE

We utilized data analysis software to examine the entire set of Banner payment invoices for the period from the inception of Banner Finance (1/1/05) to July 20, 2006.

AUDIT SUMMARY

Through our review, we found that there are adequate procedural controls and practice in place to make perpetration of fraud difficult. Our procedures were designed to detect indicators of fraud. According to the Institute of Internal Auditors, an auditor should recognize indicators of fraud, but is not expected to have the expertise of a fraud-detection professional. The exercise of due professional care in the application of audit procedures does not guarantee that fraud will be detected. We did not discover any instances of fraud in the population of transactions we reviewed. This does not, however, guarantee the absence of fraud.

Report No. USI-A07-1
January 30, 2007

Attachment B
Finance/Audit Committee
03-06-08
Page 6

We noted opportunity for minor to moderate improvement in the following audit objective:
- To identify and resolve anomalies in AP vendor data such as gaps and duplicates.
    o Action Plan Task: Document the existing policy describing when and how vendor invoice numbers are to be altered.
    o Action Plan Task: An explanation will be documented when altering a vendor invoice number.
    o Action Plan Task: Document the policy regarding invoice cancellation that has been standardized since Banner implementation.
    o Action Plan Task: Test and implement a negative receiving process to reduce human error in documenting financial manager approval for payment transactions.
    o Action Plan Task: Implement Xtender Solutions for purchase order invoices to allow Banner users to view supporting documentation from Banner.

We also noted opportunity for minor to moderate improvement in an area not specifically addressed by an audit objective:
- Some items purchased for prizes or giveaways have tax implications for the recipient. A change in procedure was being implemented at the time of the audit to improve the reliability of the information collection and tracking process.
    o Action Plan Task: Implement and publish the new procedure.
    o Action Plan Task: List all outstanding requests for recipient information and highlight non-compliance.

CONCLUSION

Overall, the payment process is sound and internal controls are strong and operating as designed. The staff is knowledgeable and conscientious. The completed and planned tasks will strengthen internal controls.

Report No. USI-A07-2
June 1, 2007

Attachment B
Finance/Audit Committee
03-06-08
Page 7

Audit Report
Adjunct Payroll Audit

RESULTS AT A GLANCE

AREAS	RISK MITIGATION			
	Adequate Controls and Practice	Opportunity for Minor Improvement	Opportunity for Moderate Improvement	Opportunity for Significant Improvement
Audit Objectives:				
Employment contracts authorized and compensation per contractual agreement		X		
Compliance with policies, procedures, and guidelines		X		
Effectiveness of internal controls		X		

EXECUTIVE SUMMARY

BACKGROUND

Each academic term, the university hires part-time/temporary faculty to teach classes for which the regular full-time faculty is insufficient. The USI University Handbook states, "The title 'Adjunct' is used for persons who by their professional cooperation and on a part-time basis significantly assist the University in its academic programs. The person recommended to be an adjunct professor must be approved by the academic department and recommended through the usual channels. Adjunct faculty members are not eligible for tenure." Regular faculty teaching more than 13 credit hours per semester will receive "overload" pay through the Adjunct/Overload (AO) monthly payroll. Adjunct/overload pay rate schedules are published by the Office of the Provost and Vice President for Academic Affairs.

The Manager of the Human Resource Information System (MHRIS) initiates the adjunct hiring process by creating a spreadsheet from Banner Student data. The MHRIS sends the spreadsheet to the appropriate administrative assistant of each college, who alters the sheet to drop those employees who are full time and not in overload; verifies that the instructor of record is correct; and adds pay rates and financial accounting information. The MHRIS then generates employment contracts for adjunct and overload faculty.

All spreadsheet entries and contract appointments are reviewed by Academic Affairs (AA) staff for correct rates and limits on credit hours before contract offers are mailed to adjuncts. Colleges must provide justification for non-standard rates, excessive hours, or other non-standard entries. The Provost reviews any non-standard items or adjustments for approval, but approval has not been explicitly documented.

The employee must complete the employment documents and return them to their college or Human Resources (HR) by an established deadline date. Executed contracts are on file in HR. Adjustments are made to the contract amount if a class is cancelled or missed by the adjunct. The employee is informed and responsible for reporting any missed or cancelled classes to the appropriate college which is in turn responsible for reporting the absences to HR. The MHRIS calculates any adjustments on a prorated by class session basis.

Report No. USI-A07-2
June 1, 2007

Attachment B
Finance/Audit Committee
03-06-08
Page 8

AUDIT OBJECTIVES

The objectives of the audit are as follows:

1. To confirm that adjunct faculty have authorized contracts and that actual compensation is according to the contractual agreement.

2. To evaluate compliance with published hiring and payroll policies, procedures, or guidelines for adjunct faculty.

3. To evaluate if internal controls are preventing or detecting errors and irregularities in a timely manner.

AUDIT SCOPE

In the course of the audit we examined the following:

- The monthly fall 2006 adjunct/overload payrolls and spring 2007 adjunct/overload payrolls through March 31, 2007.
- Standard Banner payroll reports, selected adjunct/overload faculty contracts for the period, and various custom COGNOS reports.
- Interview of HR and Academic Affairs personnel.
- Relevant policies, procedures, guidelines, and controls.

AUDIT SUMMARY

Through our review, we noted opportunity for minor improvements in each of the audit objectives:
- Authorized contracts and accurate compensation
  - Action Plan Task: Remind HR Staff to use the file folder tracking system when removing employee files from filing cabinets.
  - Action Plan Task: Ensure that the chair, dean, and provost are informed of every contract change request received by the MHRIS.
  - Action Plan Task: The Provost will initial or confirm via email her concurrence with any adjustments or exceptions to adjunct contracts.
- Compliance with policies and procedures
  - Action Plan Task: Communicate to deans, department chairs, and administrative assistants the importance of timely communication regarding contract changes.
  - Action Plan Task: Continue to highlight the policy regarding absences in letters to adjuncts and at orientation.
  - Action Plan Task: The Provost will also reinforce the absence policy in the Academic Affairs Council annually.
- Effectiveness of Internal Controls
  - Action Plan Task: Develop written procedures for both HR and Academic Affairs for the adjunct/overload contracting and payroll processes.

CONCLUSION

The HR/payroll and Academic Affairs staffs are detailed and diligent in working with the adjunct payroll process. Overall, the process is working well to ensure that adjunct faculty members are being paid as contracted. The most significant control weakness that has potential for major difficulties is interdepartmental communication. The completed and pending action plan tasks will improve controls in this area.

Our procedures were designed to detect indicators of fraud. According to the Institute of Internal Auditors, an auditor should recognize indicators of fraud, but is not expected to have the expertise of a fraud-detection professional. The exercise of due professional care in the application of audit procedures does not guarantee that fraud will be detected. We did not discover any instances of fraud in the transactions chosen for our sample. This does not, however, guarantee the absence of fraud.

Report No. USI-A07-3
August 7, 2007

Attachment B
Finance/Audit Committee
03-06-08
Page 9

Audit Report
Employee Travel

RESULTS AT A GLANCE

AREAS	RISK MITIGATION		
	Adequate Controls and Practice	Opportunity for Minor to Moderate Improvement	Opportunity for Significant Improvement
Report Summary			
Travel properly authorized	X		
Travel expenses incurred for official university business	X		
Reimbursement request properly authorized, documented, and reviewed by travel office staff	X		
Adequacy of travel policies and procedures and compliance with same		X	

EXECUTIVE SUMMARY

INTRODUCTION

The Department of Internal Audit has completed an audit of employee travel. This review is a follow-up to the executive travel audit completed in FY 2006. All employees are held to the same travel policies and procedures. The same audit objectives apply to the employee travel audit as applied to the executive travel audit.

