



Item: AF: I-1B

## AUDIT AND FINANCE COMMITTEE

Wednesday, February 20, 2008

**SUBJECT: REVIEW OF AUDITS: REVIEW OF SUMMARY OF FOLLOW-UP ON AUDIT RECOMMENDATIONS SCHEDULED TO BE IMPLEMENTED DURING THE PERIOD OF JULY 1 THROUGH SEPTEMBER 30, 2007.**

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### PROPOSED COMMITTEE ACTION

Information Only.

### BACKGROUND INFORMATION

The Office of Inspector General performs follow-up procedures for all outstanding audit recommendations on a regular basis. For the quarter ended September 30, 2007, we reviewed a total of 24 audit recommendations resulting in the following conclusions:

- 13 recommendations were deemed to be fully implemented;
- 8 recommendations were partially implemented;
- 2 recommendations were not implemented; and,
- 1 recommendation no longer applicable

We have obtained new expected implementation dates from the auditees responsible for all partially implemented and not implemented recommendations. These recommendations will be subject to additional follow-up in the future.

### IMPLEMENTATION PLAN/DATE

Not Applicable.

### FISCAL IMPLICATIONS

Not Applicable.

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**Supporting Documentation:** OIG Schedule of Follow-Up on Audit Recommendations.

**Presented by:** Mr. Morley Barnett, Inspector General

**Phone:** 561-297-3682

**FAU-OIG**  
**SUMMARY OF FOLLOW-UP ON AUDIT RECOMMENDATIONS**  
**SCHEDULED TO BE IMPLEMENTED DURING THE PERIOD OF 07/01/07 - 09/30/07**

**IMPLEMENTED (13)**

AUDIT TITLE	AUDIT REPORT #	AUDIT RECOMMENDATION #	COMMENT TITLE	AUDITEE	RESPONSIBLE MANAGER	PENDING ISSUES	NEW EXPECTED IMPLEMENTATION DATE
Physical Plant	FAU04/05-5	1	Need for Desktop Physical Plant Operations Manual	John Singer	Tom Donaudy	N/A	N/A
Personnel Services	FAU05-06-2	1.2	Lack of Verification of Education & Prior Work Experience for Newly-Hired Employees	El pagnier Hudson	Dr. Ken Jessell	N/A	N/A
Personnel Services	FAU05-06-2	2.2	Incorrectly Calculated Fiscal Year 2005/06 Legislative Pay Increase	El pagnier Hudson	Dr. Ken Jessell	N/A	N/A
NCAA Compliance – Recruiting	FAU06/07-3	1	Lack of an Effective Recruiting Monitoring System	Ed Hayward	Craig Angelos	N/A	N/A
NCAA Compliance – Recruiting	FAU06/07-3	2	Recruiting Documentation Deficiencies	Ed Hayward	Craig Angelos	N/A	N/A
NCAA Compliance – Recruiting	FAU06/07-3	4	Disseminating Information on NCAA Requirements to Athletic Boosters	Ed Hayward	Craig Angelos	N/A	N/A
Student Employment	FAU06/07-5	1	Untimely Processing of Appointments for Newly-Hired Student Employees	Carole Pfeilsticker	Dr. Michael Armstrong	N/A	N/A
Student Employment	FAU06/07-5	2	Incomplete Payroll Time Records for Student Employees	Carole Pfeilsticker	Dr. Michael Armstrong	N/A	N/A
Student Employment	FAU06/07-5	3	Criminal History Checks for New Student Employees	Carole Pfeilsticker	Dr. Michael Armstrong	N/A	N/A
Housing and Residential Life	FAU06/07-6	3	Untimely Announced Fire Drills	Jill Eckardt	Dr. Charles Brown	N/A	N/A
Housing and Residential Life	FAU06/07-6	5	Lack of Training Session Logs	Jill Eckardt	Dr. Charles Brown	N/A	N/A
Northern Campuses Cashier's Offices	FAU07/08-1	3	Incomplete Parking Permit Inventory Control Records – Treasure Coast Cashier's Office	Crystal Atkinson	Dr. Kristen Murtaugh	N/A	N/A
Northern Campuses Cashier's Offices	FAU07/08-1	6	Lack of Employee Key & Combination Assignment Logs – MacArthur & Treasure Coast Cashier's Offices	Crystal Atkinson	Dr. Kristen Murtaugh	N/A	N/A

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**PARTIALLY IMPLEMENTED (8)**

