



Save the Date



**AUDIT** Interactive

A Higher Education Collaborative Experience

March 24–27, 2019 Savannah, GA · Hyatt Regency Savannah



# CONTENTS

## FEATURES

### AUDIT STRATEGIES

- 9 Internal Audit in the Digital Age  
*Joseph E. Seibert*
- 11 Blockchain Overview – What Auditors Need to Know (Part 1)  
*Sean Stein Smith*
- 13 The Social Capital Approach  
*Josh Cieslewicz and Emmelia Cieslewicz*
- 16 Leveraging Your ACUA Network for Audit Recommendations  
*David Terry*

### COMPLIANCE

- 5 Reading, Writing, and Revenue? Standard Setters Address the Fundamentals  
*Sue Menditto*

### FOCUS ON HIGHER EDUCATION

- 19 Sure We Have an Ethics Program, but is it Effective? Conducting Ethical Climate Surveys in Higher Education  
*Janet Covington, Scotty Jenkins, and Ken Liddle*

### MEMBERS

- 24 Connect Further: Audit Management Software Programs  
*Marilyn Carnevale*
- 29 2018 ACUA Annual Awards  
*Toni Stephens*
- 32 Highlights from ACUA's 2018 Annual Conference in New Orleans
- 35 ACUA's 2018 Annual Conference Supporters
- 36 Just For Fun – Fall Crossword

### DEPARTMENTS



- 2 From the Editor
- 3 From the President

*College & University Auditor* is the official publication of the Association of College & University Auditors. It is published three times a year as a benefit of membership. Articles in *College & University Auditor* represent the opinions of the authors and do not necessarily represent the opinions of governance, members or the staff of the Association of College & University Auditors. Acceptance of advertising does not imply endorsement by ACUA. ©2018 Association of College & University Auditors.

**Send address changes to:**  
ACUA  
4400 College Boulevard, Suite 220  
Overland Park, KS 66211  
[ACUA-info@kellencompany.com](mailto:ACUA-info@kellencompany.com)

ACUA members are invited to submit letters and original articles to the editor. Go to [www.ACUA.org](http://www.ACUA.org) and click on the Resources – *College & University Auditor* journal for further guidelines. The editor reserves the right to reject, abridge or modify any advertising, editorial or other material.

#### Editor

Sonja Erickson, University of Missouri System  
[editor@acua.org](mailto:editor@acua.org)

#### Deputy Editor

Marilyn Carnevale, Rutgers, The State University of New Jersey

#### Editing Staff

Susan Edinger, University of Toledo  
Paul Harris, Los Rios Community College District  
Dyan Hudson, University of Texas System  
Amy Hughes, Michigan Technological University  
Leigh Moon, Eastern Illinois University  
Erica Smith, Columbia State Community College  
Amy Wilegus, University of Tennessee

#### ACUA Management Editing Staff

Raven Hardin, Association Manager

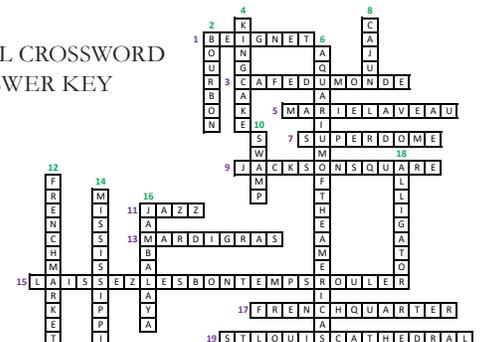
#### Upcoming Deadlines

Winter Issue – December 1, 2018  
Summer Issue – May 1, 2019  
Fall Issue – September 1, 2019

#### ACUA CORE VALUES

- INTEGRITY
- OPEN SHARING OF KNOWLEDGE
- MUTUAL TRUST & FRIENDSHIP
- RESPECT
- COMMITMENT TO EXCELLENCE
- INNOVATION

### FALL CROSSWORD ANSWER KEY





Audimation Services helps colleges and universities use analytics to improve productivity, make better business decisions, and achieve financial and operational goals. As an **ACUA Strategic Partner**, we provide access to these resources to help you unlock the power of your data.

**IDEA 10.3 Has Arrived!**

- Built-in Analytic Intelligence
- Duplicate Key Detection with Visualization
- Enhanced PDF Converter



**Training Without Travel**

- Live Online Courses - IDEA Level 1 & 2
- IDEA Innovations Conference Virtual Attendee Option
- Each offering NASBA CPE credit!

**Exclusive Benefits for ACUA Members**

- Preferred Pricing on IDEA & IDEA Server
- Training Discounts – In-Person & Online
- Lower-Cost Annual Renewals



**AUDIMATION**  
SERVICES, INC

Call 888.641.2800 or  
visit [www.audimation.com](http://www.audimation.com)

# LETTER FROM



## THE EDITOR

By Sonja Erickson, CIA, CGAP  
Editor

In this Fall issue, we are exploring the importance of connections for internal auditors. Despite the stereotype of a loner auditor digging through files and crunching numbers, we know that internal auditing is just the opposite—connecting with others is one of the most important parts of our job! To be effective, internal auditors must collaborate with our audit colleagues, gain the trust of our clients, convince and persuade management of the value of our recommendations, and stay engaged in our professional community.

Our contributors explore several ways that auditors build valuable connections. Josh Cieslewicz and Emmelia Cieslewicz consider the importance of creating social capital, while David Terry discusses leveraging professional networks to improve audit work. Janet Covington, Scotty Jenkins, and Ken Liddle reveal how conducting ethical climate surveys can help university leaders connect the “tone at the top” with the reality below. As part of ACUA’s ongoing efforts to foster connections with other stakeholders in higher education, Sue Menditto of the National Association of College and University Business Officers (NACUBO) contributes a timely article about newly implemented and upcoming revenue recognition standards for colleges and universities.

To remain relevant, internal auditors must also stay connected with the latest technology and industry trends. To that end, Joseph Seibert examines three key auditing trends that will impact higher education, while Sean Stein Smith explains the complex world of blockchain and what we all need to understand about this fast-approaching technology. Whether your audit shop is on the cutting edge of technology or still using paper work papers, these thought-provoking articles help us consider the future needs of our institutions and direction of our profession.

Speaking of work papers, in this issue we are launching a new feature called “Connect Further,” which dives deeper into popular topics from the Connect ACUA message board. Recently, posts related to audit management software programs generated significant interest among ACUA members. For our initial Connect Further article, Marilyn Carnevale, Deputy Editor, explores how different university audit shops have incorporated these programs into their audit work.

How can you “connect further” in your work, at your institution, and with your peers? I encourage you to start by participating in future Connect ACUA discussions, liking and sharing ACUA posts on social media, and submitting an article to *College and University Auditor*. You can connect with me at [editor@ACUA.org](mailto:editor@ACUA.org), or reach me by phone at (573) 882-7557.

I look forward to hearing from you.

Sonja Erickson, CIA, CGAP  
*Lead Auditor, Office of Internal Audit & Consulting Services*  
*University of Missouri System*

# LETTER FROM

## THE PRESIDENT



By  
Justin T. Noble, CIA  
President

Welcome, friends, to this edition of the College and University Auditor. I am excited to serve as ACUA's President this year. ACUA has been the greatest professional organization of my career and I am excited to partner with each of you to move our organization forward.

We had a fantastic annual conference in New Orleans. It was great to meet so many new people, catch up with colleagues from across the globe, and learn many new ideas to bring back to campus. We all know it takes an army of volunteers to pull off our conferences, but many thanks to Allan Amyotte, Annual Conference Director; Nikki Pittman, Professional Education Committee Chair; and our staff team for all of their hard work.

At the annual business meeting in New Orleans, I spoke about the theme of association. I explained how I felt that our success as an organization is tied to how well we "associated" with each other. Our mission is to "assist each other in continually improving the internal operations and processes of the individual institutions we serve through continued professional development and the sharing of experiences with friends in colleagues." In short, ACUA (the "Association") is an "association with a purpose."

To achieve our goals, the Association has many initiatives underway. First, we are working to mature our relationships with our existing strategic partners and looking for additional strategic partnership opportunities. Through a reenergized Partnerships Committee, we are looking to grow our associations with other like-minded organizations. Second, the Association is embarking on a complete redesign of our website with an eye toward a new online experience for both members and visitors. Third, we are working to "reimagine" ACUA Midyear. Midyear is showing its age and a group of volunteers is making changes to the format for 2019. Lastly, we are working to ensure we deploy our efforts toward resources that help you do your job, like ACUA Kick Starters.

All of these efforts take a lot of volunteers. I would be remiss if I did not make a plea for you to get involved with the Association. If you have an hour or two to give a month, we need your help on the ACUA Risk Dictionary or Best Practices Committee. Do you only have five hours all year? Please help us by stepping up to write an ACUA Kick Starter. Do you love social media or your spreadsheets? We need your expertise on the Communication Committee or the Investment Committee. Whatever it is you have to give, ACUA has a place for you!

Lastly, I would like to take a moment and thank Sharon Kurek for her leadership as president. During Sharon's term she undertook the daunting task of negotiating a new contract with our management company, launched ACUA Kick Starters, and set the course for a new website—in addition to providing excellent leadership through her service. We are better as an association because of her efforts.

In closing, as the heat breaks in Texas and football season gets underway, I hope you find some time to enjoy this fall weather and enjoy the company of friends and family.

All the best,

A handwritten signature in black ink that reads "Justin T. Noble". The signature is written in a cursive, flowing style with a long horizontal line extending to the right.

Justin T. Noble, CIA  
*ACUA President*  
*Assistant Chief Audit Executive*  
*Texas Tech University System*

# Internal Audit in the Digital Age

By: Joseph E. Seibert

KPMG LLP (KPMG) and Forbes surveyed more than 400 Chief Financial Officers and audit committee chairs, and a key result was a “value gap” between what they viewed as priorities and what they received from their Internal Audit function.

An effective Internal Audit function should not only magnify what the organization already knows, but also present new findings, offer new perspectives, and provide new ways of gleaning such insights. Responding to emerging risks and being proactive in identifying and mitigating risks is now expected in addition to assessing controls already in place. To successfully meet these expectations, Internal Audit functions need to embrace technology and hone critical thinking and communication skills.

These challenges are happening against the backdrop of a new inflection point of technology in the economy. The 2016 World Economic Forum in Davos, Switzerland referred to this as the “Fourth Industrial Revolution.” As society rapidly adopts digital technologies and digital business models, this sets the stage to transform every aspect of life, particularly the future of work and employment. Colleges and universities will need to prepare the future workforce for this reality and transform their own business processes to remain competitive.