AUDIT OBJECTIVES

The objectives of the audit are as follows:

1. To determine whether travel has been properly authorized.

2. To determine whether travel expenses have been incurred for official university business.

3. To determine whether reimbursement requests are properly authorized, supported by required documentation, and adequately reviewed.

4. To determine whether travel policies and procedures provide adequate controls and to evaluate compliance with policies and procedures.

AUDIT SCOPE

We reviewed travel policies, procedures and controls. We interviewed the Travel Coordinator. We analyzed total travel expenditures for the period July 1, 2006, through April 30, 2007, and selected a sample of travel reimbursements and journal entries for the four categories that comprised 83% of the total expense: in-state

Report No. USI-A07-3
August 7, 2007

Attachment B
Finance/Audit Committee
03-06-08
Page 10

travel, out-of-state travel, field trip travel, and team travel. The sample also focused on departments whose year-to-date travel expenses were greater than $25,000. We selected random samples from each category and each department. We used the stop-and-go method of testing whereby additional samples were selected and reviewed only if errors were found in the first selection.

AUDIT SUMMARY

Through our review, we found that there are adequate procedural controls and practice in place to ensure that:
- Travel was properly authorized
- Travel expense was incurred for official University business
- Reimbursement requests were properly authorized, supported by required documentation, and adequately reviewed by the travel office staff.
- Travel policies and procedures provide adequate internal control and nearly all travelers and supervisors were in compliance. Evidence existed that the travel office staff reiterated those policies and procedures on the few occasions that a form was submitted incorrectly, or receipts were missing, or departmental credit cards were used inappropriately.

We noted only one instance requiring minor improvement:
- Early in the course of this audit, policies were revised for local travel and blanket travel authorization. As of the final report date, the language regarding these changes had not been communicated to the University community.
  - Action Plan Task: Remove the blanket travel authorization language and update the local travel changes in both the travel office Website and the University Handbook.

CONCLUSION

Travel Services personnel continue to do an excellent job administering USI travel. This audit did not find any issues that require major or immediate attention.

Report No. USI-A07-4
December 21, 2007

Attachment B
Finance/Audit Committee
03-06-08
Page 11

Audit Report
Banner General Student/Admissions Security Access

RESULTS AT A GLANCE

AREAS	RISK MITIGATION		
	Adequate Controls and Practice	Opportunity for Minor to Moderate Improvement	Opportunity for Significant Improvement
Audit Objectives:			
Appropriate access for related job duties	X		
Excessive or conflicting update authority	X		
Proper separation of duties	X		
Access granted to non-Registrar /Admission department users	X		
Approval process procedures and controls	X		

EXECUTIVE SUMMARY

BACKGROUND

The Department of Internal Audit has completed an audit of the SunGard Banner General Student/Admissions system access security. The security maintenance function at USI for the General Student and Admission functions of the SunGard Banner Student module is separate from security maintenance for the Financial Aid and Accounts Receivable functions. Financial Aid and Accounts Receivable security access for the Student module are not covered by this review and will be examined at a later date.

The SunGard Banner enterprise-wide software system provides security on three levels. First, Oracle security provides database level security. Second, Banner security provides form, report, and process level security across the Banner applications of Finance, HR, Student, and Advancement. Finally, the Banner Student application provides Value-Based Security (VBS) at the user level by using Fine-Grained Access Control (FGAC). By using FGAC, the institution can implement row-level security. USI utilizes Oracle and Banner security configurations for the Banner Student module but only uses FGAC on one form to mask the SSN field.

The Associate Registrar acts as the security administrator for the General Student area of the Banner Student module, while the Manager of Admission/Research Information administers the Admission area. The Registrar has final decision authority and is ultimately responsible for Banner General Student/Admissions security access. The security administrators control access to Banner by assigning authorized users to a user role or roles. Each user role has access to a set of forms, reports, and processes within the Banner application. The access granted for most forms, reports, or processes can either be maintenance, which is updating capability, or query, which is view only access.

Report No. USI-A07-4
December 21, 2007

Attachment B
Finance/Audit Committee
03-06-08
Page 12

Users should be granted sufficient access to perform all job duties, but access should be as limited as possible to minimize the possibility of fraud or the exposure of sensitive or confidential information. Restricting access to this information also reduces the risk of the institution violating federal laws or regulations including the Family Education Rights and Privacy Act (FERPA).

AUDIT OBJECTIVES

The objectives of the audit are as follows:

1. To evaluate the security access granted to Registrar/Admission employee users for SunGard Banner Student to:
   a. determine if access is appropriate for related job responsibilities,
   b. confirm that employees do not have excessive or conflicting update authority, and
   c. ensure that proper separation of duties exists.
2. To evaluate the security access granted to non-Registrar/Admission department users of Banner Student to determine the appropriateness of access and any update capabilities.
3. To review the access approval procedures and controls to determine how access is granted, how specific form access needs are determined and approved, and how update form conflicts are resolved.

AUDIT SCOPE

We examined the following regarding Banner General Student/Admission access security:

- Security documentation for the Banner General Student/Admission systems.
- Reports from the database administrator for form, report, and process security and for user role security as of July 12, 2007.
- User roles for appropriateness of form, report, and process access.
- Appropriateness of user role assignments to position and general job duties for all users.
- The process by which access is granted to the Banner General Student/Admission applications.
- How the extent of access is determined.

AUDIT SUMMARY

We did not discover any significant security issues during our review. Generally, users are assigned to roles that are closely aligned with their functional areas and job duties. User roles are limited based on needed access for specific tasks or processes. When we discovered minor access issues during fieldwork, the security administrators made adjustments to user or class access to remedy the issues. Through our review, we found that there are adequate procedural controls and practices in place for each of the audit objectives.

The action plan items agreed upon below are not intended to correct any security deficiencies, but are additional actions which will strengthen or supplement existing controls.

- Action Plan Task: Periodically review the entries performed by users of generic IDs for unusual activity.[1]
- Action Plan Task: Develop tracking reports for management review of entries regarding:
  o Grade postings and changes
  o Degree and award information
  o Registration and withdrawal changes (non-web)
  o SSN field changes
  o Transcript request entries
  o Enrollment verification entries
  o Registration error override entries
- Action Plan Task: Pro-actively contact areas with non-USI employee users, e.g. the Student Health Center, periodically to verify continuing employment and access need.

---

[1] A generic ID is not issued for an individual but rather for a position (e.g. REGSTWK1) or function (e.g. REGHOLD).

Report No. USI-A07-4
December 21, 2007

Attachment B
Finance/Audit Committee.
03-06-08
Page 13

- Action Plan Task: Place the generic ID control procedures in writing.
- Action Plan Task: Periodically reinforce generic ID procedures with relevant departments and verify that the generic ID(s) is still needed.

CONCLUSION

The security administrators are conscientious and knowledgeable; they understand the Banner Student system capabilities and grant appropriate access to users. The planned actions will strengthen controls over access to the Banner Student system.

UNIVERSITY OF SOUTHERN INDIANA

RISK ASSESSMENT REPORTS

Prepared by

Diana M. Biggs, CPA, CIA, CICA
Director of Internal Audit

and

J. Robert Howell, CPA, CIA, CICA
Internal Audit Manager

Internal Audit Department
Risk Assessment Survey

University Division: **ADVANCEMENT**

Step 1: Identify the area's mission and goals

Mission: The Office of Advancement at the University of Southern Indiana is responsible for external relations and communications and assists in identifying and securing the resources necessary for the University to "advance" or move toward its goals.

