



**YOUNGSTOWN  
STATE  
UNIVERSITY**

**BOARD OF TRUSTEES  
AUDIT SUBCOMMITTEE  
Michael A. Peterson, Chair  
Molly S. Seals, Vice Chair  
Laura A. Lyden  
Anita A. Hackstedde  
Joseph J. Kerola**

**Wednesday, June 21, 2023  
11:00 a.m. or immediately following  
previous meeting**

**Board Room  
Tod Hall**

**AGENDA**

**A. Disposition of Minutes for Meeting**

**B. Old Business**

**C. Subcommittee Items**

**1. Discussion Items**

**C.1.a. = Tab 1 a. Anonymous Reporting Hotline Stats Update**  
Michelle DiLullo, Staff Auditor, will report.

**C.1.b. = Tab 2 b. FY23 Third Quarter Internal Audit Plan Update**  
Michelle DiLullo, Staff Auditor, will report.

**C.1.c. = Tab 3 c. Audit Matrix Open Audit Recommendations Update**  
This matrix tracks the progress of the implementation of recommendations for improvement or correction made by internal and external auditors.  
Michelle DiLullo, Staff Auditor, will report.

**d. Update on Enterprise Risk Management**  
Neal McNally, Vice President for Finance and Business Operations, will report.

**C.1.e. = Tab 4 e. Ohio Auditor of State Census Data Examination**  
Katrena Davidson, Associate Vice President for Finance and Controller, will report.

**2. Action Item**

**C.2.a. = Tab 5 a. Resolution to Approve the FY24 Annual Internal Audit Plan**  
Michelle DiLullo, Staff Auditor, will report.

**D. New Business**

**E. Adjournment**

**YSU Anonymous Reporting Hotline**  
**Aggregated Statistics**  
 Fiscal Year 2023 Quarter 3

Hotline Activity	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Fiscal Year To Date Total
------------------	-----------	-----------	-----------	-----------	---------------------------

Reports received	4	1	10	-	15
------------------	---	---	----	---	----

Closed					
Unsubstantiated/insufficient information	-	1	-	-	1
Process enhancements noted	-	-	-	-	-
Investigation	3	-	1	-	4
Referred	1	-	9	-	10
<b>Total Closed</b>	<b>4</b>	<b>1</b>	<b>10</b>	<b>-</b>	<b>15</b>

Under review at quarter end	-	-	-	-	-
-----------------------------	---	---	---	---	---

Reporting Method	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Fiscal Year To Date Total
Ethicspoint Phone	1	1	-	-	2
Ethicspoint Website	3	-	10	-	13
<b>Total:</b>	<b>4</b>	<b>1</b>	<b>10</b>	<b>-</b>	<b>15</b>

Reporter Anonymity	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Fiscal Year To Date Total
Anonymous	4	-	9	-	13
Not anonymous	-	1	1	-	2
<b>Total:</b>	<b>4</b>	<b>1</b>	<b>10</b>	<b>-</b>	<b>15</b>

Youngstown State University  
 Quarterly Internal Audit Plan Update  
 FY23 Q3 January 1 - March 31, 2023

Projects							
Project Area	Risk Category	Risk Level*	Status**	Actual Q2 Hours	Actual Q3 Hours	Actual YTD Hours	Audit Plan Budgeted Hours
<b>Current Year Audits:</b>							
Student Billing, Collections, and Accounts Receivable	Financial & Operational	High	In Process	74	208	282	200
Banner User Access	IT & Compliance	High	In Process	-	6	6	20
External Funding-related to the Division of Workforce Education & Innovation	Operational, Financial, & Compliance	High	Planned	-	4	4	200
Facilities and Building Access	Facilities, Operational, & Compliance	High	Planned	-	-	-	200
<b>Consulting &amp; Advisory</b>							
Enterprise Risk Management/Other	Various	Moderate	Ongoing	2	7	9	155
<b>Continuous Auditing Analytics</b>							
Payroll	Financial, Operational, Compliance	Moderate	Ongoing	39	38	77	75
Accounts Payable	Financial, Operational, Compliance	Moderate	Ongoing	50	40	90	75
EthicsPoint Hotline Monitoring	Various	High	Ongoing	6	42	48	40
Follow-up on Open Audit Recommendations	Various	Various	Ongoing	14	4	18	70
<b>Total Project Hours</b>				<b>185</b>	<b>349</b>	<b>534</b>	<b>1,035</b>