There are three key trends from the Fourth Industrial Revolution that impact college and university internal audit organizations:

1. **Data Analytics** leverage data to gain insights and evaluate risks. The Internet of Things, social media, and mobile devices are creating a treasure trove of information that can be analyzed along with the traditional transactional data maintained in college and university information technology systems. The results of such analysis can be utilized to guide and focus internal audit activities.

As demonstrated in the graphic, the integration of technology-enabled data and analytical tools and techniques impact all phases of the internal audit life-cycle (risk assessment, planning, scoping, execution, and reporting) and can help internal audit organizations provide greater insights and help mitigate risks.

One example of an interesting and effective application of data analytics is the evaluation of student engagement and retention. Student engagement and retention is a critical component for the success of an institution and its students. Retaining

An effective Internal Audit function should not only magnify what the organization already knows, but also present new findings, offer new perspectives, and provide new ways of gleaning such insights.



## ABOUT THE AUTHOR

*Joseph E. Seibert is a partner in KPMG's Internal Audit & Enterprise Risk Practice with more than 35 years serving higher education clients. Joe can be reached at [jseibert@kpmg.com](mailto:jseibert@kpmg.com) or 717-260-4608.*

students increases revenue and school rankings. It also improves students' chances of post-higher education success upon graduation. To measure student engagement and predict retention, data analytic routines evaluated student interaction with the institution. The data for this analysis came from school e-mails, online learning portals (e.g., interactions, grades, assignments), dining hall usage, access badge swipes into gyms and student centers, social media usage, and interactions with professors.

Assembling the data and making comparisons across different cohorts of the student population allows for an evaluation of student engagement success across different schools and colleges, departments, majors, living arrangements, and campus locations. Leading and lagging organizational units can then be identified, allowing risk-based internal audit projects to find leading student engagement practices that can be migrated to lagging units.

2. **Culture Risk** gained the attention of organizational leaders as the cause of many misconduct incidents impacting the public's trust in educational institutions. A quick review of college and university scandals include athletic departments, child abuse, misleading external reporting, financial aid, and campus security. The impact on institutional reputations is a stark reminder of the importance of culture. Even if an institution has a well-defined strategy and internal control procedures, if its culture does not support the execution, then success is unlikely.

Culture can be observed, monitored, and changed over time to encourage desired behaviors. A broad culture program addressing the issues of governance, compliance, and risk management, can also focus on an understanding of how institutions make decisions and how those decisions are influenced by culture. Internal Audit can help by:

- Assessing the institutional culture
- Completing an evaluation of performance measures to ensure desired behaviors are rewarded
- Surfacing culture risks through data analytics
- Participating in investigations involving potential misconduct
- Evaluating the cultural impact resulting from the findings of all audits conducted by the Internal Audit department

3. **Intelligent Automation (IA)** is touching all lives. Amazon's Alexa helps manage homes and self-driving cars are on the horizon. New tools and technologies are making it possible to automate many of the routine operational functions of an organization. We are seeing organizations adopt IA and automate transaction processing, report results, review and organize large volumes of data, manage call centers, and automate routine controls.

The use of IA can increase the effectiveness of college and university operations when resources are tight by improving the execution of controls and freeing staff from routine tasks to allow for more analysis. Internal Audit organizations need to address IA in three different ways:

- Review integration of governance, risk, and control considerations throughout the automation program's life cycle as it is deployed
- Help the organization identify opportunities to embed automation-enabled controls activities into business processes
- Capitalize on IA innovations to increase the efficiency and effectiveness of internal audit activities

Because of these ever-growing technology tools, the internal audit community has an opportunity to embrace change. Internal audit departments can serve as a strategic partner with the board and senior management to assess and manage risks in new ways in light of intelligent automation, cyber-physical systems, and digital labor.

Internal audit professionals should learn about the capabilities of new technologies, synchronize with senior management on the strategy and approach, and define internal audit's role in the digital transformation. Internal auditors should also think about the "art of the possible" in executing internal audit responsibilities and evolve the "possible" into proofs of concepts before bringing them to life.

The use of IA can increase the effectiveness of college and university operations when resources are tight by improving the execution of controls and freeing staff from routine tasks to allow for more analysis.

# Blockchain Overview – What Auditors Need to Know (Part 1)

By: Sean Stein Smith



## ABOUT THE AUTHOR

**Sean Stein Smith** is an assistant professor at Lehman College (CUNY), a member of the AICPA Leadership Academy class of 2017, was named a 40 under 40 by CPA Practice Advisor in 2017 and 2018, and is a member of the Advisory Board of the Wall Street Blockchain Alliance. Sean regularly appears as an expert contributor on blockchain, cryptocurrencies, and other emerging technologies for China Global TV's live business programming. He contributes his research and analysis on blockchain applications for accounting and business to the official IBM Blockchain site - Blockchain Unleashed. He is also an instructor with the Business Learning Institute and consults with the AICPA to develop and deliver blockchain and technology related content. Sean presents often on blockchain (and other emerging technologies) and its implications on the profession. His work and analysis of accounting, blockchain, emerging technologies, and the evolution of the accounting profession has been featured in dozens of practitioner and academic publications and presentations. Additionally, he is the author of numerous books focusing on accounting, technology, and how the profession will change moving forward. He can be reached at [drseansteinsmith@gmail.com](mailto:drseansteinsmith@gmail.com) or [@seansteinsmith](https://www.linkedin.com/in/seansteinsmith).

Blockchain technology has been the hottest topic at virtually every accounting conference and in journals, magazines, and in-person dialogues. While the technology itself, namely the specific coding and computer science requirements to operate a blockchain, will not be the responsibility of auditors or accounting professionals, practitioners will need to understand how this technology works. Prior to diving into the implications of blockchain on audit and other attest work in higher education, it is important to note the pace of blockchain adoption. To a certain extent, the hype and excitement around blockchain may have overshoot the reality of applications for now, but blockchain technology is coming. Regardless of whether accountants and auditors work in the public sector, the private sector, or at an institution of higher education, every professional needs to understand blockchain fundamentals and its possible applications within their industry.

## BLOCKCHAIN BREAKDOWN

There have been hundreds (if not thousands) of articles and podcasts focusing on blockchain technology and the implications it may hold for the accounting profession. However, summarizing the core functionality of the technology is necessary to ensure no misinformation or misinterpretation occurs, considering all the debate and dialogue about this topic. Some of the components that make blockchain so interesting to accounting, audit, and attestation professionals include:

- 1. Decentralization** – One of the most fascinating, and potentially most frightening, aspects of blockchain implementation is that a public blockchain can replace many functions performed by accountants. Such functions consist of confirming information, verifying the accuracy of data, and ensuring reports issued to stakeholders are accurate. Private blockchains, organized by an aptly named “organizing” firm, combine some of the positive attributes of blockchain and also have a central hub for dispute resolution. Check out this AICPA article (<https://tinyurl.com/AICPA-blockchain>) for more details.
- 2. Real time transmission** – A common complaint, whether with financial statements audits or other operational audits, is the substantial lag between when data is generated and when that data is audited or tested for errors. This lag is, at best, an inconvenience that reduces the effectiveness of audit procedures and, at worst, leads to audit failures. Institutions of higher education do need to track and monitor financial performance; the real-time transmission and communication of information between network members is a definitive value-added function enabled by blockchain.
- 3. Data is encrypted** – It is unlikely for a week to go by without a story, headline, or media coverage centering around a data breach or hack. Accountants and auditors in all industries handle information that can be both confidential and sensitive. This complicates blockchain adoption, especially when dealing with international students and individuals through the passage of the General Data Protection Regulation (GDPR). See this IBM article (<https://tinyurl.com/IBM-blockchain-GDPR>) for more details. It is a fiduciary duty of all practitioners to protect information.

Institutions of higher education do need to track and monitor financial performance; the real-time transmission and communication of information between network members is a definitive value-added function enabled by blockchain.

4. **Standardization of information** – Every accountant, auditor, or attest professional has experience with different systems that do not talk to each other. This prevents the efficient testing and examination of information. The number of different systems that professionals in higher education work with can make conducting a comprehensive control or operational audit extremely difficult. Curriculum information, student information (again sensitive in nature), grade information, tuition, and the other types of information created by students may all have different characteristics. Blockchain may be able to help address this issue by reducing the manual labor and time spent sorting through inconsistent data sets.

## THE CONNECTION BETWEEN BLOCKCHAIN AND CRYPTOCURRENCIES

With all the buzz and investment surrounding the cryptocurrency environment, especially the excitement that revolved around Bitcoin in 2017 and 2018, it is not uncommon that individuals associate blockchain with cryptocurrencies. This association and relationship is not incorrect, but it requires a further level of differentiation and understanding for practitioners to be able to offer quality advice. When trying to educate colleagues, adopt blockchain technology, and inform management professionals of what blockchain entails, think of blockchain as either the beginning of the Internet 2.0, the Internet of Trust, or as a tool enabling the creation of trustless networks. Blockchain can be thought of as an underlying technology that other applications can operate on. Different cryptocurrencies, including the most famous cryptocurrency (Bitcoin), operate on a blockchain system. Cryptocurrencies need a blockchain to function and operate, but a blockchain does not have to use a cryptocurrency. In 2017 alone, over 900 different cryptocurrencies launched, and by mid-2018 over 50% of these cryptocurrencies failed. Assuming that some of these new currencies operated on the same blockchain, that is hundreds of new blockchains in the marketplace. Being able to understand and articulate the differences between different blockchains and the connection between blockchains and cryptocurrencies is a responsibility of every practitioner.

## DIFFERENT TYPES OF BLOCKCHAINS

Other common misconceptions are that there is only one blockchain and that every blockchain is exactly the same. This would certainly make this topic easier to understand, but it represents an incomplete view of how blockchain technology works. The different types of blockchains represent a topic that can, and is, generating articles, books, and analysis. However, for the purposes of this article, the following two categories are sufficient:

1. **Public blockchains** – Perhaps perceived as the original or pure blockchain concept, this type of blockchain underpins decentralized cryptocurrencies like Bitcoin. While anyone can download operating software and become a part of a public blockchain, the completely decentralized nature also poses risks. In a public blockchain, if anything goes wrong or if any issues arise, there is no central hub for conflict resolution.
2. **Private blockchains** – If the idea of a completely decentralized public blockchain does not sound entirely appropriate for business purposes, a private blockchain may offer a viable alternative. The majority of investment dollars and people are focused in the private blockchain space. Although a private blockchain is closer to a hybrid rather than a pure blockchain, it is more useful for business applications. Organized by an organizing firm, a private blockchain can be customized, adjusted, and modified to reflect the needs and expectations of network participants. Most importantly, membership can be restricted to certain individuals or organizations and the organizing firm can establish rules and protocols for conflict resolution.