Long-Term Goals or Objectives:
- Continuing leadership in Development and Advancement, given personnel changes
- Solve issues of large graduating classes – commencement logistics, financial resources, etc.
- Attaining high visibility for USI in central Indiana and statewide
- Assuring Board culture stays intact as turnovers occur
- Resource development and continuing fundraising for the institution as a whole
- Maturing USI message – how we articulate who we are and how we want others to see us *(branding initiative)*
- Support all other divisions in achieving their goals
- Continue to expand efforts to bring alumni and friends into the work of the University and the Foundation

Short-Term Goals or Objectives:
- Successful leadership transition in Development and Advancement
- Assuring Board culture stays intact as a complete turnover occurs (by 2008)
- Resource development for Advancement – staffing issues and raising visibility
- Solve issues of large graduating classes – commencement logistics, financial resources, etc.
- Complete task force on workforce and economic development
- Continue building parents and families program
- Continue to expand efforts to bring alumni and friends into the work of the University and the Foundation

Step 2: Identify the core processes (major functions) that support Advancement's mission and accomplishment of its goals and objectives

The Advancement operation is heavily event and publication driven
- Advancement administration (VP's office)
- Special events and conference services
- News and information services
- Publishing services
- Alumni and volunteer services
- Development/USI Foundation

Step 3: List the key activities performed for each of the core processes (major functions)

A. **Advancement administration**
- Develop budget
- Oversee commencement activities
- Board of Trustees - Assistant Secretary and spokesperson
- USI Foundation - administrative advisor
- Guide institutional image
- Chair Art Collection Committee, fiscal agent, office management

- Preparation of information pieces to entire University (phone directory, fall announcements, At-A-Glance brochure)
- Support communication needs of all USI divisions

B. Special events and conference services
- Maintain academic class assignment schedule database
- Maintain University's master calendar
- Schedule and reserve rooms for campus or organizational meetings
- Assist with logistics for large student-sponsored events
- Review contents of posted literature for compliance with policy
- Post flyers and information on campus bulletin boards
- Manage University Center
- Plan, implement, and provide meeting support for events on campus
- Schedule facilities interfacing with relevant campus departments – residence life, food services, instructional technology, athletics, etc.
- Initiate contracts with service providers – IT, computer center, physical plant, security, risk management, linen providers, food service, etc.
- Initiate contracts with non-university customers

C. News and information services
- Plan and consult with University personnel on promotional or marketing material
- Write and distribute news releases/photos/story ideas to media outlets as appropriate
- Serve as contact point for journalists writing about USI or looking for experts in a given field
- Serve as contact point for the community for the USI Speakers Bureau
- Write copy and provide photographs for University publications – printed and online
- Edit copy to meet USI style and review for grammar and spelling
- Promote brand clarification, brand communication, and brand power

D. Publishing services
- Provide digital graphic design, offset printing and bindery to USI functions and departments
- Maintain consistent University branding, identity, and editing standards
- Manage a centralized copier program and staffed copy center
- Maintain a detailed accounting and chargeback system

E. Alumni and volunteer services
- Maintain alumni, parents/families, and volunteer information database
- Communicate to above via direct mail publications, email newsletters, and Web site access
- Cultivate alumni chapters and constituent groups
- Plan alumni activities, programs, and networking
- Provide services & benefits to alumni - med insurance, credit cards, license plates, career placement, travel opportunities, discounts for continuing education and logo merchandise
- Recruit students
- Provide scholarships
- Recruit, place, and recognize volunteers
- Manage parents and families program

E. Development
- Manage USI and USI/NH Foundations
- Cultivate and recognize donors
- Raise funds
- Acknowledge gifts received and consult with Foundation Accounting to assure proper accounting for gifts
- Consult with Foundation Accounting on investment management
- Provide stewardship of gifts – comply with donor wishes for gift use

Step 4: Prepare a list of consequences that may occur if Advancement is unable to meet its goals and objectives. Rank the consequences based on the impact it would have on Advancement should it occur, no matter the reason.

	CONSEQUENCES	IMPACT VALUE
1	Declining enrollment	H
2	Loss of credibility (long term bad PR)	H
3	Loss of significant assets	H
4	Loss of significant future revenue stream	H
5	Death/Major injury	H
6	Significant interruption to business continuity	H
7	No awareness of USI - no name recognition	H
8	Low morale	M
9	Bad PR (short term)	M
10	Civil fines or penalties	M
11	Increased oversight	M
12	Lawsuits – individual	M
13	Loss of knowledge base (key personnel)	M
14	Re-work/Inefficiency	M
15	Lawsuits – class action	L
16	Letter of reprimand	L
17	Return funds	L
18	Criminal fines or penalties	L

High = the consequence will prevent the organization/unit from meeting its goal and objectives.
Medium = the consequence will only slow, or make inefficient, the organization/unit from meeting its goals and objectives.
Low = the consequences will have little or no effect on the organization/unit meeting its goals and objectives.

NOTE: There is no significance to the order of consequences within each category.

Step 5: Brainstorm risks or challenges associated with each core process based on the activities identified in step 3.

Step 6: Using the ranked consequences, assign an IMPACT value to each risk/challenge based on the most likely consequence(s) should that risk happen.

Step 7: Assign a PROBABILITY value (High, Medium, Low) of the risk happening if there are no supervisory or oversight controls in place. [NOTE: This means only operating controls are in place, such as training and written policies and procedures that describe how to perform a task.]

The results of these steps are reflected on the following pages.

Core Process: **Advancement administration**	Impact	Prob.	Ranking	Consequences
1. Insufficient budget dollars	H	M	HM	1,4,7,8
2. Staff turnover	M	M	MM	13,14
3. Ineffective leadership	M	L	ML	2,3,6,8,10,11,12,13,14,16
4. Inadequate monitoring of productivity	M	L	ML	3,4,6,7,8,9,11,12,13,14
5. Ineffective communication with direct reports	M	L	ML	8,13,14
6. Ineffective communication with other university departments	M	L	ML	8,9,13,14

Core Process: **Special Events & Conference Services**	Impact	Prob.	Ranking	Consequences
1. Inadequate staffing/staff turnover	M	M	MM	2,5,8,12,14
2. Failure to limit liability with external parties	M	L	ML	2,3,5,9,10,12,15,17,18
3. Collecting and properly accounting for sales (or other) tax	M	L	ML	10,11,14
4. Failure to maintain a positive financial position	M	L	ML	2,11,14,16
5. Failure to accommodate special needs	M	L	ML	5,9,12,17
6. Failure to maintain safe & clean facilities	M	L	ML	1,2,5,6,8,10,12,14,15,16,17
7. Failure to protect equipment	M	L	ML	3,17

Core Process: **News & Information Services**	Impact	Prob.	Ranking	Consequences
1. Loss of writers	H	L	HL	2, 4, 6, 8, 9, 14
2. Incorrect or inaccurate information	M	L	ML	2, 9, 10, 11, 12, 18
3. Unauthorized spokesperson	M	H	MH	9, 12, 15, 16
4. Untimely production of publications	H	L	HL	1, 4
5. Inadequate staffing	H	L	HL	1, 14
6. Compromised branding messages	H	L	HL	1

Core Process: **Publishing Services**	Impact	Prob.	Ranking	Consequences
1. Equipment loss or inadequate maintenance	M	L	ML	14
2. Rising costs vs. static dept budgets	H	H	HH	4,7
3. Loss of professional staff	M	L	ML	8,11,13,14
4. Copyright, trademark management	M	L	ML	10,11,12,18
5. Inadequate safeguards over inventory	M	L	ML	3,9,14
6. Inappropriate or inaccurate pricing/ chargeback	M	L	ML	4,6,8,11,14
7. Collecting and properly accounting for sales tax	M	L	ML	10,11,14