**\*Risk Level**

Assessment of potential impact of risks and likelihood of risk events occurring; rating drives Internal Audit plan priorities:  
**High** - significant risk area, high priority for Internal Audit coverage  
**Medium** - moderate risk area, moderate priority for Internal Audit coverage

Non-Project Hours				
Category	Actual Q2 Hours	Actual Q3 Hours	Actual YTD Hours	Audit Plan Budgeted Hours
Professional Development	40	24	64	75
Administrative:	295	147	442	450
<b>Total Administrative Hours</b>				<b>525</b>

**\*\*Status Definitions**

**Planned** - as per audit plan, schedule to start in current FY  
**In Process** - in progress at quarter end  
**Complete** - audit procedures concluded and results communicated  
**Deferred** - moved from current FY plan per updated risk assessment

**Total Hours**      520      520      1,040      1,560

**Audit Recommendations Status- FY2023 Q2**

Audit	Info	Recommendation Name	Summary of Recommendation	Summary of Original Response	Prior Status Comment	Current Status Comment
Audit #	2020-01-01	Policies And Procedures	Update policies to address financial management requirements including tax status, accounting concepts, record keeping, contract requirements, funding mechanisms and procedures, disbursement controls, agency account and off-campus cash accounts.	Policies will be developed in this area.	Financial management procedures were added as section G in the Student Organization Policies and also added to the Organization Advisor Manual. PNC will be presenting at the Student Leadership Retreat. It will be recorded and available online for ongoing training for student treasurers.	The Office of Student Activities has recently upgraded to a new management system called CampusGroups which trains and tracks members of student organizations. It will track and tag all student treasurers to complete the training module. The new program should be fully implemented by the fall of 2023.
Dated Issued	2/17/2020	-----				
Risk Category	Financial	Student Organizations Audit				
Risk Level	Low					
Division	Student Experience					
Deadline	8/31/2020					
New Deadline	8/31/2023					
Current Status	DEADLINE REVISED					

Audit	Info	Recommendation Name	Summary of Recommendation	Summary of Original Response	Prior Status Comment	Current Status Comment
Audit #	2022-Adv-01	Noncompliance In Travel Policy Updates	Management should review travel guidelines and consider the need to update these guidelines to provide specific direction to employees regarding University travel and related use of affinity programs.	Management is responsive to the need for specific direction on University travel and related use of affinity programs. Updated guidelines will be developed.	Travel Guidelines currently address the Ohio Ethic Commission prohibition on airline rewards, but are silent with regard to hotel rewards (other than no reimbursement for expenses paid via points. Language addressing hotel rewards and other affinity programs will be incorporated into the next Travel Guidelines update scheduled for January 1, 2023.	Travel Guidelines currently address the Ohio Ethic Commission prohibition on airline rewards, but are silent with regard to hotel rewards (other than no reimbursement for expenses paid via points. Language addressing hotel rewards and other affinity programs will be incorporated into the next Travel Guidelines update scheduled for January 1, 2023.
Dated Issued	1/15/2000	-----				
Risk Category	Financial	Advisory/Travel				
Risk Level	Moderate					
Division	Finance and Business Operations					
Deadline	12/31/2022					
New Deadline	2/28/2023					
Current Status	CLOSED					