Blockchain is a technical and complicated subject. It could not possibly be covered in a single article, but the reality is this technology represents a potential paradigm shift in how accounting and auditing professionals interact with colleagues and external end users. While it is not expected these professionals will become developers, coders, or otherwise technical experts, having a working understanding of how blockchain functions will be increasingly important moving forward. This article focused on introducing core blockchain concepts and ideas. Part 2, “Blockchain and Higher Education Applications: What Accountants and Auditors Need to Know,” will drill down into how blockchain will drive change in higher education. Be sure to check out this article in the Winter issue of *College and University Auditor*.

# The Social Capital Approach

By: Josh Cieslewicz, CPA, PhD and Emmelia Cieslewicz, UVU Business Student

## INTRODUCTION

Most internal auditors have years of training working with financial capital. Social capital is just as powerful. Like financial capital, there are key principles to follow to cultivate and wield social capital. Social capital is the power people are willing to exert on another's behalf because of the strength of the relationship with that person. Such relationships can be the catalyst that enables audit findings to generate organizational improvement.

The social capital approach to internal auditing places long-term relationships as the first priority while still insisting that more immediate audit challenges be worked out with the client. Strong, broad relationships can assist in accomplishing future tasks and can prove valuable when bigger issues arise. When those relationships come to one's aid, or when you are able to assist someone else in need, social capital is at work. But how do you build social capital? Three recommended methods are to establish legitimacy, think solutions, and be collegial.

## ESTABLISH LEGITIMACY

Mark Gotberg, Assistant Director of Internal Auditing at Brigham Young University, gained legitimacy in the eyes of others at his university through mentoring students. Over the years, he dedicated more and more time to training student auditors. While it may seem that this training hindered his workload, the opposite was true. Mark established legitimacy in the eyes of academics by explaining the kind of experience and guidance students received in the Internal Audit department. Faculty and administrators are interested in students succeeding in the real world. Although they still do not like being audited, he was respected for helping students.

Another way to establish legitimacy is by building on shared values. For example, after working in the Internal Audit department, Mark Gotberg chose to work for a cause he believes in and spend as much time with his family as possible. To Mark, family values are paramount. He now works for an organization focused on improving families, and makes sure people understand his values, which builds on shared values. Understanding your own values and looking for overlap with those you work with can make work a much better experience. Shared values can change adversarial environments to situations infused with feelings of mutual commitment.

While audits of academic departments tend to focus on administrative duties, faculty are more concerned about researching and publishing. An auditor needs to find a way for faculty to "connect the dots." In other words, how can you help faculty see how reviewing administrative duties helps ensure their continued ability to research and publish? This seems obvious to most auditors, but is not so obvious to most academics. Consider working on establishing legitimacy with them.

Try thinking about what matters to academics. Faculty dedicated years of their lives to their research. They defend it at conferences; their position and income depend on it. Taking an interest in their research by spending a few minutes reading over their curriculum vitae, and even glancing through one of their articles, can go a long way towards gaining legitimacy with academics.

Thinking about the academic research and publishing process can be beneficial. Those in academia are used to getting comments on their work prior to being published. By comparing your audit comments to the editorial review comments they receive, you can express confidence in their ability to address the comments and build relationships.

Overall, connecting with people in ways that are important to them can build social capital.

Overall, connecting with people in ways that are important to them can build social capital.



### ABOUT THE AUTHORS

**Josh Cieslewicz, CPA, Ph.D.**, worked as a student internal auditor, as an auditor at Ernst & Young, and then in industry. Now a professor at Utah Valley University, he blends practical insights with theory to help his students prepare for their careers. His research has been on corporate governance, audit ethics and supervision, and institutional and cultural influences on international accounting.



**Emmelia Cieslewicz** tutors university students in writing and quantitative skills. She previously won several Future Business Leaders of America state titles and placed at the national level.

## THINK SOLUTIONS

If you want a successful career, you should bring solutions to your supervisors, not just problems. This mentality is key to success in building social capital. Think about what kind of auditor you want to be and what you want to accomplish or solve.

This theory is also relevant when working with clients. Problems internal auditors find are problems for their clients. A shift in thinking to focus on helping clients discover solutions, not just face problems, can build relationships with them. Which would you rather have – solutions or problems (or problems on top of your existing problems)?

Adam Jacobsmeyer, is the Executive Director over Treasury Services at Idaho State University and was previously an internal auditor for private universities and an external auditor for Ernst & Young, LLP. Early in his career, it became evident that solutions to audit findings were apparent to the client at about the same moment they understood the problem. He explained that “as auditors we tend to want to focus on what went wrong so that we can document and get credit for what we brought to light. The client, on the other hand, at the point of epiphany, wants to fix the problem as soon as possible.” Jacobsmeyer found that allowing the client to talk through their enlightenment moment was perceived by the client as adding value. Even if the auditor has little to contribute to the potential solution and only shows interest in the potential solution, the auditor can build social capital with that individual by simply listening. Support audit clients as they think about solutions.

Support audit clients  
as they think about  
solutions.

As with many organizations, academic institutions tend to be very political. Even when a solution is identified, it often takes involving the right people to support the solution to enact it. Experienced internal auditors include time to visit with audit clients regarding how to present ideal, realistic solutions in their report. In these discussions, they consider how their own social capital can be useful. They also question audit clients about who they think might be helpful in bringing about change, and thus tap into their social capital. The result is not just a solution to that problem, but a reputation that proceeds the auditor in other parts of the university.

## BE COLLEGIAL

Being collegial is key to building social capital. Hollie Andrus, Financial Audit Director for the Office of the State Auditor of Utah, is the type of person others want to be around. She believes in being collegial. She explained that “adversarial relationships only breed dislike and hostility – nothing is accomplished and nothing is improved upon. An audit client once told me that he would make corrections I proposed because of my attitude toward the audit and the client. He also said that if another auditor – one who was more hostile – requested or proposed the same changes, he would ‘dig his heels in’ and would not make the change because of the other auditor’s attitude.” Auditors that go out of their way to manage not just the audit, but relationships with their clients, end up with more rewarding experiences. Over time, they amass social capital that makes them more successful.

Adam Jacobsmeyer also found an effective way to be collegial as an auditor. By maintaining genuine curiosity about the people and companies he audited, he was able to work well with clients even when discussions presented areas for improvement. He explained that he applied the phrase “seek first to understand, then to be understood” (attributed to Steven R. Covey). According to Covey, this implies creating an atmosphere of helpful give-and-take by spending the time to fully understand issues and then giving candid and accurate feedback. Jacobsmeyer suggests that when someone feels another person is genuinely interested in their work, they do not mind being asked about it, which enables further discovery of the process or challenge.

Active listening also fosters collegiality. Joni Lusty, an Assistant Director at Ernst & Young, LLP, excels at building relationships at all levels in her organization. How she builds social capital is simple, but effective: she is authentic to who she is and she listens. She comes across as very real and genuine, because she is, and also caring, because she listens carefully to people. She gives them her full attention and avoids talking over them or cutting them off.

Listening is valuable in consulting, which is part of a prior role Mark Gotberg had before becoming an internal auditor. Consulting taught him that listening to employees at all levels is crucial to success. It is critical to build relationships at the lowest levels and gain their trust. Employees are willing to share their own insights into organizational and process improvements. People closest to a problem often understand it the best and have great solutions. However, they lack the clout or management skills to carry out the solution. These situations are where you, as an internal auditor, can shine if you work to build relationships at all levels. If you are also careful to build relationships at higher levels, you can work on these solutions with the necessary people who can enact them.

Internal auditors do not always find themselves in positive roles, however. They also testify in court and are the impetus for mavericks being roped in. You cannot build social capital with everyone as an internal auditor. The challenge is twofold: do not let the bad experiences sour you and look for ways to build social capital with someone. For instance, while culprits will not like the testimony of an internal auditor, administration can see it as helpful. Again, help them “connect the dots.” Be sure to talk with those who do benefit from your work, even if remotely, so they view you more as a collegial team player, not just as a distant enforcer.

## **CONCLUSION**

Social capital parallels financial capital in several ways. A short-sighted financial view focused primarily on quarterly earnings often sacrifices long-term growth opportunities. As an internal auditor, focusing not just on immediate problems, but remembering the importance of long-term relationships can plant future solutions to potential problems. Building social capital does not require sacrificing, or watering down findings. Rather, it requires establishing legitimacy, adopting a mindset focused on solutions, and being collegial. For most internal auditors who have been through unpleasant scimmages, it requires remembering why you are doing what you doing and choosing to take the social capital approach.

# Leveraging Your ACUA Network for Audit Recommendations

By: David Terry, CPA, CFE, CIA

There are many reasons to go to ACUA conferences, both professionally and for some personal reprieve. However, the main takeaway from these conferences is the opportunity to network with a knowledgeable group of peer professionals. These professionals can provide insights into audit topics and compliance processes that you are tackling, or will be tackling soon, at your organization. Recently the Portland State University's Internal Audit office performed an audit of Title IX compliance processes. Title IX regulations require institutions receiving Federal funds to:

- Adopt and publicize policies that prohibit discrimination
- Adopt and publish grievance procedures for Title IX complaints and investigations
- Designate at least one Title IX coordinator to respond to violation allegations

In addition to these regulations, there is a large volume of best practices and recommended guidance on Title IX regulations available that colleges and universities should consider and analyze when conducting an audit of this topic. However, different higher education professionals interpret the best practices differently. So, now the conundrum of deciding which best practices to consider, and what the benefits and potential weaknesses or costs are of each? This is where the value of the ACUA network kicks in to help efficiently and effectively assess complex audit projects.

One of the best practices for Title IX is taking steps to provide training to an institution's student body regarding Title IX policies and procedures, and identifying what resources are available for them. During Portland State University's audit, the institution did have a process to train students on Title IX policies and procedures, and inform them of the resources available to students; however, the completion rates for this training were relatively low when benchmarked against peer institutions. Management's goal was to obtain a 100 percent completion rate for the online training course. Internal Audit surveyed peer institutions to help determine how they incentivized or guided their student body to enhance completion rates with Title IX training. This is where Connect ACUA and peer networking relationships built at ACUA conferences came in handy.

ACUA members were a great resource, as they provided networking advice, internal control practices to consider, and benchmarking data...