Core Process: **Alumni & Volunteer Services**	Impact	Prob.	Ranking	Consequences
1. Keeping database current (1st 5 yrs)	H	L	HL	1,4,9
2. Keeping alumni engaged	H	L	HL	1,2,4,8
3. Keep communications open	H	L	HL	1,4,7
4. Carefully managed volunteers	M	L	ML	4,9,12,16
5. Friend-raising , relationship building	H	L	HL	1,4,7,9
6. Communicating with parents	M	L	ML	9,14
7. Visibility with current students	H	L	HL	4

Core Process: **Development/USI Foundation**	Impact	Prob.	Ranking	Consequences
1. Poor fundraising	H	L	HL	1,2,3,4,8
2. Inability to attract major donors	H	L	HL	1,2,3,4
3. Unable to satisfy donor wishes	H	L	HL	3,4,9
4. Breach of donor confidentiality	M	L	ML	2,3,4,9,12,14,17
5. Noncompliance with donor intent	M	L	ML	2,3,4,9,12,17
6. Inability to attract new donors	H	L	HL	1,2,3,4
7. Failure to collect pledges	H	L	HL	2,3,4,14

Point values: H = 3; M = 2; L = 1
Impact based on average score of Consequences listed:

H = 2.5 and above
M = 1.5 thru 2.49
L = < 1.5

Ranking scores:

HH, HM		Critical Risk
HL, MH		Near-Critical Risk
MM, ML, LH		Moderate Risk
LM, LL		Low Risk

University of Southern Indiana
Office of Advancement

RISKS →

CORE PROCESSES		1		2		3		4		5		6		7
Publishing Services	HH	Rising costs vs static dept budgets	ML	Equipment loss	ML	Loss of professional staff	ML	Copyright, trademark management	ML	Inadequate safeguards over inventory	ML	Inappropriate or inaccurate pricing/ chargebacks	ML	Collecting and properly accounting for sales tax
Advancement Administration	HM	Insufficient budget dollars	MM	Staff turnover	ML	Ineffective leadership	ML	Inadequate monitoring of productivity	ML	Ineffective communication with direct reports	ML	Ineffective communication with other university departments		
Alumni and Volunteer Services	HL	Not keeping database current (1st 5 yrs)	HL	Not keeping alumni engaged	HL	Not keeping communications open	HL	No visibility with current students	HL	Not friend-raising, relationship building.	ML	Not communicating with active parents	ML	Not carefully managing volunteers
News and Information Services	HL	Loss of writers	MH	Unauthorized spokesperson	HL	Untimely production of publications	HL	Inadequate staffing	HL	Compromised branding message	ML	Incorrect or inaccurate information		
Development/USI Foundation	HL	Poor fundraising	HL	Inability to attract major donors	HL	Inability to attract new donors	HL	Unable to satisfy donor wishes	HL	Failure to collect pledges	ML	Breach of donor confidentiality	ML	Noncompliance with donor intent
Special Events and Conference Services	MM	Inadequate staffing/ staff turnover	ML	Failure to limit liability with external parties	ML	Collecting and properly accounting for sales (or other) tax	ML	Failure to maintain a positive financial position	ML	Failure to accommodate special needs participants	ML	Failure to maintain safe and clean facilities	ML	Failure to protect equipment

HH, HM 🟥 Critical Risk	**HL, MH** 🟨 Near Critical Risk	**MM, ML, LH** 🟩 Moderate Risk	**LM, LL** ⬜ Low Risk

Internal Audit Department
Risk Assessment Survey

University Division: **STUDENT AFFAIRS**

Step 1: Identify the area's mission and goals

Mission: Student Affairs enhances the University's mission by engaging students in programs and services that help develop responsible, contributing members of our global society.

Long-Term Goals or Objectives:
- Develop and implement a coordinated student success model for USI students
- Educate the University community about programs and services offered by Student Affairs
- Develop and implement a five-year assessment plan
- Infuse USI pride throughout the campus community
- Engage students as active members of the University community
- Meet or exceed the expectations of our students

Short-Term Goals or Objectives:
- Complete student success model
- Establish priorities for the strategic plan (long-term goals) based on years of completion
- Review by individual departments of their own mission and core function statements, and intentionally tie them to the divisional mission, vision, and core functions.
- Apply departmental goals to strategic and divisional goals, and tie them in appropriately
- Develop committees so that active work can begin on the implementation and fulfillment of the long-term strategic goals.

Step 2: Identify the core processes (major functions) that support Student Affair's mission and accomplishment of its goals and objectives.

- Student Affairs administration
- Admissions
- Registration
- Student financial assistance
- Residence life
- Counseling services
- Dean of Students
- International programs and services
- Multicultural center
- Recreation, fitness, and wellness
- Religious life
- Student development programs
- Career counseling
- Career services and placement

Step 3: List the key activities performed for each of the core processes (major functions).

A. Student Affairs Administration
- Develop operating budget
- Oversee student affairs and undergraduate enrollment services
- Provide vision, inspiration, and effective leadership for the division of student affairs
- Chair, serve, and represent the division and the university on numerous committees on and off campus
- Promote continued professional growth and development division wide
- Administer VPSA grants and awards

- Create, encourage, and develop partnerships internally and externally
- Promote integrity, diversity, pluralism, and community
- Promote a seamless and integrated approach to all aspects of university operations, instilling new levels of trust, cooperation, and quality
- Provide the student affairs perspective in planning
- Resolve issues as requested by the president

B. Admissions
- Recruit undergraduate students – new, transfer, and readmits
- Visit high schools and community colleges in Indiana, Illinois, and Kentucky
- Mark a series of informative mailings – personalized letters, brochures, fliers, and promotional mailings on residence life, financial aid, campus benefits and values, theatre, art, creative writing, minority students, engineering, study abroad opportunities, etc.
- Host eight Southern Hospitality Days on campus each year
- Host off-campus receptions for students and parents in Indiana, Illinois, and Kentucky
- Work closely with international student office to recruit international students
- Work closely with financial aid office and USI Foundation to make scholarship recommendations
- Provide data needed by faculty and other offices to help recruiting efforts via phone and email
- Coordinate and organize weekly campus visit appointments with faculty
- Make timely acceptance decisions on applicants
- Maintain aggressive, up-to-date publication program to send to inquiries
- Train and update student ambassadors for hosting and touring campus visitors, speaking at various events for guidance counselors, students, and parents.
- Work with News and Information Services to generate timely news releases – positive, upbeat image enhancement topics
- Support student development office's effort to generate orientation/advising sessions by sending personal letters, emails, and phone calls to students admitted to USI
- Work closely with Ivy Tech and Vincennes to articulate students into USI
- Promote and market non-resident and regional grants and scholarships to USI students from Illinois and Kentucky

C. Registration
- Maintain student data stored in the administrative software system and permanent hardcopy academic files
- Certify and document degree completion requirements
- Coordinate registration activities
- Report and maintain grades and transcripts
- Develop class schedules and schedule classrooms
- Process readmissions
- Retrieve, distribute, and report enrollment data
- Certify enrollment status
- Evaluate transfer credits
- Maintain Degree Audit Reporting System (DARS)

D. Student financial assistance
- Assist students and families with financial planning for higher education
- Administer federal, state, institutional, and private financial aid programs
- Provide college financial assistance educational programs in area high schools
- Maintain Website with extensive, up-to-date information and instructions on all aspects of financial assistance – applying, qualifying, receiving, programs, loans, forms, resources, etc.
- Maintain files on all financial aid recipients
- Meet with each financial aid recipient regarding the type of aid received and terms of assistance

E. Residence life
- Process housing applications and cancellations
- Assign residents to rooms and process room changes
- Evaluate main office processes and procedures