<b>AUDIT TITLE</b>	<b>AUDIT REPORT #</b>	<b>AUDIT RECOMMENDATION #</b>	<b>COMMENT TITLE</b>	<b>AUDITEE</b>	<b>RESPONSIBLE MANAGER</b>	<b>PENDING ISSUES</b>	<b>NEW EXPECTED IMPLEMENTATION DATE</b>
Athletics Ticket Revenue	FAU04/05-6	1.1	Incomplete Customer Phone/Mail/Fax Ticket Order Forms	Michael Boele	Craig Angelos	Testwork of baseball, softball, and football order forms to verify that the disposition of the tickets (will call, mailed, or office pick-up), and the date and initials of the person who mailed the tickets (if mailed) are indicated on the customer's ticket order form.	03/31/08
Athletics Ticket Revenue	FAU04/05-6	1.2	Inadequate Documentation of Receipt of Complimentary Tickets	Michael Boele	Craig Angelos	The Athletics Department staff who receive complimentary season tickets are not signing an appropriate control document to acknowledge the receipt of the tickets in accordance with current written policies and procedures. In addition, there is no documented reconciliation process in place to account for the issuance/return of complimentary tickets on game days.	03/31/08
Athletics Ticket Revenue	FAU04/05-6	1.4	Lack of Supervisory Approval and Proper Back-Up Documentation for Exception Transactions Processed by Ticket Sellers	Michael Boele	Craig Angelos	Testwork to verify that a notation of upgrades or ticket exchanges is being indicated on the order forms and the new refund approval process is adequate.	11/01/07
Athletics Ticket Revenue	FAU04/05-6	3.8	Inadequate Accountability for Game-Day Ticket Sales	Michael Boele	Craig Angelos	The ticket seller's game-day sales reconciliation sheets are not properly completed. In addition, the game-day ticket reconciliation worksheets are not signed by a preparer and a reviewer, in all cases.	03/31/08
Traffic and Parking Services	FAU06/07-2	3.3	Untimely/Undocumented Periodic Reconciliations of Web Credit Card Payments	Charles Lowe	Dr. Ken Jessell	Testwork to verify that all Web credit card payments/refunds appearing on the daily <i>Credit Card Batch Detail Reports</i> from the TouchNet Payment Gateway system are reconciled to customers' BOSSCARS accounts at least weekly.	11/04/07

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**SUMMARY OF FOLLOW-UP ON AUDIT RECOMMENDATIONS**  
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**PARTIALLY IMPLEMENTED (continued)**

<b>AUDIT TITLE</b>	<b>AUDIT REPORT #</b>	<b>AUDIT RECOMMENDATION #</b>	<b>COMMENT TITLE</b>	<b>AUDITEE</b>	<b>RESPONSIBLE MANAGER</b>	<b>PENDING ISSUES</b>	<b>NEW EXPECTED IMPLEMENTATION DATE</b>
Traffic and Parking Services	FAU06/07-2	3.4	Inadequate Monitoring & Accounting for Employee Payroll Deductions for Parking Permit Purchases	Charles Lowe	Dr. Ken Jessell	Testwork to verify that the biweekly reconciliations of the deduction register reports for the payroll deductions for faculty/staff parking permit purchases to the payroll deduction authorization records submitted by employees, and the total payroll deductions (per the deduction register report) to the corresponding total amount posted (by the Controller's Office) to the appropriate Banner Finance fund/organization/account codes of the T&P Department are properly documented. T&P will not implement the use of the aforementioned procedures until the faculty/staff parking permits for the academic year 2008/09 are made available for purchase by faculty/staff via payroll deduction, which is projected to be the month of August 2008.	10/01/08
Traffic and Parking Services	FAU06/07-2	3.8	Inventory Control Weaknesses for Reserve Supplies of Parking Permits	Charles Lowe	Dr. Ken Jessell	Testwork to verify that the reserve supply control logs are properly completed, and documented inventories of T&P's reserve supplies of unissued parking permits are conducted at least quarterly for all parking permit types.	11/19/07
Housing and Residential Life	FAU06/07-6	1.1	Ineffective Monitoring of Residents Revenue	Jill Eckardt	Dr. Charles Brown	Verification that the fees have been collected from the student who was undercharged for student housing. Collection expected after the 2008 Spring registration.	12/31/07

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**NOT IMPLEMENTED (2)**

AUDIT TITLE	AUDIT REPORT #	AUDIT RECOMMENDATION #	COMMENT TITLE`	AUDITEE	RESPONSIBLE MANAGER	PENDING ISSUES	NEW EXPECTED IMPLEMENTATION DATE
Traffic and Parking Services	FAU06/07-2	3.5	Procedures for Special Event Parking Services	Charles Lowe	Dr. Ken Jessell	T&P is working to encourage a culture of compliance and ensure that all parties requiring T&P event services are accommodated and billed accordingly. Management has indicated that new services, the proposal of new regulations, and a new (T&P) operating system will assist T&P in implementing this recommendation.	07/01/08
Traffic and Parking Services	FAU06/07-2	3.6	Lack of Independent Follow-up on Delinquent Customer Accounts	Charles Lowe	Dr. Ken Jessell	T&P is in the process of implementing a new (T&P) operating system that will work in conjunction with the University's main operating system (Banner). Upon completion of the new T&P system, the Controller's Office will take an active role in the monthly billing and subsequent collection efforts for delinquent T&P customers.	04/01/08

**NO LONGER APPLICABLE (1)**

AUDIT TITLE	AUDIT REPORT #	AUDIT RECOMMENDATION #	COMMENT TITLE`	AUDITEE	RESPONSIBLE MANAGER	PENDING ISSUES	NEW EXPECTED IMPLEMENTATION DATE
Northern Campuses Cashier's Offices	FAU07/08-1	2	Improper Reconciliation of Window (Over-the-Counter) Credit Card Refunds – MacArthur & Treasure Coast Cashier's Offices	Crystal Atkinson	Dr. Kristen Murtaugh	N/A *	N/A

\* Window credit card refunds are no longer being performed at the cashier's offices. Refunds are made by check or direct deposit to students.