## ABOUT THE AUTHOR

**David Terry, CPA, CFE, CIA** leads Portland State University's Internal Audit Office. He has more than 15 years of experience in auditing and also holds positions as an audit committee member on two Oregon governmental audit committees.

A post was made to Connect ACUA to gain insight from other universities on how to tackle this issue. Individuals from a variety of schools shared their solutions, which included implementation of policies, procedures, and control processes. One internal control option some colleges and universities elected to implement, through an Office of Civil Rights resolution agreement, was to place registration holds on students' accounts until the required Title IX training was complete. Another control option was to create a policy and procedure requiring all students to take Title IX training by a specific deadline date and, if the training was not completed by that date, assessing a defined fee on their student account. That fee could then be used to fund Title IX related operations and support services for university students and a portion of the fee may be refunded back to the student upon completion. Institutions that implemented this model saw a significant increase in completion rates.

During this process, ACUA members were a great resource, as they provided networking advice, internal control practices to consider, and benchmarking data on training effectiveness rates under current Title IX training policies and procedures implemented at their institutions. This information was used to develop value-added recommendations to university leadership that aligned with Portland State University's mission, vision, and values. Thank you, ACUA!

The advantage to networking is the time savings that result. In a matter of minutes, effective control and compliance processes were shared. Traditionally, finding the best solution comes from careful planning and research, as well as time spent during fieldwork. Each ACUA conference is filled with individuals willing to share good auditing procedures or control ideas. Plan to attend an upcoming ACUA conference, stay active on Connect ACUA, and experience the benefits yourself!

The advantage to networking is the time savings that result. In a matter of minutes, effective control and compliance processes were shared.

# Reading, Writing, and Revenue? Standard Setters Address the Fundamentals

By: Sue Menditto

Although public and private institutions do not follow the same set of accounting standards, both the Financial Accounting Standards Board (FASB) and the Governmental Accounting Standards Board (GASB) tend to meander toward and around similar agendas. For an area as fundamental as revenue recognition, the timelines of these two boards are as different as their decisions are likely to be. A glimpse follows.

## FASB RETHINKS REVENUE

Revenue recognition has been at the top of FASB's agenda for not-for-profit organizations (NFPs). Effective fiscal year 2019, Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*, (Accounting Standards Codification (ASC) Topic 606), impacts the majority of private colleges and universities by effectively eliminating the concept of exchange transactions in favor of contract evaluations for performance obligations. As a result, NFPs questioned the proper accounting for sponsored research grants. Although such grants do not provide direct value to sponsoring organizations such as federal agencies, their effort, reporting specifications, and reimbursement rules of such grants resulted in exchange-like accounting and reporting.

### Research Grants

The National Association of College and University Business Officer's (NACUBO) Accounting Principles Council raised the issue of sponsored research grant accounting in 2016 with FASB and continued discussions throughout 2017, including comments to an August FASB Exposure Draft. Essentially, FASB determined that sponsored research grants are conditional contributions when sponsors, such as the federal government, do not receive direct value in return for funds. There are two considerations in determining whether a grantor (donor/sponsor) is receiving commensurate value in return for resources transferred to an NFP and, as such, whether a transaction is a contribution (nonreciprocal) or a contract with a customer (topic 606):

1. An indirect benefit received by the public as a result of the assets transferred to an NFP is not equivalent to commensurate value received by the resource provider.
2. Execution of a resource provider's mission or the positive sentiment from acting as a donor does not constitute commensurate value.

FASB's June ASU on contributions provides a more robust framework to determine when a transaction should be accounted for as a contribution under FASB's codified guidance in Topic 958 (subtopic 605) or as a contract with a customer under Topic 606.

Concerning sponsored research grants, FASB's new guidance indicates the parameters that would classify such grants as conditional contributions. Specifically, conditional contributions must contain **both** of the following:

1. A right of return of assets transferred or a right of release of a promisor's obligation to transfer assets.
2. A barrier that must be overcome before the recipient is entitled to the assets transferred or promised.



### ABOUT THE AUTHOR

*Sue Menditto is the director of accounting policy with NACUBO; smenditto@nacubo.org.*

All federal research grants for knowledge advancement, where institutions retain discovery rights, do not provide direct value to sponsors. Indirect benefits to citizens or science is not a direct exchange under the new guidance. Therefore, such grants will qualify as conditional contributions because the Office of Management and Budget's Uniform Guidance contains a "right of return" provision **and** the barrier in such arrangements is the limited discretion and specific work that the institution must perform in order to be entitled to grant funds. Revenue on these grants will be recognized as conditions are met (allowable expenses incurred), which is the same way revenue is recognized under existing guidance. The effective date is the same as ASU 2014-09 (fiscal year 2019) for institutions that are conduit bond obligors or have other publicly-traded debt. Implementation would be on a modified prospective basis. Consequently, implementation will require institutions to apply the new guidance to agreements (promises to give, grants, implementation year contributions) for which revenue has not been fully recognized as of the effective date and for agreements entered into after the effective date. Institutions should begin assessing how to inventory and evaluate grant and donation agreements.

### **Tuition**

As previously mentioned, ASC 606, *Revenue from Contracts with Customers*, is effective in fiscal year 2019. Institutions will need to pay attention to accounting for their fee for service arrangements (e.g., tuition, fees, housing and dining services) because the analysis and terminology supporting the timing, measurement, and reporting display of revenue will change under the new standards.

To assess revenue recognition, ASC 606 requires the following five steps:

1. Identify the contract(s) with a customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligation in the contract
5. Recognize the revenue when (or as) the entity satisfies a performance obligation

The steps are briefly illustrated below for tuition agreements and revenue recognition.

**STEP 1:** A traditional undergraduate student's enrollment agreement is considered a contract. Although the agreement can be one contract document, it will more likely be a series of communications between the institution and the student. Such communications will cover acceptance, academic expectations, semester start and end dates, institutionally provided financial aid, amount the student will be responsible for if they enroll, payment of a non-refundable deposit to the institution to secure a spot, and payment terms for a term bill (which usually is sent at least 30 days before the first day of class, typically some or all must be paid by the first attended class). The vast majority of enrollment agreements also cover a withdrawal period and terms; usually a student can withdraw during at least the first two to three weeks of a semester and be refunded a portion of their tuition amount paid.

**STEP 2:** The performance obligation corresponding to tuition is delivery of the educational service throughout the contracted academic term.

**STEP 3:** The transaction price is the amount of consideration to which the institution expects to be entitled in exchange for transferring promised goods or services, and can be fixed or variable. Per FASB ASC 606-10-32-6, consideration can vary because of amounts such as discounts, rebates, refunds, credits, incentives, or other similar items. Institutional aid directly impacts the transaction price as do withdrawal refunds. When institutions have refund policies that allow students to drop courses, or withdraw, and receive a full or partial refund in the first few weeks of a term, the transaction price for tuition is variable because it is affected by a variable amount—the withdrawal refund.

**STEP 4:** The transaction price is allocated to represent the amount of consideration that the entity expects to receive for transferring the distinct goods or services to the student (i.e., customer). The standard includes a practical expedient that allows the guidance to be applied to a portfolio of contracts with similar characteristics. Colleges and universities would apply the portfolio approach to its tuition contracts.

**STEP 5:** At the end of each reporting period, progress toward satisfaction of the performance obligation is remeasured. The remaining performance obligation remains a liability on the Statement of Financial Position, and revenue is reflected in the Statement of Activities. Independent institutions will likely recognize revenue pro rata over the duration of the academic period to which the charges relate because the performance obligation for teaching is satisfied over the academic period as the student simultaneously receives and consumes educational services.

The above discussion concerning tuition is extremely brief and does not address known questions to date, such as are enrollment contracts with students binding and non-cancellable or are they cancellable because students can withdraw and be returned a portion of their payment? The accounting varies depending on whether the contract with students are cancellable or non-cancellable. Other related questions continue: When does the college have a receivable for the contract? Is the contract on-going and renewable throughout a student’s pursuit of a degree? How should portfolios be distinguished (e.g., all undergraduates, by class, with or without room and board)? What estimates and structural analysis will be expected by external auditors? What about non-traditional students and varying academic terms that roll and cross fiscal years?

Conversations are ongoing between NACUBO, FASB, AICPA and audit firms; stay tuned for advisory guidance by year end.

## **GASB ALSO EXAMINES REVENUE**

NACUBO learned during an early 2017 liaison meeting with GASB staff that exploring the conceptual foundation for revenue recognition (and consequently expense recognition) was approved by the Board. At that time the endeavor was expected to be extensive and extend over multiple years. In February, the GASB issued an Invitation to Comment (ITC)—a staff document used in the early stages of a significant project—to obtain stakeholder feedback. When an ITC is used, it is the first in a series of due process documents that will include a “Preliminary Views” and finally an “Exposure Draft.”

When the ITC was issued, GASB explained that they were considering a comprehensive model for classifying, recognizing, and measuring revenue and expense transactions because:

- Other accounting standards setters implemented a performance obligation approach for revenue recognition.
- Existing guidance for exchange revenue and expense transactions is limited, resulting in inconsistent reporting of information by governments.
- Existing guidance for nonexchange revenue and expense transactions, though generally effective, could be clarified and improved.
- Robust comprehensive guidance could address a wider range of transactions, improve consistency, and provide more useful information.

The evaluation of ITC comments by the Board is crucial for mapping out the direction a technical project will take. The ITC, *Revenue and Expense Recognition*, discusses two models:

1. An exchange/nonexchange model would be based on existing guidance for nonexchange transactions and a standardized recognition approach for exchange transactions.
2. A performance obligation/no performance obligation model would retain existing guidance for transactions without a performance obligation but also would apply a structured recognition approach for transactions classified as containing a performance obligation.

As of this writing, NACUBO and 48 others submitted comments to GASB. Several, including NACUBO’s Accounting Principles Council, strongly support an exchange/nonexchange model. Although there are identified inconsistencies in practice today when applying the exchange model, NACUBO pointed out that assessing binding agreements, equivalent terms, and performance obligations may be even more complicated than assessing the notion of “equal value” to determine the existence of an exchange. Several additional comments addressed:

- Although the ITC indicates a desire for comprehensive guidance, it seems inconsistent to have significant standards, such as Statements 68 and 75—Pensions and OPEB, respectively—based on an employment exchange and have other guidance based on something other than exchange and nonexchange constructs.
- Institutions that follow FASB continue to sort out questions about higher education’s most fundamental performance obligation contract--tuition. To date, the costs do not outweigh the possible benefits of a performance obligation approach, especially if there is less than a significant difference in the timing or measurement of recognized revenue.
- Because nonexchange reimbursement grants contain performance obligations, Statement 33 would need to be revised for these grants if the performance obligation model was chosen. Since an exchange/nonexchange model would also call for a revision to Statement 33, it would be less burdensome to simply clarify and strengthen existing guidance.