- Facilitate emergency drills
- Evaluate damage to units and process maintenance requests
- Develop and maintain furniture refurbishment and replacement plan
- Confront behavior that is not consistent with policies
- Document and adjudicate possible policy violations
- Assist residents in conflict resolution
- Refer residents as needed to counseling center, dean's office or other university office
- Evaluate judicial processes and procedures
- Train professional and paraprofessional staff
- Respond to emergency situations – people and facility related
- Provide social and educational programs for residents
- Maintain web site and other electronic communication
- Develop contract and other marketing pieces for housing
- Evaluate programs and other general programmatic policy and procedures that do not relate directly to the office and contractual processes

F. Counseling center
- Provide individual and group counseling services
- Provide resources for disabled individuals – ADA training, guidebook
- Provide training materials for crisis management or intervention
- Provide substance abuse services
- Provide life direction counseling
- Present educational workshops or programs
- Maintain Website with information, forms, tools, and links to other related sites

G. Dean of Students
- Evaluate and administer the code of student behavior and other student-related policies
- Work closely with USI Security Office on enforcement of the code of student behavior
- Preside over student judicial affairs
- Coordinate management agreement between USI and Student Health Center
- Coordinate operation of campus ministry on the USI campus
- Supervise operations of the Recreation, Fitness, & Wellness Center (RFW) and the Multicultural Center
- Advise Student Government Association and Student Publications Office
- Supervise the advisor to The Shield
- Assist/support activities of USI Cheer Team, Dance Team, and Screaming Eagles Pep Band
- Actively participate in or direct professional association work groups and institutional partnerships regarding targeted areas of concern like mental health and alcohol
- Represent USI on some community organizations and partnerships
- Chair a variety of USI standing committees and task forces

H. International programs and services
- Coordinate international recruitment activities and develop the sequence for responding to international inquiries (with Admissions)
- Advise international students and scholars on immigration, financial, academic, cultural, personal matters
- Coordinate programs and services designed to meet the unique needs of international students and scholars
- Administer the University's health insurance program for international students and scholars
- Ensure compliance with federal regulations pertaining to international educational exchange and serve as liaison to the Bureau of Citizenship and Immigration Services, the Department of State, and other government agencies
- Report required information for all F-1 and J-1 visa holders to the Student and Exchange Visitor Information System (SEVIS) each term and as changes occur
- Administer all aspects of exchange programs for incoming international students, scholars and interns, e.g., participants of the International Student Exchange Program (ISEP)

- Develop study abroad opportunities and promote USI programs to prospective and enrolled students
- Develop policies, procedures, and program-specific handbooks/materials
- Advise students interested in studying abroad and conduct pre-departure orientations and reentry meetings for participants
- Administer all aspects of USI approved study abroad programs, including coordination of applications, registration, payment of fees, credit transfer, and preregistration
- Assist faculty with the development and administration of short-term study and travel abroad programs
- Develop international programs and activities designed to increase international understanding on campus and in the community, e.g., the Global Community Program

I. **Multicultural center**
- Provide diversity workshops, a resource library, and newsletter to promote cultural awareness and sensitivity to the university community
- Sponsor programs and events celebrating, honoring, recognizing positive cultural diversity contributions
- Organize and advise multicultural organizations for students
- Provide educational community outreach opportunities to underrepresented and underserved groups
- Maintain Website with information regarding multicultural activities, programs, and resources
- Develop community partnerships to champion outreach diversity initiatives

J. **Recreation, fitness, and wellness**
- Organize intramural recreational sports (team and individual) during academic year
- Promote and develop club sports during academic year
- Provide special one-day competitive events both off campus and on campus
- Sponsor wide variety of outdoor adventure programs at various locations in the region
- Coordinate and provide wellness events (classes, lectures, fairs, literature, etc.) that focus on quality of life, disease prevention, and lifestyle enhancement
- Offer group exercise classes available to entire campus community
- Conduct fitness consultations to assess and design individual exercise programs
- Train participants on the proper use of equipment in the RFC
- Offer incentive programs to encourage students to maintain healthy lifestyles – rewards for attaining fitness goals
- Provide student employment and training opportunities in facility support, intramurals, and fitness

K. **Religious life**
- Facilitate the activities of several religious student groups on campus – weekly religious services, one-day or overnight retreats each semester, and other programs of interest
- Coordinates special candle light vigils and memorial services when appropriate
- Cosponsor and promote annual concerts for the university and community
- Invite guest speakers and host panel discussions on topics of religious interest

L. **Student development programs**
- Coordinate orientation programs for new, nontraditional, and transfer students
- Coordinate Welcome Week program each fall semester to acclimate new students to USI
- Call all new freshman during first semester to offer assistance in transition to USI
- Sponsor three-day leadership retreat in the summer for 45 incoming new students
- Coordinate the Emerging Leader Living Learning Community, including delivery of the UNIV 101 class and outside programs
- Sponsor a Student Leadership Conference, Student Involvement Fair, and other student organization development programs
- Coordinate leadership programs including Corporate Leadership
- Coordinate Student Leadership Awards Program
- Register student organizations each year
- Approve the establishment of new student organizations

- Advise and approve student organization activities and programs
- Review and sign all contracts for the Activities Programming Board (APB)
- Assist APB in implementation of their programs (movies, lectures, music, comedians, special events, etc.)
- Sponsor speakers on a variety of topics for the campus community
- Advise Greek organizations in all areas, including risk management and appropriate use of alcohol
- Develop and monitor compliance with student organization policies

M. Career counseling
- Provide assessment testing (Strong Interest Inventory, Campbell Interest and Skill Inventory, Major/Minor Finder, Myers-Briggs Type Indicator, Career Liftoff, etc.) to determine career interests and aptitudes
- Train faculty in the use and interpretation of the 'Strong Interest Inventory'
- Offer one-on-one career-choice counseling to current students, alumni, faculty and staff, and prospective students
- Make available computerized career guidance and other resources to student body
- Sponsor USI alumni job shadowing and career advisory program
- Instruct 1-hr credit course - GENS 111, *Career Planning*
- Organize and direct "USIdol" competition
- Organize and direct the annual "Springfest" campus and community social event with student steering committee
- Provide in-class group test interpretations for various classes, including *Freshman Seminar* (GENS 101) and *Career Planning* (GENS 111)

N. Career services and placement
- Provide recruitment services and programs (career fair events) that assist students to connect with potential employers and graduate schools
- Provide referrals to internship/cooperative education opportunities
- Instruct 1-hr credit course on internships - GENS 399, *Field Experience*
- Coordinate 250+ internships in collaboration with academic departments
- Collaborate with academic departments by presenting job search/career development programming in classes
- Develop and maintain relationships with area employers through site visits and participation in professional associations such as Evansville Area Human Resource Association and Chamber of Commerce of Southwest Indiana
- Provide referrals to part-time, temporary and summer employment opportunities
- Provide internet resources (MonsterTRAK system) to assist with job search
- Assist with job search strategies and résumé preparation
- Post over 2500 job listings annually on Career Services & Placement website
- Prepare annual "Graduate Information Report" for USI Board of Trustees

Step 4: Prepare a list of consequences that may occur if Student Affairs is unable to meet its goals and objectives. Rank the consequences based on the impact it would have on Student Affairs should it occur, no matter the reason.