Audit	Info	Recommendation Name	Summary of Recommendation	Summary of Original Response	Prior Status Comment	Current Status Comment
Audit #	2022-Adv-02	Noncompliance In Travel Employee Training	Management should ensure that faculty and staff are adequately trained regarding travel guidelines.	Travel Guidelines were revised February 1, 2021 and training developed and implemented in March 2021, prior to this recommendation being made in December of 2021.	Language addressing hotel rewards and other affinity programs will be incorporated into the next Travel Guidelines and Training Material update scheduled for January 1, 2023. A communication will go out to Campus which will include a recap of any revisions made and will also include links to the revised Travel Guidelines and the Travel Training Site on Blackboard.	Language addressing hotel rewards and other affinity programs will be incorporated into the next Travel Guidelines and Training Material update scheduled for January 1, 2023. A communication will go out to Campus which will include a recap of any revisions made and will also include links to the revised Travel Guidelines and the Travel Training Site on Blackboard.
Dated Issued	1/15/2022	-----				
Risk Category	Financial	Advisory/Travel				
Risk Level	Low					
Division	Finance and Business Operations					
Deadline	12/31/2022					
New Deadline	2/28/2023					
Current Status	CLOSED					



OHIO AUDITOR OF STATE  
KEITH FABER



# OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street  
Columbus, Ohio 43215  
ContactUs@ohioauditor.gov  
(800) 282-0370

## INDEPENDENT ACCOUNTANT'S REPORT

Youngstown State University  
Mahoning County  
Ohio Public Employees Retirement System  
Plante & Moran, PLLC  
One University Plaza  
Youngstown, Ohio 44555

We have examined the Youngstown State University, Mahoning County management's assertion that the census data and pensionable wages reported to the Ohio Public Employees Retirement System as of December 31, 2022, and for the year then ended was accurate and complete.

Management asserts that:

- The census data provided to the Ohio Public Employees Retirement System as of December 31, 2022 is accurate and complete. Census data includes
  - First and Last Name;
  - Last four digits of the social security number;
  - Gender;
  - Date of Birth;
  - Contributions remitted to the plan;
  - Pensionable Compensation;
- The census data provided to the Ohio Public Employees Retirement System as of December 31, 2022 included all enrolled employees.
- Census data changes occurring during the year ended December 31, 2022 to an enrolled employee's eligible compensation, were properly updated with the Ohio Public Employees Retirement System.
- All employees required to be enrolled in the Ohio Public Employees Retirement System in accordance with statutory requirements were properly enrolled.
- The total pensionable wages and employee contributions information reported to the Ohio Public Employees Retirement System for the year ended December 31, 2022 agrees with the payroll records of the employer.

Youngstown State University's management is responsible for the assertions. Our responsibility is to opine on management's assertions based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertions are fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertions, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, management's assertions related to the accuracy and completeness of the census data and pensionable wages as described above provided to Ohio Public Employees Retirement System as of and for the year ended December 31, 2022 are fairly stated in all material respects.

This report is intended solely for the information and use of Youngstown State University's management, those charged with governance, and Ohio Public Employees Retirement System management, and plan auditors to provide assurances that the census data reported to the Ohio Public Employees Retirement System is accurate and complete. This report is not suitable for any other purpose.



Keith Faber  
Auditor of State  
Columbus, Ohio

May 3, 2022

# OHIO AUDITOR OF STATE KEITH FABER



YOUNGSTOWN STATE UNIVERSITY  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM CENSUS DATA EXAMINATION

MAHONING COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 5/9/2023

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)





**YOUNGSTOWN  
STATE  
UNIVERSITY**

**RESOLUTION TO APPROVE THE FY24  
ANNUAL INTERNAL AUDIT PLAN**

**WHEREAS**, the Annual Internal Audit Plan contains the planned scope and time budget of audit engagements for the fiscal year; and

**WHEREAS**, Internal Audit assesses risk annually and focuses priorities of the Annual Internal Audit Plan on risk exposures throughout the University; and

**WHEREAS**, the risk-based Annual Internal Audit Plan for fiscal year 2024 has been developed; and

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Trustees of Youngstown State University does hereby approve the FY24 Annual Internal Audit Plan, attached hereto.