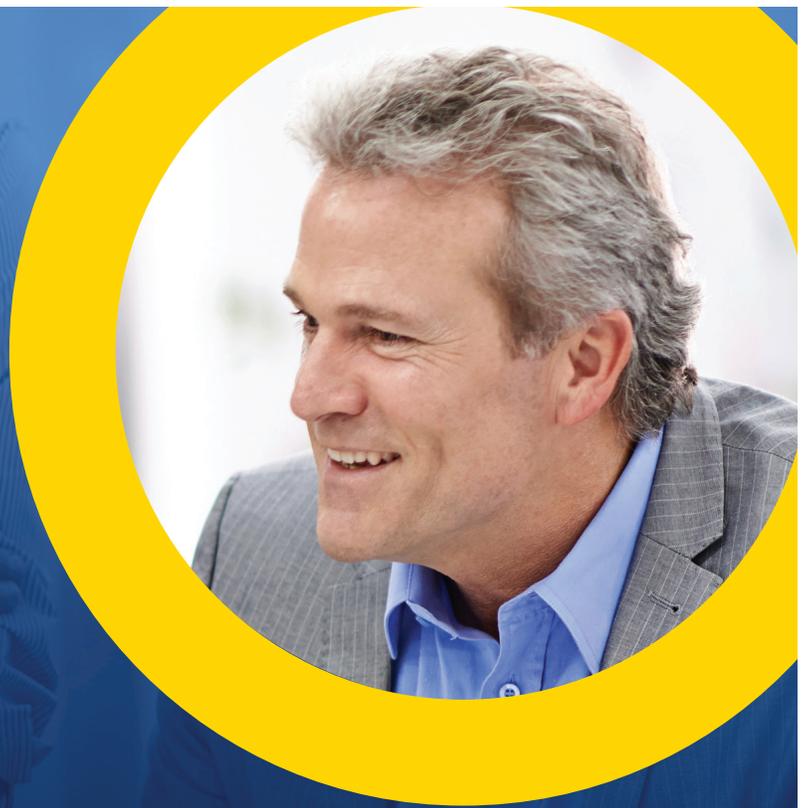
Higher education will continue to monitor FASB and GASB activities around revenue recognition and issue sector-specific implementation guidance as needed.

**Next Accounting Roundup:  
Standard Board’s views on another fundamental – financial reporting.**

**WHAT YOU NEED.  
WE'VE GOT IT.**

Now it's up to YOU to make renewing or adding your professional profile a top priority. Visit the ACUA Career Center today and increase your engagement with some of the nation's top employers!

**<http://careers.acua.org/>**



# KNOW GREATER VALUE

Value...a simple word, yet so hard to attain. For many firms, it's become an afterthought. **Not here.**

PKF O'Connor Davies is a new breed of accounting and advisory firm that holds itself to a higher standard — going beyond passive value calculation to active value creation for leading business owners, organizations and individuals in the United States and abroad.

Our Risk Advisory specialists combine in-depth experience, sophisticated technological and research capabilities with insightful data analysis to deliver value through every engagement. With unmatched skill and commitment, we help our clients' internal audit teams keep pace with change, enhance influence and strengthen impact.

That's why we're not the typical accounting firm. Our clients know greater service. They know greater connections. PKF O'Connor Davies — **Know Greater Value®**



Mark Bednarz, Partner  
646.449.6376  
mbednarz@pkfod.com

[www.pkfod.com](http://www.pkfod.com)

# Sure We Have an Ethics Program, but is it Effective? Conducting Ethical Climate Surveys in Higher Education

By: Janet Covington, Scotty Jenkins, and Ken Liddle

## ABOUT THE AUTHORS



**Janet Covington** joined Rice University in March 2003 as the Director of Internal Audit. Janet received her Bachelor of Science in Accounting from the University of South Alabama. She

is a Certified Internal Auditor, Certified Information Systems Auditor, and former board member of the Association of College and University Auditors.



**Kenneth J. Liddle** was hired as Rice University's first Director of Compliance in 2015, and promoted to Chief Compliance Officer in 2017. Prior to joining Rice, Ken was a

compliance officer for MIT Lincoln Laboratory, a law clerk on ethics and fraud with the US Air Force, and a financial analyst with the William J. Clinton Foundation. Ken received his law degree from Suffolk University, his MBA from University of Texas at San Antonio, and his B.S. in Business-Accountancy from Trinity University. He is a Certified Compliance and Ethics Professional, Certified Federal Contracts Manager, and a licensed attorney.

**Scotty Jenkins** is a compliance manager in Emory University's Office of Compliance. Prior to working in Emory's central compliance office, Scotty worked at the Emory Institutional Review Board, where he started out with the compliance team during its build phase and then rotated through as a research protocol analyst. Scotty's received a bachelor's degree in psychology from Georgia Southern University, a graduate certificate in international affairs from Texas A&M University, and a master's degree in bioethics from Emory University. He is also a Certified Compliance and Ethics Professional.

As compliance and audit professionals, we all support robust compliance and ethics programs but we must also ensure that those programs are “effective.” This is sometimes easier said than done. One mechanism to guide the discussion is an ethical climate survey, which can be tailored to your specific institutional culture. This article will discuss some of the lessons learned while conducting initial ethical climate surveys at Emory University and Rice University.

## WHY DO IT?

There is likely a lot that is unknown about your institution's culture. For example, you may not know the level of awareness regarding your institution's compliance-related resources, such as the hotline or other mechanisms for reporting wrongdoing and getting advice on compliance and ethics issues. You also may not know the level of trust or the community's perception of those resources. It is one thing to have a hotline but do people feel comfortable calling it? Do they feel like calling it will help them?

An ethical climate survey is one of the best ways to understand your culture. For new programs, this can provide a baseline, or help you focus your energy. For existing programs, conducting the climate survey periodically over time also allows you to track your progress on addressing deficiencies and to identify new problem areas, should any arise.

Additionally, climate surveys help your organization fulfill the requirements for an “effective compliance and ethics program” contained in the United States Sentencing Commission Guidelines Manual for Organizations (“USSG”). Section 8B2.1(5)(B) requires organizations to periodically evaluate the effectiveness of their compliance and ethics programs. Finally, the survey itself will raise ethics awareness on campus and convey a message that the university really does care about doing the right thing.

## HOW TO DO IT?

When conducting an ethical climate survey at your institution, there are a variety of issues to consider regarding the design and distribution of the survey and the analysis of the results. Below are some of the major issues and considerations you may confront.

### Goals

You should clearly articulate what you want to accomplish with the survey, as this will drive many of the decisions related to design and distribution. For example, is your goal to test awareness only, or are you looking to understand comfort level and trust? Are you looking to understand how certain populations relate to the institution or to each other?

### Design

One major design consideration is the target audience. At institutions of higher education, faculty, staff, students, contractors, and others (e.g., volunteers) are all potential respondents to an ethical climate survey. There are also varying degrees of association with your institution within each of these categories. For example, if you decide to include all faculty

It is one thing to have a hotline but do people feel comfortable calling it? Do they feel like calling it will help them? An ethical climate survey is one of the best ways to understand your culture.

and staff, do you want to include adjunct faculty and part-time employees? And if you decide to include contractors, do you want to include all contractors or just those with a major presence on your campus? How you define your target audience depends on the specifics of your institution, so it is worth obtaining input from the relevant individuals.

The first design question is determining what level of demographic information is necessary to achieve the defined goals. The advantage of collecting demographic data is that you can identify correlations between demographic characteristics and responses to other questions in the survey. However, the risk of collecting demographic data is that if it is too specific, it can have a chilling effect and lower survey response (as respondents may feel like their responses may negatively come back to them). For example, if a department has only three people in it, it may be easy to identify a survey respondent. Therefore, it is important to collect demographic data that is specific enough to be useful but general enough to preserve the anonymity of the respondent. A good starting point is employment category, school, and length of service. You can also include categories such as gender, race, or age; however, if adding these categories, make sure that you are coordinating with Equal Employment Opportunity, Title IX, and General Counsel.

Developing the survey itself requires reflection on your institution and your underlying goals. To be meaningful it should be tailored to your institution. As you design the content of the survey, it is important to bring in relevant stakeholders for input and vetting. Although this process will vary by institution, some of the offices you will probably want to review the survey include human resources, the provost's office, the general counsel's office, various offices in business and finance, and relevant committees, such as the executive compliance committee. It is also a good idea to get assistance from your organization's institutional research office or someone with experience in survey methodology to help craft questions and their response schemas.

Finally, you may consider how the ethical climate survey relates to other survey activities, such as those related to faculty, Title IX and sexual harassment. You want to make sure that they do not unduly overlap or conflict. You may also be able to combine multiple efforts, if that will not compromise your goals.

### **Distribution**

The distribution of the survey is as important as the design. If you design a perfect survey but fail to get a sufficient level of responses, then you will be missing out on the most valuable fruits of the process—actionable data.

The first step is choosing a survey platform. There are numerous electronic survey platforms available, and the functions they have available can vary, but most of them will meet your basic needs. Rice used the Qualtrics platform and Emory used RedCap, which was built for clinical research surveys but is suitable for organizational surveys as well.

One thing to consider is whether you will require institutional login credentials to access the survey. The advantages of doing so are that it makes it impossible for outside parties who have access to the survey link (e.g., if it were forwarded by an employee) to complete it. It also prevents employees from completing the survey multiple times. This ensures the integrity of the data to the highest degree.

The drawback to requiring institutional login credentials is that survey responses are not completely anonymous because respondents' data and identity are connected in the survey database. If some of your survey questions are highly sensitive (e.g., "Have you witnessed fraud?"), then individuals may not be comfortable answering if they think they are being tracked. To reduce this concern, you can assure respondents that their responses will be anonymous by providing an open survey link that can be accessed without login credentials. You will be at risk of receiving duplicate responses and responses from outside parties, but you can reduce the effects by obtaining a large sample size and ensuring that you only send the survey to individuals with institutional email addresses.

The most efficient method for distributing the survey to the target audience is through email. The email invitation should include basic information about the survey, who is conducting it and for what purpose, and how the data will be used. It should also assure recipients that the survey is confidential and that no one will make any attempt to ascertain their identity. This information should also be

included in the introductory section of the survey itself. You want the email itself to come from someone high up in the organization and you may want different individuals to send to different groups (e.g., have Academic Affairs send to faculty and Human Resources send to staff).