	CONSEQUENCES	IMPACT VALUE
0	Students unprepared to "live wisely"	H
1	Declining enrollment	H
2	Loss of credibility (long term bad PR)	H
3	Loss of significant assets	H
4	Loss of significant future revenue stream	H
5	Death/Major injury	H
6	Significant interruption to business continuity	H
7	No awareness of USI - no name recognition	H
8	Low morale – student or staff discontent	H
9	Civil fines, penalties, or sanctions	H
10	Declining Retention/Graduation	H
11	Bad PR (short term)	M
12	Increased oversight	M
13	Lawsuits – individual	M
14	Loss of knowledge base (key personnel)	M
15	Re-work/Inefficiency	M
16	Lawsuits – class action	L
17	Letter of reprimand	L
18	Return funds	L
19	Criminal fines or penalties	L

High = the consequence will prevent the organization/unit from meeting its goal and objectives.
Medium = the consequence will only slow, or make inefficient, the organization/unit from meeting its goals and objectives.
Low = the consequences will have little or no effect on the organization/unit meeting its goals and objectives.

NOTE: There is no significance to the order of consequences within each category.

Step 5: Brainstorm risks or challenges associated with each core process based on the activities identified in step 3.

Step 6: Using the ranked consequences, assign an IMPACT value to each risk/challenge based on the most likely consequence(s) should that risk happen.

Step 7: Assign a PROBABILITY value (High, Medium, Low) of the risk happening if there are no supervisory or oversight controls in place. [NOTE: This means only operating controls are in place, such as training and written policies and procedures that describe how to perform a task.]

The results of these steps are reflected on the following pages.

Core Process: **Student Affairs Administration**	Impact	Prob.	Ranking	Consequences
1. Failure to adequately research need and cost of student services	M	L	ML	11, 15
2. Failure to assess viability of all student services	M	L	ML	11, 12, 15
3. Failure to develop partnerships with external entities that provide opportunities for student activities	M	L	ML	11, 12
4. Failure to communicate or develop partnerships with other university units	M	L	ML	12, 15
5. Failure to establish performance goals for student services; monitor productivity	M	L	ML	15, 17
6. Failure to identify and manage risks	M	L	ML	11, 15, 17
7. Failure to investigate and resolve complaints	M	L	ML	11, 15, 17
8. Failure to support academic endeavors	M	L	ML	11,15
9. Ineffective communication with direct reports	M	L	ML	8, 12, 15, 17
10. Insufficient operating/program budget	M	L	ML	8, 12, 15

Core Process: **Admissions**	Impact	Prob.	Ranking	Consequences
1. Failure to apply entrance quality standards	M	L	ML	12, 15, 17
2. Ineffective recruiting techniques	M	L	ML	1, 7, 11, 12, 15
3. Ineffective marketing/public relations	M	L	ML	1, 7, 11, 12, 15
4. Inefficient admission process	M	L	ML	1, 12, 15, 17
5. Inefficient travel management	M	L	ML	12, 17
6. Poor communications with USI colleges	M	L	ML	11, 12, 15
7. Poor communications with prospective students/parents	M	L	ML	1, 12,15
8. Inadequate recruiting coverage	M	L	ML	1, 7, 11, 12, 15, 17
9. Rising operating costs outpace available dollars/budget	M	L	ML	1, 2, 8, 10, 15
10. Increased competition	H	H	HH	1, 2, 4, 10
11. Loss of applications/exam results/transcripts	M	L	ML	11,15, 17

Core Process: **Registrar**	Impact	Prob.	Ranking	Consequences
1. Bureaucratic enrollment process	M	L	ML	11, 15, 17
2. Inconsistent application of rules and regulations	M	L	ML	11, 15, 17
3. Ineffective communications with Admissions	M	L	ML	15, 17
4. Inflated or inaccurate enrollment data	M	L	ML	11, 12, 15, 17, 18
5. Inappropriate release of student information	M	L	ML	11, 12, 13
6. Noncompliance with changing regulatory requirements (FERPA)	M	L	ML	11, 12, 15, 17
7. Inadequate funding	M	L	ML	11, 15
8. Loss of applications/exam results/transcripts	M	L	ML	11, 15, 17
9. Transcript and academic credential inaccuracies/fraud	M	L	ML	11, 12, 13, 15, 17, 19
10. Inadequate security over student records	M	L	ML	11, 12, 13, 15, 17

Core Process: Student Financial Assistance	Impact	Prob.	Ranking	Consequences
1. Granting aid to ineligible students	M	L	ML	9, 11, 12, 15, 17, 18
2. Failure to award aid timely	M	L	ML	1, 11, 12, 15, 17
3. Failure to manage default rate	M	L	ML	11, 12, 15, 17
4. Failure to provide accurate and timely information to students	M	L	ML	1, 12, 15
5. Inadequate security over student records	M	L	ML	11, 12, 13, 15, 17
6. Improper professional judgment decisions	M	L	ML	12, 15
7. Inadequate monitoring of Federal Work Study	M	L	ML	11, 12, 15
8. Inadequate verification of information on FAFSA	M	L	ML	12, 15, 18
9. Inadequate monitoring of non-institutional aid	M	L	ML	12, 15, 18
10. Insufficient documentation in student files	M	L	ML	11, 12, 15, 17
11. Declining aid $$ - federal, state and/or private	H	M	HM	1, 3, 4
12. Noncompliance with state and federal regulations	H	L	HL	2, 3, 4, 8, 9, 10, 12, 13

Core Process: Residence Life	Impact	Prob.	Ranking	Consequences
1. Failure to be ADA compliant	M	L	ML	11, 12, 13, 17
2. Inadequate security; unrestricted access	M	L	ML	5, 11, 13, 17, 19
3. Failure to meet building code requirements	M	L	ML	3, 4, 6, 8, 9, 12, 15, 17, 19
4. Failure to support a learning environment	M	L	ML	11, 12, 15, 17
5. Inadequate training in emergency response procedures	M	L	ML	5, 11, 12, 13
6. Unaffordable housing	H	L	HL	1, 4, 11
7. Inadequate disaster recovery planning	M	L	ML	6, 11, 15, 16
8. Lack of strategic planning for housing needs	M	L	ML	12, 15
9. Declining occupancy	M	L	ML	4, 15
10. Unhealthy environment	M	L	ML	5, 11, 12, 13, 15
11. Breach of contract	M	L	ML	15
12. Issuance of incorrect access cards	M	L	ML	12, 15
13. Inadequate training of students and staff in judicial affairs issues	M	L	ML	12, 15, 17

Core Process: Counseling Center	Impact	Prob.	Ranking	Consequences
1. Failure to communicate services available	M	L	ML	12, 15
2. Failure to establish effective intervention policies	M	L	ML	12, 15
3. Failure to obtain necessary licensing/certification	M	L	ML	12, 15
4. Inadequate counseling and advisory services	M	L	ML	12, 15, 17
5. Inadequate crisis management	M	L	ML	11, 13, 15
6. Inadequate security over student records	M	L	ML	11, 12, 13, 15, 17
7. Inadequate professional training or continuing education	M	L	ML	11, 12, 13, 19
8. Failure to recognize seriously troubled person	M	L	ML	5, 11, 13, 15

Core Process: **Dean of Students**	Impact	Prob.	Ranking	Consequences
1. Failure to follow student disciplinary procedures	M	L	ML	8, 12, 13
2. Inadequate student code of conduct	M	L	ML	11, 13, 15
3. Inadequate security over student records	M	L	ML	11, 12, 13, 15, 17
4. Failure to monitor activities of student groups	M	L	ML	11, 12

Core Process: **International Programs and Services**	Impact	Prob.	Ranking	Consequences
1. Comprehension of international laws	M	L	ML	9, 12, 15
2. Noncompliance with Patriot Act, Homeland Security, SEVIS, etc.	M	L	ML	9, 12, 19
3. Failure to monitor and update immigration status for students	M	L	ML	2, 12, 15
4. Failure to forewarn students/faculty traveling abroad of global security alerts and conditions	M	L	ML	3, 5, 13
5. Ignorance of federal regulations restricting study abroad and exchange programs	M	L	ML	11, 13, 15, 18
6. Ignorance of or disrespectful of religious and cultural differences	M	L	ML	12, 17
7. Failure to meet student needs, i.e., acclimating to a new country	M	L	ML	12, 17