**Board of Trustees Meeting  
June 22, 2023  
YR 2023-**

Youngstown State University  
Proposed Internal Audit Plan  
Fiscal Year 2024

Projects					
Current Year Audits:					
Project Area	Scope	Objectives	Risk & Risk Category	Audit Risk Rating	Total Budget Hours
External Funding - related to the Division of Workforce Education and Innovation	Procedures and controls related to the external funding related to the Division of Workforce Education and Innovation in relation to operational, financial, and compliance policies	Ensure compliance with external funding requirements, that policies and procedures are documented to ensure that funds are acquired, expended, and monitored in accordance with the grant agreement, and university policy.	Operational procedures and financial policies are not properly documented could impact compliance with external funding requirements resulting in disallowed costs and/or lost funding  Financial, Operational, & Compliance	High	410
Facilities and Building Access	Procedures and controls related to key issuance, replacement and return; and procedures for vendor or visitor access	Analyze processes for issuing and managing university keys; removal of building access when it is no longer necessary; managing vendor or visitor access and the accuracy of related records	Unauthorized individuals gain access to buildings; Ineffective key controls; lack of exit procedures for inter-department transfers or separated employees  Facilities, Operational, & Compliance	High	225
Conflict of Interest	Procedures and controls related to conflict of interest policy and annual disclosure statements; review standard and documented vendor selection and hiring processes	Provide assurance that framework exists to support effective management of conflict of interest and controls are applied to ensure compliance with conflict of interest in hiring vendor relationships	Instances of corruption, loss of instructional resources, improper vendor selection, inappropriate purchases and hiring decisions, and reputational risk  Operational & Compliance	High	225
<b>Total Current Year Audit</b>					<b>860</b>
Consulting & Advisory:					
Project Area	Scope	Objectives	Risk & Risk Category	Audit Risk Rating	Total Budget Hours
Consulting & Advisory	Consulting/advisory assistance with other projects, including FY24 Enterprise Risk Management	Assist in evaluating the severity and probability of emerging risks on campus. Monitor compliance within the Enterprise Risk Assessment Mitigation Plan.	Internal controls not properly designed, developed, or implemented, and internal control gaps not identified  Various	Medium	50
<b>Total Consulting &amp; Advisory</b>					<b>50</b>

Projects Continued					
Continuous Auditing and Follow-up on Open Audit Recommendations:					
Project Area	Scope	Objectives	Risk & Risk Category	Audit Risk Rating	Total Budget Hours
Continuous Auditing - Analytics - Payroll	Quarterly continuous auditing	Analysis of quarterly payroll data to ensure operating effectiveness of internal controls	Fraud and errors related to payroll  Financial	High	150
Continuous Auditing - Analytics- A/P	Quarterly continuous auditing	Analysis of quarterly payables data to ensure operating effectiveness of internal controls	Fraud and errors related to payables  Financial	High	150
Hotline Monitoring	Ongoing monitoring of hotline reports	Assess risk level and quality of hotline reports; ensure timely follow-up of reports as deemed necessary	Fraud/unethical conduct  Various	TBD	100
Follow-up on Open Audit Recommendations	Follow-up on management's corrective actions plans to address audit recommendations from previously issued audit reports	Validate corrective actions implemented to ensure audit findings are adequately and timely addressed	Corrective action plans not implemented to address risks from control gaps identified in previous audits  Various - Financial, Operational, Compliance	Various	120
<b>Total Continuous Auditing &amp; Follow-up on Open Audit Recommendations</b>					<b>520</b>
<b>Total Project</b>					<b>1430</b>

Non-Project Hours		
Category	Description	Total Budget Hours
Professional Development	Webinars, seminars, workshops, etc. to develop knowledge and skills in relevant to audit, higher education and related risk topics; also fulfill university training requirements for employees	100
Administrative	Planning, audit risk assessment, Audit Subcommittee prep, meetings and other time (vacation, sick, holiday)	550
<b>Total Non-Project</b>		<b>650</b>
<b>Total Hours</b>		<b>2080</b>