There are several other design elements to consider. First, not all of your employees have access to a computer (such as facilities or maintenance), so you should consider alternative methods to capture this demographic. Rice, for example, set up laptops in convenient locations so employees could complete the survey during shift changes and also made paper surveys available for those who were unable to complete the survey online. Second, you want to be accessible, both to individuals with disabilities and to individuals who speak other languages. Third, you want to coordinate with IT to make sure the survey will be perceived as legitimate and will not be quarantined as spam.

### Analysis and Communication

It is important to determine who will have access to the data and how any reports will be shared. This may depend on the type of questions asked, as the more sensitive the questions, the closer you will want to keep the data. It is critically important that you act on data you receive.

Taking action is relatively simple for basic questions such as “Did you know we have a Code of Conduct?” If the response shows that awareness is low, create a plan to better publicize it. For more sensitive data, such as questions about fraud or harassment, make sure you are sharing the information with the right offices first, and then take any prudent actions necessary (in coordination with General Counsel).

### CONCLUSION

There are many benefits that internal audit or compliance can obtain from conducting an Ethical Climate Survey, including a better understanding of culture, observing how cultures change, and having an effective compliance and ethics program recognized by government entities. The survey itself will raise awareness for your ethics program and help inform the campus that doing the right thing is important. By thinking through the goals, design, distribution, analysis, and communication, you will ensure that the survey is a valuable contribution to your compliance and ethics program.

Case Study – Emory University	Case Study – Rice University
<p><b>Design</b></p> <p>When Emory designed its survey, it wanted to obtain information about four broad themes. The first pertained to reporting ethical, legal, and business conduct violations. In this section, employees (i.e., all faculty and staff) were asked about their awareness of and willingness to use Emory’s various mechanisms for reporting wrongdoing. It also gauged employees’ awareness of Emory’s policy prohibiting good-faith reports of wrongdoing. The second section asked employees about their awareness of, and willingness to use, Emory’s resources for seeking advice and guidance regarding compliance and ethics concerns. The third section asked employees how they prefer to receive information about compliance and ethics topics. The fourth section was about the ethical culture at Emory.</p> <p>The survey included questions about how employees perceived Emory’s culture, whether they were concerned about retaliation for reporting wrongdoing, and how confident they were in their ability to respond to ethical challenges.</p>	<p><b>Design</b></p> <p>At Rice, design started with the Institute of Internal Auditors’ Practice Guide “Evaluating Ethics-Related Programs and Activities” (2012), which includes a sample 45-question employee survey. It was clear early on that this approach was “too corporate” and “too complicated.” Therefore, Rice used a simplified ten question survey that really focused on awareness and comfort level reporting (but did ask general culture-type questions). Part of the design at Rice also focused on informing the survey taker of these resources. Thus, each question had links to contacts or additional information.</p> <p>The survey focused primarily on resource awareness, with some questions on reporting comfort.</p>

Case Study – Emory University	Case Study – Rice University
<p><b>Distribution</b></p> <p>Email from the Office of Compliance was sent to all faculty and staff, with one reminder. The survey was set up on RedCap.</p> <p><b>Analysis and Communication</b></p> <p>The Office of Compliance analyzed and compiled the data into a report, which was shared with the Audit and Compliance Committee of the Board of Trustees and University leadership.</p>	<p><b>Distribution</b></p> <p>Email from the Chief Compliance Officer and the Director of Internal Audit was sent to all faculty and staff, with one reminder. The survey was set up on Qualtrics.</p> <p><b>Analysis and Communication</b></p> <p>The information was consolidated into a short overview by Compliance, and shared with the Audit Committee of the Board. A narrative summary was also published in the weekly newsletter from Public Affairs. The survey was also discussed at the university’s monthly Administrator’s Forum.</p>

Sample Demographic Questions
<ul style="list-style-type: none"> <li>• I am...faculty, staff, other.</li> <li>• I supervise one or more people: yes/no.</li> <li>• I have worked at the university for ...under two years, between two and five years, between six and years, over ten years.</li> </ul>
Sample Resource Awareness Questions (lower sensitivity)
<ul style="list-style-type: none"> <li>• Did you know that the university has a Code of Conduct? [Include link.]</li> <li>• Did you know that the university has an external and anonymous reporting hotline? [Include link.]</li> <li>• Are you aware that the university policy prohibits retaliation against employees who, in good faith, report potential ethical, legal, business conduct violations, or fraud allegations? [Include link.]</li> <li>• Were you aware that the following offices are available to assist you in evaluating and/or reporting potential concerns about misconduct or potential violations of policy or law? (Please check all that apply.) [List offices.]</li> <li>• If you had a concern, or were unsure about a potential issue, how comfortable would you be seeking guidance from the following resources (assuming the concern was relevant to this resource)? [List offices with 5 point scale.]</li> <li>• If you think the university should have any other resources available, please list them here. [Open Text.]</li> </ul>
Sample Ethical Culture Questions (higher sensitivity)
<ul style="list-style-type: none"> <li>• If you became aware of what you believe to be a potential ethical, legal, policy, procedure violation, or fraud, how likely would you be to report it using the Anonymous Hotline?</li> <li>• If you became aware of what you believe to be a potential ethical, legal, policy, procedure violation, or fraud, how likely would you be to report it to the following offices (assuming the concern was relevant to this resource)? [List resources.]</li> <li>• Have you ever witnessed something that you thought was unethical or illegal? If yes, did you report it?</li> <li>• How well do you think the university’s stated values describe the university’s actual culture?</li> <li>• How well do you think the university encourages members of its community to think and act according to the university’s values?</li> <li>• How confident are you in your ability to respond to ethically challenging situations you may face at university?</li> <li>• Do you consider the university an ethical employer?</li> </ul>

# Create business impact. Sharpen critical skills.

**Internal audit can play a significant role  
as organizations transform.**

Combining an enterprise-wide view with a data-driven approach, internal audit can add value as higher education organizations transform and manage risks. At KPMG, we provide the strategic insights and data-informed recommendations needed to drive impact in internal audit projects. For more information, contact Joseph E. Seibert at [jseibert@kpmg.com](mailto:jseibert@kpmg.com) or visit [1.kpmg.us/internalaudit](http://1.kpmg.us/internalaudit)

**Anticipate tomorrow. Deliver today.**



# Connect Further: Audit Management Software Programs

By: Marilyn Carnevale, CPA, CIA, PSA

As auditors, we know the importance of proper documentation and record-keeping. There are many audit management software programs that internal audit departments can use to organize their engagement work papers, but how do we determine which (if any) program is right for our department?

In an effort to bridge popular topics from ACUA’s online discussion form, Connect ACUA, with the *College and University Auditor*, we present our first “Connect Further” feature—Audit Management Software Programs. A series of questions were posted to Connect ACUA asking members to share their experience with (or without) audit management software. While many factors contribute to an audit shop’s decision-making process over which software to implement, this feature summarizes key areas commonly discussed within Connect ACUA, as well as responses from a follow-up survey for additional input.

## INTRODUCTION

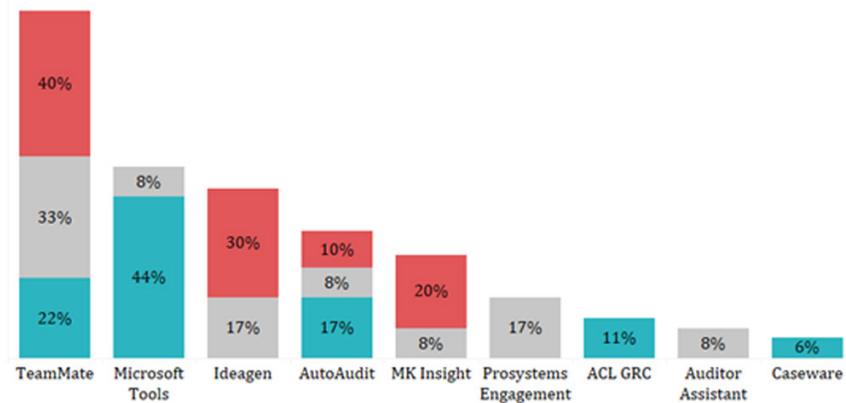
Respondents were from small, medium, and large audit shops (1-5, 6-10, and 11+ professionals, respectively). This section identifies various audit management programs in place and the average number of years utilized. Here within, note that “Microsoft Tools” includes Microsoft Office Suite products (which is not considered an audit management program) and “TeamMate” includes TeamMate AM and TeamMate+.



### ABOUT THE AUTHOR

**Marilyn Carnevale** is a Certified Public Accountant (CPA), Certified Internal Auditor (CIA), and Public School Accountant (PSA). She is the Deputy Editor of *College and University Auditor* and works as an Associate Auditor for Rutgers, The State University of New Jersey. From Rutgers, Marilyn received a Bachelor of Science degree in Accounting and Communication, has a Graduate Certificate in Governmental Financial Management, and is finishing her Master of Accountancy in Governmental Accounting (January 2019 graduation date). Prior to joining Rutgers, Marilyn worked as an Audit Supervisor at a regional public accounting firm in the New Jersey area.

Percentage of Total Audit Shops (by Size) Using Specific Audit Management Programs



Average Years Audit Management Programs Used by Audit Shop Size



## FUNCTIONS AND UTILIZATION

Respondents use their audit management programs for both one-time and recurring engagements. Such engagements include audits (financial, operational, compliance), investigations, advisory projects, ERM, and follow-up. A summary of which audit management programs have highly-desired functions are presented below, as well as the percentage of total audit shops that either utilize or do not utilize these functions.