Core Process: **Multicultural Center**	Impact	Prob.	Ranking	Consequences
1. Failure to communicate programs available	M	L	ML	12, 17
2. Failure to provide supportive social environment	M	L	ML	12, 17
3. Failure to promote respect for differing cultures and/or religions	M	L	ML	12, 17
4. Failure to provide opportunity to learn about differing cultures	M	L	ML	8, 10, 11, 15, 17
5. Failure to promote positive multicultural interaction	M	L	ML	8, 10, 11, 15, 17
6. Failure to provide community outreach opportunities	M	L	ML	12, 17
7. Insufficient operating/program budget	M	L	ML	11, 15
8. Inadequate facilities, technology/equipment	M	L	ML	11, 15

Core Process: **Recreation, Fitness and Wellness**	Impact	Prob.	Ranking	Consequences
1. Failure to communicate programs available	M	L	ML	11, 15
2. Facilities deteriorating and unusable	H	L	HL	1, 2, 3, 4, 5, 8, 9, 10, 13,
3. Failure to document policies and procedures for safe use of facilities (operations manual)	M	L	ML	5, 11, 15
4. Failure to properly instruct regarding use of equipment	M	L	ML	11, 12, 13
5. Failure to train staff in emergency procedures	M	L	ML	5, 11, 12, 13
6. Inadequate monitoring of access to facilities	M	L	ML	3, 5, 11, 13, 15, 17
7. Poor equipment maintenance	M	L	ML	5, 11, 13, 15
8. Inadequate training of 'camp' staff	M	L	ML	5, 11, 12
9. Inadequate space	M	L	ML	8, 11, 15
10. Student fees insufficient to cover operations	M	L	ML	8, 12, 15

Core Process: **Religious Life**	Impact	Prob.	Ranking	Consequences
1. Failure to meet students' spiritual needs	M	L	ML	8, 11, 15
2. Failure to communicate programs available	M	L	ML	11, 15
3. Failure to promote respect for differing religious beliefs	M	L	ML	15, 17
4. Failure to provide opportunity to learn about all religions	M	L	ML	15, 17
5. Failure to provide forum for discussion of present-day religious issues	M	L	ML	15, 17

Core Process: **Student Development Programs**	Impact	Prob.	Ranking	Consequences
1. Ineffective orientation/welcome programs	M	L	ML	10, 11, 15
2. Ineffective student leadership programs	M	L	ML	10, 11, 15
3. Failure to address needs of diverse student population	M	L	ML	10, 11, 15
4. Failure to communicate with student leaders	M	L	ML	11, 17
5. Failure to provide supportive social environment	M	L	ML	12, 17
6. Inadequate policies governing student associations and their activities	M	L	ML	5, 8, 11, 12, 13, 15
7. Inadequate space for student activities	M	L	ML	8, 11, 15
8. Inadequate training for student development staff	M	L	ML	5, 11, 12
9. Student fees insufficient to cover operations	M	L	ML	8, 12, 15

Core Process: **Career Counseling**	Impact	Prob.	Ranking	Consequences
1. Failure to offer objective methods to determine career interests and aptitudes	M	L	ML	15, 17
2. Failure to offer effective one-on-one counseling services	M	L	ML	15, 17
3. Failure to adequately train faculty in use and interpretation of 'strong interest inventory' software	M	L	ML	15, 17
4. Failure to continually be aware of the job-market changes/needs which affect career planning and advisory services	M	L	ML	12, 15, 17
5. Failure to provide up-to-date career-guidance resources to student body	M	L	ML	12, 15, 17
6. Failure to advertise career counseling services	M	L	ML	15, 17

Core Process: Career Services and Placement	Impact	Prob.	Ranking	Consequences
1. Failure to provide quality internship/co-op information /opportunities	M	L	ML	8, 11, 12, 15, 17
2. Failure to coordinate successful recruitment programs or events on campus	M	L	ML	8, 11, 12, 15, 17
3. Untimely posting of job listings	M	L	ML	8, 11, 12, 15, 17
4. Ineffective presentations of job search/career development programs	M	L	ML	8, 11, 12, 15, 17
5. Failure to provide effective mock interviews or honest/unbiased critiques of those interviews	M	L	ML	8, 11, 12, 15, 17
6. Failure to maintain positive relationships with area employers and professional associations	M	L	ML	8, 11, 12, 15, 17

Point values: H = 3; **M** = 2; **L** = 1
Impact based on average score of Consequences listed:

H = 2.5 and above
M = 1.5 thru 2.49
L = < 1.5

Ranking scores:

HH, HM		Critical Risk
HL, MH		Near-Critical Risk
MM, ML, LH		Moderate Risk
LM, LL		Low Risk

University of Southern Indiana
Office of Student Affairs

CORE PROCESSES		RISKS ■												
		1		2		3		4		5		6		7
Student Financial Assistance	HM	Declining aid $ - federal, state and/or private	HL	Noncompliance with state and federal regulations	ML	Granting aid to ineligible students	ML	Failure to award aid timely	ML	Failure to manage default rate	ML	Improper professional judgment	ML	Inadequate security over student records
Admissions	HH	Increased competition	ML	Failure to apply entrance quality standards	ML	Ineffective recruiting techniques	ML	Ineffective marketing/public relations	ML	Inefficient admission process	ML	Poor communications with USI colleges	ML	Poor communications with prospective students/parents
Residence Life	HL	Unaffordable housing	ML	Failure to be ADA compliant	ML	Inadequate security; unrestricted access	ML	Failure to meet building code requirements	ML	Failure to support a learning environment	ML	Inadequate training in emergency response procedures	ML	Inadequate disaster recovery planning
Recreation, Fitness and Wellness	HL	Facilities deteriorating and unusable	ML	Failure to communicate programs available	ML	Failure to document policies and procedures for safe use of facilities	ML	Failure to properly instruct regarding use of equipment	ML	Failure to train staff in emergency procedures	ML	Inadequate monitoring of access to facilities	ML	Poor equipment maintenance
Student Affairs Administration	ML	Failure to adequately research need and cost of student services	ML	Failure to assess viability of all student services	ML	Failure to develop partnerships with external entities that provide opportunities for student activities	ML	Failure to communicate or develop partnerships with other university units	ML	Failure to establish performance goals for student services; monitor productivity	ML	Failure to identify and manage risks	ML	Failure to investigate and resolve complaints
Student Development Programs	ML	Ineffective orientation/welcome programs	ML	Ineffective student leadership programs	ML	Failure to address needs of diverse student population	ML	Failure to communicate with student leaders	ML	Failure to provide supportive social environment	ML	Student fees insufficient to cover operations	ML	Inadequate space for student activities
Registrar	ML	Bureaucratic enrollment process	ML	Inconsistent application of rules and regulations	ML	Inflated or inaccurate enrollment status	ML	Inappropriate release of student information	ML	Noncompliance with changing regulatory requirements	ML	Inadequate funding	ML	Transcript and academic credential inaccuracies/fraud