Y, Y= Yes, the program has this function and it is utilized

Y, N= Yes, the program has this function, but it is not utilized

N= No, the program does not have this function

	Management Recommendation Tracking	Data Analysis	Staff Time Reporting	Work Paper Review Notification
<b>ACL GRC</b>	Y, N (100%)	Y, N (100%)	Y, N (100%)	Y, Y (100%)
<b>Auditor Assistant</b>	Y, Y (100%)	N	Y, Y (100%)	Y, Y (100%)
<b>AutoAudit</b>	Y, Y (100%)	Y, N (100%)	Y, Y (80%) Y, N (20%)	Y, Y (80%) Y, N (20%)
<b>Caseware</b>	N	IDEA (separate product from manufacturer) – Y, Y (100%)	N	Y, Y (100%)
<b>Ideagen</b>	Y, Y (100%)	N (40%) – Older versions; Y, Y (20%) Y, N (40%)	Y, Y (80%) Y, N (20%)	Y, Y (80%) Y, N (20%)
<b>Microsoft Tools</b>	N	Excel – Y, Y (44%) Y, N (56%)	N	N
<b>MK Insight</b>	Y, Y (100%)	Y, Y (33%) Y, N (67%)	Y, Y (100%)	Y, Y (67%) Y, N (33%)
<b>Prosystems Engagement</b>	N	N	N	N
<b>TeamMate</b>	Y, Y (75%) Y, N (25%)	N (50%) – Older versions; TeamMate Analytics (separate product from manufacturer) – Y, Y (8%) Y, N (42%)	Y, Y (83%) Y, N (17%)	N (50%) – Older versions; Y, Y (33%) Y, N (17%)

## ADVANTAGES AND DISADVANTAGES

Respondents also provided their opinions of what they believe each software does well (advantages) and does not do well (disadvantages):

	Advantages	Disadvantages
ACL GRC	<ul style="list-style-type: none"> <li>• Cloud-based (access via any web browser)</li> <li>• Easy to implement (no installation needed)</li> <li>• ACL analytics linkages</li> <li>• Configurable to department's unique terminology and approach</li> </ul>	<ul style="list-style-type: none"> <li>• Features not very customizable</li> <li>• No reviewer sign-off</li> <li>• No master repository for documents to be used/referenced elsewhere</li> <li>• Cannot easily see entire work paper or individual audit risk assessment information</li> </ul>

	<b>Advantages</b>	<b>Disadvantages</b>
<b>Auditor Assistant</b>	<ul style="list-style-type: none"> <li>Efficient cloud repository for documents</li> </ul>	<ul style="list-style-type: none"> <li>Significant learning curve for newest version</li> </ul>
<b>AutoAudit</b>	<ul style="list-style-type: none"> <li>Flexibility to develop work paper templates</li> <li>History of modifications/archiving</li> <li>Easy to use</li> <li>Status of work papers (in process, preliminary review, final review, etc.)</li> <li>Ability to link work papers (referencing)</li> <li>Audit universe risk assessment</li> <li>Collaborative, as multiple auditors can edit a work paper</li> </ul>	<ul style="list-style-type: none"> <li>Difficult to navigate between work papers</li> <li>Unable to open multiple work papers at once between sections</li> <li>No modifications can be made to a work paper submitted for review until an administrator "clears" the request</li> <li>Unable to import whole folders</li> <li>Not cloud-based</li> <li>Lacks robust project management tools to create and manage task lists across multiple projects and audit teams</li> </ul>
<b>Caseware</b>	<ul style="list-style-type: none"> <li>Easy to use</li> <li>Drag and drop technology</li> <li>Review notes</li> </ul>	<ul style="list-style-type: none"> <li>Does not have the ability to track recommendations</li> </ul>
<b>Ideagen</b>	<ul style="list-style-type: none"> <li>Searchable database of findings</li> <li>Universe Management, Risk &amp; Control Ledger, Engagement Risk assessment</li> <li>Can input risk-based audit programs from a central library</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing training needs improvement</li> <li>Too customizable (overwhelming and time-consuming)</li> <li>Difficult to share work papers and make edits among the team</li> </ul>
<b>Microsoft Tools</b>	<ul style="list-style-type: none"> <li>OneNote useful for gathering and organizing data in one spot</li> <li>Little to no training required (Microsoft Suite products have a long history)</li> </ul>	<ul style="list-style-type: none"> <li>Sign-off and review are difficult</li> <li>Need better filing organization</li> <li>Hyperlinks cross-referenced to other work papers are lost when files are transferred to different drives</li> <li>Manual and time-consuming</li> <li>Inconsistencies in audit documentation</li> </ul>
<b>MK Insight</b>	<ul style="list-style-type: none"> <li>Recommendation tracking (for follow-up)</li> <li>Data pulled together easily for reporting</li> <li>Time-keeping and reporting functionality</li> </ul>	<ul style="list-style-type: none"> <li>Risk assessment module is lacking</li> <li>Difficult to learn</li> <li>One auditor in a project at a time</li> <li>Better suited for audit shops performing routine audits or large corporate audit shops</li> <li>Templates cumbersome to build</li> </ul>
<b>ProSystems Engagement</b>	<ul style="list-style-type: none"> <li>Users can access files from any location</li> <li>Robust document repository</li> <li>Customizable to any audit plan</li> <li>Work paper sign-offs (e.g., prepared by, reviewed by)</li> <li>Work paper notes</li> <li>Work paper index customization</li> </ul>	<ul style="list-style-type: none"> <li>Unable to track staff timing</li> <li>Not cloud-based</li> <li>Workflow (history of changes) not maintained</li> <li>No recommendation tracking</li> </ul>
<b>TeamMate</b>	<ul style="list-style-type: none"> <li>Centralized database for work papers, procedures, test plans, and reports (for future re-use)</li> <li>Tracking of project time (for budgeting) and other metrics</li> <li>Work paper review and sign-offs</li> <li>Audit trail</li> <li>Management action plan follow-up</li> <li>Can be cloud-based (easy access)</li> <li>Links to other documents, risks, or controls</li> </ul>	<ul style="list-style-type: none"> <li>Inability to cut and paste pictures directly into a procedure</li> <li>Inability to tailor work paper indexes</li> <li>Schedule model too complex for small audit shops</li> <li>Risk and Control model cumbersome</li> <li>General look and feel is outdated</li> <li>Reporting capabilities are lacking</li> <li>Time-consuming to use</li> <li>Better editing of text and charts</li> </ul>

## PRICING

Pricing for these products can vary for many reasons, such as year purchased, service package, number of licenses, initial set-up costs, location, discount pricing, state contract pricing, etc. However, here are some price-point highlights that respondents shared:

### ACL GRC

- Annual licensing: \$4,500 (3 users)

### Auditor Assistant

- Initial training/implementation: \$6,600 (medium-size audit shop)
- Annual licensing: \$9,275 (10 users)

### AutoAudit

- Initial training/implementation: \$18,800 (medium-size audit shop)
- Initial training/implementation: \$12,000 (small-size audit shop)
- Annual licensing: \$3,200 (7 users)
- Annual licensing: \$1,840-\$3,000 (3-6 users)

### Caseware

- Initial training/implementation: \$1,000 per user
- Annual licensing: \$500 per user

### Ideagen

- Initial training/implementation: \$24,000 (medium-size audit shop)
- Annual licensing: \$1,800 (6 users)

### Microsoft Tools

- No additional costs

### MK Insight

- Initial training/implementation: \$109,000 (large-size audit shop; 42 licenses)
- Initial training/implementation: \$60,000 (large-size audit shop; 20 licenses)
- Annual licensing: \$6,000 (7 users)
- Annual licensing: \$13,000 - \$14,000 (20 users)

### ProSystems Engagement

- Initial training/implementation: \$8,100 (medium-size audit shop)
- Annual licensing: \$2,500-\$10,000 (7-10 users)

### TeamMate

- Initial training/implementation: \$40,000 (medium-size audit shop)
- Annual licensing: \$249 per user; \$5,670 hosting service (7 users)
- Annual licensing: \$16,000 (20 users)

**THE RESULTS ARE IN!**

Overall, most respondents were able to offer recommendations on which audit management programs work well in a certain size audit shop and which do not:

Percent of Total Audit Shops (by Size) Recommending Specific Audit Management Programs

		Yes	Yes, but only for budget reasons	No	Undecided
Large Audit Shops (11+)	AutoAudit	100%			
	Ideagen	67%		33%	
	MK Insight		50%	50%	
	TeamMate	75%		25%	
Mid-Size Audit Shops (6-10)	Auditor Assistant	100%			
	AutoAudit		100%		
	CCH Prosystems Engagement	50%		50%	
	Ideagen	100%			
	Microsoft Tools		100%		
	TeamMate	100%			
Small Audit Shops (1-5)	ACL GRC	50%			50%
	AutoAudit	67%		33%	
	Caseware	100%			
	Microsoft Tools	38%	25%	25%	13%
	TeamMate	75%			25%

The *College and University Auditor* would like to thank all ACUA members who participated for their time and cooperation. If there are any topics you would like to see for Connect Further features, comments/feedback on this new feature, or any questions please contact Marilyn Carnevale at [marilyn.carnevale@rutgers.edu](mailto:marilyn.carnevale@rutgers.edu) or Sonja Erickson at [ericksonso@umsystem.edu](mailto:ericksonso@umsystem.edu).

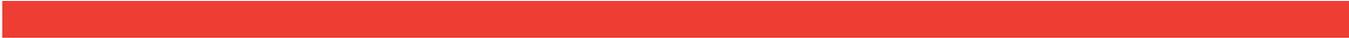


**Connect, engage, and share higher education internal audit information and best practices in real time with your colleagues.**

**Connect.ACUA.org**

Your Higher Education Auditing Connection

Members



# 2018 ACUA Annual Awards

The Awards Committee announced the winners of the Outstanding Professional Contributions, Member Excellence in Service, and Rising Star Awards at the 2018 Annual Conference in New Orleans, Louisiana.



## OUTSTANDING PROFESSIONAL CONTRIBUTIONS AWARD

The **Outstanding Professional Contributions Award** was presented to **Mark Salamasick** from the University of Texas System. This Award recognizes a member who has made outstanding and noteworthy contributions to the profession of internal auditing in higher education by creating a wider recognition of internal auditing in higher education, promoting cooperative relationships with other governance-related organizations, promoting high professional standards, and sustained service to higher education and internal auditing professional organizations.

Salamasick has a unique background of over 40 years of service to the internal audit profession and has been involved with ACUA for over 10 years. He has served not only as a successful audit practitioner, but also as an innovative leader in educating future internal auditors and promoting the profession of internal auditing. His long list of accomplishments include:

- Building one of the world's largest and most successful internal audit education programs, with many of his students highlighted as rising stars and future leaders by the Institute of Internal Auditors (IIA), as well as serving in audit departments and leadership positions within higher education.
- Co-authoring a textbook on internal auditing used at colleges and universities around the world, which is considered to be the primary textbook on internal audit, as well as writing many other internal audit books and materials.
- Establishing an Internal Audit endowment that is now valued at over \$1 million. Also, his dedication to internal audit students was recognized through the establishment of an IT audit endowment in his name (now valued at over \$100K) to fund scholarships to future IT auditors.
- Serving on numerous IIA boards and committees, including the Academic Relations Committee, that focus on building the internal audit profession and elevating all university internal audit programs, including defining research and writing priorities for the industry. In the past few months he worked with a team from a university in Bulgaria to help them establish an internal audit program.
- Speaking at numerous ACUA, IIA, ISACA, and other audit conferences and on webinars. In fact, at the 2008 ACUA Annual Conference, the planned general session speaker had a last minute emergency and conference planners asked Salamasick, sitting in the crowd, to speak. In true fashion he immediately got up, went and changed into a suit and tie, and did an outstanding job speaking at the session on a very timely topic: the Future of our Profession!