University of Southern Indiana
Office of Student Affairs

CORE PROCESSES		RISKS ■												
		8		9		10		11		12				
Student Financial Assistance	ML	Failure to provide accurate and timely information to students	ML	Inadequate monitoring of Federal Work Study	ML	Inadequate verification of information on FAFSA	ML	Inadequate monitoring of non-institutional aid	ML	Insufficient documentation in student files				
Admissions	ML	Inadequate recruiting coverage	ML	Rising operating costs outpacing available dollars/ budget	ML	Loss of applications/ exam results/ transcripts	ML	Inefficient travel management						
Residence Life	ML	Lack of strategic planning for housing needs	ML	Declining occupancy	ML	Unhealthy environment	ML	Breach of contract	ML	Issuance of incorrect access cards	ML	Inadequate training of students and staff in judicial affairs issues		
Recreation, Fitness and Wellness	ML	Inadequate training of 'camp' staff	ML	Inadequate space	ML	Student fees insufficient to cover operations								
Student Affairs Administration	ML	Failure to support academic endeavors	ML	Ineffective communication with direct reports	ML	Insufficient operating/ program budget								
Student Development Programs	ML	Inadequate training for student development staff	ML	Inadequate policies governing student associations and their activities					Student fees insufficient to cover operations					
Registrar	ML	Inadequate security over student records	ML	Loss of applications/ exam results/ transcripts	ML	Ineffective communications with Admissions								

HH, HM	🟥	Critical Risk	**HL, MH**	🟨	Near Critical Risk	**MM, ML, LH**	🟩 Moderate Risk
LM, LL	⬜	Low Risk					

University of Southern Indiana
Office of Student Affairs

RISKS ■

CORE PROCESSES		1		2		3		4		5		6		7
Counseling Center	ML	Failure to communicate services available	ML	Failure to establish effective intervention policies	ML	Failure to obtain necessary licensing/ certifications	ML	Inadequate counseling and advisory services	ML	Inadequate crisis management	ML	Inadequate security over student records	ML	Inadequate professional training or continuing education
Multicultural Center	ML	Failure to communicate programs available	ML	Failure to provide supportive social environment	ML	Failure to promote respect for differing cultures and/or religions	ML	Failure to provide opportunity to learn about differing cultures	ML	Failure to promote positive multicultural interaction	ML	Failure to provide community outreach opportunities	ML	Insufficient operating/ program budget
International Programs and Services	ML	Comprehension of international laws	ML	Noncompliance with Patriot Act, Homeland Security, SEVIS, etc.	ML	Failure to monitor and update immigration status for students	ML	Failure to forewarn students/faculty traveling abroad of global security alerts/conditions	ML	Ignorance of federal regulations restricting study abroad and exchange programs	ML	Ignorance of or disrespectful of religious or cultural differences	ML	Failure to meet student needs, i.e., acclimating to new country
Career Counseling	ML	Failure to offer objective methods to determine career interests and aptitudes	ML	Failure to offer effective one-on-one counseling services	ML	Failure to adequately train faculty in use & interpretation of 'strong interest inventory' software	ML	Failure to continually be aware of job-market changes which affect career planning & advisory services	ML	Failure to provide up-to-date career guidance resources to student body	ML	Failure to advertise career counseling services		
Career Services and Placement	ML	Failure to provide quality internships/co-op information/ opportunities	ML	Failure to coordinate successful recruitment programs or events	ML	Untimely posting of job listings	ML	Ineffective presentations of job search/ career development programs	ML	Failure to provide effective mock interviews and honest/ unbiased critiques	ML	Failure to maintain positive relationships with area employers and professional associations		
Religious Life	ML	Failure to meet students' spiritual needs	ML	Failure to communicate programs available	ML	Failure to promote respect for differing religious beliefs	ML	Failure to provide opportunity to learn about all religions	ML	Failure to provide forum for discussion of present-day religious issues				
Dean of Students	ML	Failure to follow student disciplinary procedures	ML	Inadequate student code of conduct	ML	Inadequate security over student records	ML	Failure to monitor activities of student groups						

University of Southern Indiana
Office of Student Affairs

CORE PROCESSES		RISKS ■												
		1		2		3		4		5		6		7
Counseling Center	ML	Failure to recognize seriously troubled person												
Multicultural Center	ML	Inadequate facilities, technology/ equipment												
International Programs and Services														
Career Counseling														
Career Services and Placement														
Religious Life														
Dean of Students														

HH, HM	▮ Critical Risk	**HL, MH**	▯ Near Critical Risk	**MM, ML, LH**	▮ Moderate Risk	**LM, LL**	▯ Low Risk

University of Southern Indiana
Annual Audit Plan
Calendar Year 2008

QUARTER BEGINNING	AUDIT AREA	DESCRIPTION	HOURS
January 2008	Bookstore	Cash handling internal control review	8
	Bursar	Cash handling internal control review	10
	Auxiliary enterprises	Physical inventory test count	10
	SCT Banner - 4	Security access review - Financial Aid	150
	Student Affairs	Control and risk assessment - management level	50
	Business Affairs	Control and risk assessment - management level	150
April 2008	SCT Banner - 5	Security access review - Accounts Receivable	200
	Business Affairs - Bursar	Control and risk assessment - operations	100
	Academic Affairs	Control and risk assessment - management level	150
	Non-financial aid grant	Compliance with grantor regulations	150
July 2008	Financial Records	Assist State Board with year end audit and report	200
	Athletics	NCAA compliance	150
	Purchase Card - 2	Review purchases of randomly selected users	200
October 2008	HR and Payroll	Control and risk assessment	150
	Health Professional Practice Unit	Contract compliance	150
	Accounts Receivable	Review and testing of receivable balances	150

Total Hours	**1978**
Hours needed	2235
Hours available for unscheduled audits	257

RESOLUTIONS OF THE
UNIVERSITY OF SOUTHERN INDIANA BOARD OF TRUSTEES

RESOLUTIONS REGARDING REFINANCING OF UNIVERSITY OF SOUTHERN INDIANA AUXILIARY SYSTEM VARIABLE RATE DEMAND REVENUE BONDS, SERIES 2001B, AND DELEGATION OF CERTAIN POWERS IN REGARD THERETO TO THE FINANCE/AUDIT COMMITTEE

Whereas, the University has previously issued the 2001B Bonds, which were insured by Ambac Assurance Corporation and further secured by a liquidity facility from J.P. Morgan Chase Bank, NA; and

Whereas, the credit rating of Ambac has been downgraded by one credit rating agency, and may also be downgraded by other credit ratings agencies in the near term, such that the 2001B Bonds have been adversely affected, both in terms of weekly interest rate resets, and in terms of long-term stability of interest rate forecasts for the 2001B Bonds; and

Whereas, the Treasurer of the University has diligently analyzed various possible responses to this development, and has recommended to this Board that a current refunding of the 2001B Bonds be pursued; and

Whereas, the Board wishes to pursue a current refunding based upon the recommendation of the Treasurer; and

Whereas, this Board desires to delegate its power and authority to the Finance/Audit Committee to hear and act upon the recommendations of the Treasurer with respect to the potential refunding of the 2001B Bonds, and desires to authorize the Treasurer to take any and all actions required to reasonably and prudently implement the refunding.

NOW, THEREFORE, BE IT RESOLVED by this Board as follows:

1. The Treasurer is hereby authorized to develop a Plan of Finance and refunding documents for the 2001B Bonds and present the Plan of Finance and documents to the Finance/Audit Committee for its consideration and potential approval.

2. The Board recognizes that the Plan of Finance will include requirements for contribution of auxiliary system reserves for costs of issuance, credit enhancement, and reserves for the 2008 Bond, to the extent they are required by the market in order to effect the refunding.

3. The Treasurer is further authorized to solicit all necessary approvals from the State of Indiana and its administrative entities for the issuance of the 2008 Bond.

4. The Board reserves the right to evaluate and continue the existing 2001B debt structure if market conditions improve.

5. The Board reserves the right to receive and act upon the Plan of Finance itself in addition to delegating to the Finance/Audit Committee the authority to do so.

Dated this 6th day of March, 2008.