## MEMBER EXCELLENCE IN SERVICE AWARD

The **Member Excellence in Service Award** was presented to **Gail Klatt** from the University of Minnesota. This Award recognizes a member who has made outstanding contributions to the mission of ACUA through exceptional service.

Klatt served ACUA and its members in many roles over her 24+ year audit career! Her long list of accomplishments includes:

- Chairing the ACUA Awards Committee from 2011–2015. During this time, she led the creation of the Rising Star Award.
- Speaking at ACUA and other conferences, including the Society for Corporate Compliance and Ethics and the IIA.
- Serving on ACUA’s nominating committee, the Host Committee for the Annual Conference held in Minneapolis, and many times as a proctor.
- Mentoring many ACUA members. For example, she served as the co-champion/ executive sponsor for the “ACUA Leads!” program cohorts. She also has served on QAR teams for many ACUA institutions. One colleague shared that Gail coached her on developing an audit plan and enterprise risk management program, and that she taught her more than any training session, especially on how to run an effective and well-respected audit function.
- It is not just ACUA she serves--Gail is also very active in the Twin Cities Chapter of the IIA as well as the Big Ten Audit Director’s group.
- She received ACUA’s Outstanding Professional Contributions Award in 2010.

## RISING STAR AWARD

The **Rising Star Award** was presented to **Kara Kearney-Saylor** from Buffalo University. This Award recognizes an “up-and-coming” member who has made significant individual contributions in the areas of internal audit, compliance, or risk management that furthers the mission of ACUA. This award is intended to spotlight, cultivate, and recognize those committed to positively impacting higher education auditing, which is essential to ACUA’s continued success.

Kearney-Saylor has been an outstanding contributor to ACUA initiatives. A member since 2006, she participated in the 2nd Cohort of the “ACUA Leads!” program. She served on the membership committee, has been an annual conference speaker, and now chairs the Standards and Best Practices Committee. She also assisted ACUA with helping “Kick Start the Kick Start” program! Besides being one of the program’s initial authors, writing the International Activities program, she was also a valuable member of the task force that imagined and brought to fruition this new member service.

The Awards Committee members had the privilege of reviewing many outstanding nominations and the difficult job of selecting those to be honored this year. The committee would like to thank all of the ACUA members who took the time to recognize the contributions and service of their colleagues and encourages participation next summer during the annual awards nomination process.

For a list of previous award recipients, see the ACUA Awards website at <http://acua.org/Membership/Awards.asp>.

*The 2018 Awards Committee consisted of Toni Stephens, The University of Texas at Dallas; Laura Buchhorn, The University of Texas at San Antonio; Marion Candrea, Rutgers, The State University of New Jersey; Doug Horr, Vanderbilt University; Whit Madere, Virginia Community College System; Kevin Robinson, Auburn University; and Meaghan Smith, Oregon Health and Science University.*

# Cybersecurity Management in Higher Education

Every organization faces cybersecurity risks. Organizations typically plan their responses according to their legal and regulatory environment.



But what happens when an organization operates in **multiple environments?**

**Higher education institutions face this challenge.**



From the **variety of data...**

*Housing, financial aid, research and donation data*

...and the types of people who **collect and store the data...**

*Decentralized operations, including people with different skills and needs*



...to the different **standards, regulations** and **legal** requirements...

...and the **availability of funds** influenced by lawmakers, trustees and donors



These realities must be addressed as part of an overall cybersecurity management program.

Download our ebook at [go.bakertilly.com/LP=1367](http://go.bakertilly.com/LP=1367) to learn how to build a sustainable cybersecurity program in higher education.



An independent member of Baker Tilly International

Baker Tilly refers to Baker Tilly Virchow Krause, LLP, an independently owned and managed member of Baker Tilly International. © 2018 Baker Tilly Virchow Krause, LLP

31 COLLEGE & UNIVERSITY AUDITOR

Accountants and Advisors

# Highlights from ACUA's 2018 Annual Conference in New Orleans



Members

# ACUA

ASSOCIATION OF COLLEGE & UNIVERSITY AUDITORS

## 2018 ANNUAL CONFERENCE

# Expect Big Things in the Big Easy

September 9-13, 2018

New Orleans Marriott | New Orleans, LA



Members



Members



We would like to thank the 2018 Annual Conference Sponsors and Exhibitors for supporting the 2018 Annual Conference and making connections with ACUA attendees.

**THANK YOU TO ACUA'S 2018 STRATEGIC PARTNERS FOR THE YEAR ROUND SUPPORT:**



Accountants and Advisors

**THANK YOU TO THE 2018 SPONSORS:**



**THANK YOU TO THE 2018 EXHIBITORS:**

- AuditBoard
- Blackline
- CampusGuard
- CBIZ, Inc.
- CliftonLarsenAllen
- Eminere Group
- Fort Hill Associates, LLC
- Ideagen PLC
- Mkinsight Audit Management Software (Morgan Kai Group)
- Onspring Technologies
- Protiviti
- Society of Corporate Compliance & Ethics (SCCE)
- Talson Solutions, LLC
- Vestige Digital Investigations



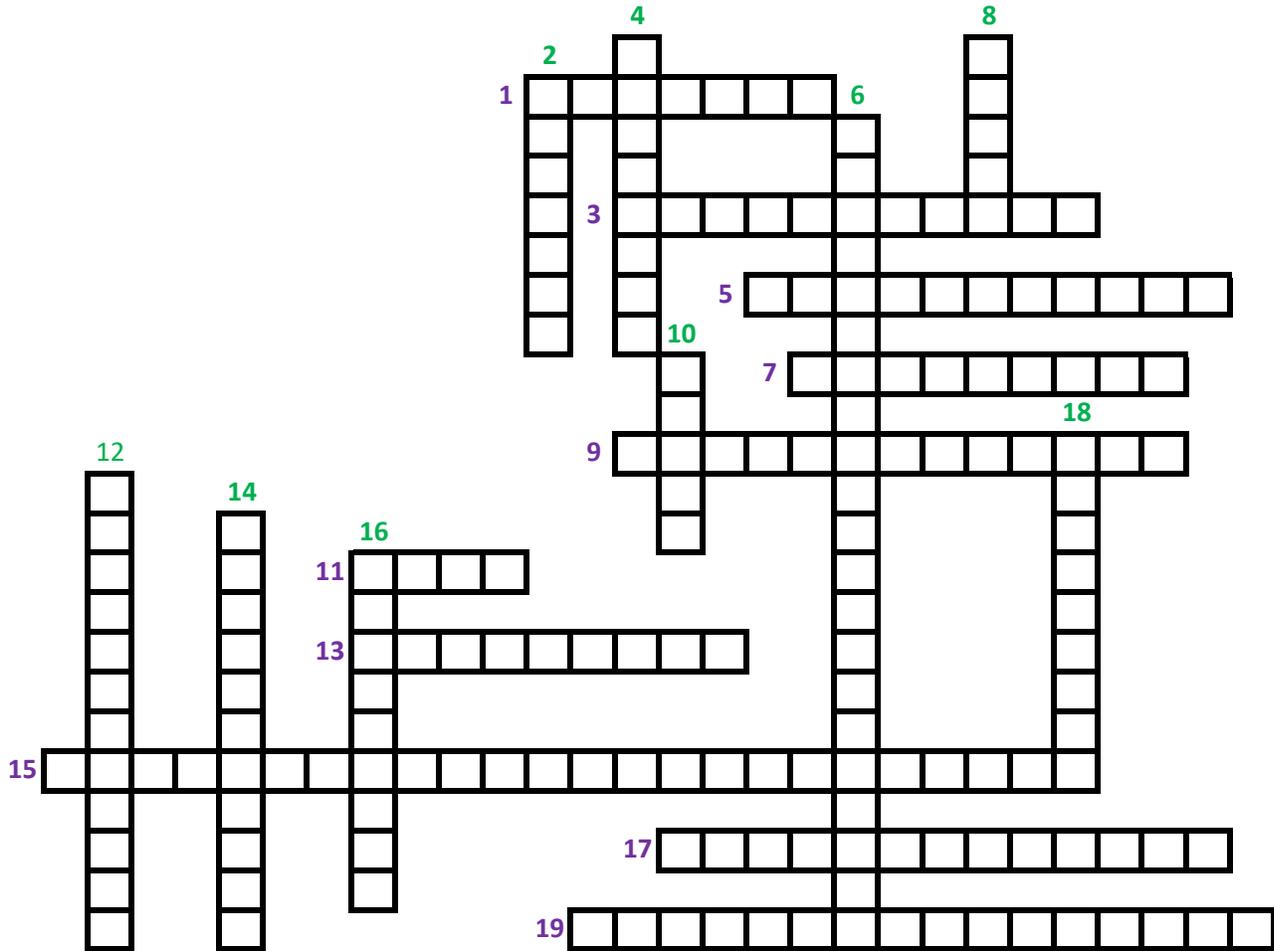
We hope to see you in Baltimore at the 2019 AuditCon!



**Members**

# Just For Fun

Thank you to everyone that came to the annual ACUA conference in New Orleans, Louisiana (NOLA)! Hopefully you learned a lot about the "Big Easy" and enjoy this NOLA-inspired crossword puzzle!



## ACROSS

1. Doughnut-like dessert
3. Original French Market Coffee Stand
5. Voodoo Queen
7. Home of the NFL Saints
9. Historical landmark with architecture and nature
11. Genre of music commonly found in New Orleans
13. Famous celebration; Fat Tuesday
15. "Let the good times roll"
17. Oldest part of New Orleans
19. Center of the Roman Catholic Archdioceses of New Orleans

## DOWN

2. Historical, well-known street in the French Quarter
4. Brioche dough glazed with purple, green, and gold sugar; the baby is good luck!
6. Home to 10,000 marine animals
8. Comes from an English mispronunciation of the French word "Acadien"
10. Flooded forest
12. Where to find music, food, and shopping along the river
14. \_\_\_\_\_River
16. Traditional dish with vegetables, rice, and meat
18. Swamp wildlife

Answer Key on page 1.

SAVE THE DATE!



ASSOCIATION OF COLLEGE & UNIVERSITY AUDITORS

# 2019 AuditCon



A Higher Education Summit

September 15-19, 2019 | Baltimore Marriott Waterfront | Baltimore, Maryland



[acua.org](http://acua.org)