



Item: AF: I-1b

AUDIT AND FINANCE COMMITTEE

Wednesday, February 21, 2007

**SUBJECT: REVIEW OF AUDITS: REVIEW OF SUMMARY OF FOLLOW-UP AUDIT
RECOMMENDATIONS SCHEDULED TO BE IMPLEMENTED DURING
JANUARY 1 THROUGH SEPTEMBER 30, 2006.**

PROPOSED BOARD 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 nine-month period ended September 30, 2006, we reviewed a total of 39 audit recommendations resulting in the following conclusions:

- 21 recommendations were deemed to be fully implemented;
- 14 recommendations were partially implemented; and,
- 4 recommendations were not implemented.

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

Various.

FISCAL IMPLICATIONS

Not Applicable.

Supporting Documentation: Schedule of Follow-Up Audit Recommendations

Presented by: Mr. Morley Barnett, Inspector General

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FAU-OIG
SUMMARY OF FOLLOW-UP ON AUDIT RECOMMENDATIONS
SCHEDULED TO BE IMPLEMENTED DURING THE PERIOD OF 01/01/06 – 09/30/06

IMPLEMENTED (21)

AUDIT TITLE	AUDIT REPORT #	AUDIT RECOMMENDATION #	COMMENT TITLE	AUDITEE	RESPONSIBLE MANAGER	PENDING ISSUES	NEW EXPECTED IMPLEMENTATION DATE
Federal Awards	AG06-152	1	Cash Management – Prohibition on Escheating of Title IV Higher Education Act (HEA) Funds	Stacey Semmel	Dr. Ken Jessell	N/A	N/A
Federal Awards	AG06-152	2	Special Tests and Provisions – Return of Title IV HEA Funds – Non Attendance	Carole Pfeilsticker	Dr. Charles Brown	N/A	N/A
Federal Awards	AG06-152	3	Equipment and Real Property Management	Stacey Semmel/ Jay Semmel	Dr. Ken Jessell/ Dr. Larry Lemanski	N/A	N/A
Computer Network Security	FAU03/04-2	1	*	Dr. Jeff Schilit	Dr. John Pritchett	N/A	N/A
Computer Network Security	FAU03/04-2	3	*	Dr. Jeff Schilit	Dr. John Pritchett	N/A	N/A
Computer Network Security	FAU03/04-2	4	*	Dr. Jeff Schilit	Dr. John Pritchett	N/A	N/A
Operational Audit	FAUAG04-013	5	Tangible Personal Property	Stacey Semmel	Dr. Ken Jessell	N/A	N/A
Housing and Residential Life	FAU02/03-59	3	Non-Performance of Criminal Background Checks	Jill Eckardt	Dr. Charles Brown	N/A	N/A
Student Government Association	FAU03/04-4	3.3	Inconsistent Compliance with Established SG Payroll Procedures	Austin Shaw	Dr. Leslie Bates	N/A	N/A
Student Government Association	FAU03/04-4	3.4	Travel Documentation Deficiencies	Austin Shaw	Dr. Leslie Bates	N/A	N/A
Travel	FAU05/06-3	1	Need for Updates to Existing Travel Policies & Procedures	Stacey Semmel	Dr. Ken Jessell	N/A	N/A
Travel	FAU05/06-3	2	Untimely Submittal of Travel Authorization Requests & Travel Reimbursement Vouchers	Stacey Semmel	Dr. Ken Jessell	N/A	N/A
Travel	FAU05/06-3	5	Lack of Documented Supervisory Approval of Employee Access to WOLF System	Stacey Semmel	Dr. Ken Jessell	N/A	N/A
Revenue-Generating Contracts	FAU05/06-4	1	Tracking Required - Contractual Documents	Stacy Volnick	Dr. Ken Jessell	N/A	N/A
Revenue-Generating Contracts	FAU05/06-4	2	Monitoring Commission Revenue	Stacy Volnick/ Dennis Crudele	Dr. Ken Jessell	N/A	N/A

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IMPLEMENTED (continued)

AUDIT TITLE	AUDIT REPORT #	AUDIT RECOMMENDATION #	COMMENT TITLE	AUDITEE	RESPONSIBLE MANAGER	PENDING ISSUES	NEW EXPECTED IMPLEMENTATION DATE
Central Cashier's Office	FAU05/06-5	1	Inadequate Accountability for Over-the-Counter Credit Card Refunds	Stacey Semmel	Dr. Ken Jessell	N/A	N/A
Central Cashier's Office	FAU05/06-5	3	Incomplete Employee Key & Combination Assignment Logs	Stacey Semmel	Dr. Ken Jessell	N/A	N/A
Central Cashier's Office	FAU05/06-5	4	Lack of Periodic Cash Counts of Unused Operating Change Funds	Stacey Semmel	Dr. Ken Jessell	N/A	N/A
Central Cashier's Office	FAU05/06-5	5	Untimely Endorsement of Customer Checks	Stacey Semmel	Dr. Ken Jessell	N/A	N/A
Athletics Ticket Revenue	FAU04/05-6	1.3	Incomplete Daily Money Collection Records	Randy Langejans	Craig Angelos	N/A	N/A
Athletics Ticket Revenue	FAU04/05-6	3.9	Policy and Procedure Deficiencies	Randy Langejans	Craig Angelos	N/A	N/A

PARTIALLY IMPLEMENTED (14)

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	All the procedures documenting fundamental issues pertaining to Physical Plant operations have not been established.	2/28/07
Personnel Services	FAU05-06-2	1.1	Incomplete/Unlocated Documentation for Newly-Hired Employees	El pagnier Hudson	Dr. Ken Jessell	I-9 and W-4 Forms, criminal background checks, Personal Data Sheets, and Loyalty Oaths were not being properly completed in all cases.	2/23/07
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	Procedures are being developed for the use of the updated employment verification form. In addition, the education verification process is being revised.	2/23/07

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PARTIALLY IMPLEMENTED (continued)

AUDIT TITLE	AUDIT REPORT #	AUDIT RECOMMENDATION #	COMMENT TITLE	AUDITEE	RESPONSIBLE MANAGER	PENDING ISSUES	NEW EXPECTED IMPLEMENTATION DATE
Personnel Services	FAU05-06-2	2.1	Inconsistent Compliance with Established Performance Appraisal Policies and Procedures for A&P and USPS Employees	El pagnier Hudson	Dr. Ken Jessell	Verification of the effectiveness of the new automated employee appraisal monitoring process.	12/29/06
Personnel Services	FAU05-06-2	2.2	Incorrectly Calculated Fiscal Year 2005/06 Legislative Pay Increase	El pagnier Hudson	Dr. Ken Jessell	Supervisory approval of the repayment plan for the salary overpayment of one employee.	12/15/06
Personnel Services	FAU05-06-2	3.1	Incomplete/Unlocated Documentation for Terminated Employees	El pagnier Hudson	Dr. Ken Jessell	The termination clearance forms were not properly completed, and appropriate back-up for the terminating employee's unused annual leave balances were not available for review in all cases. In addition, a documentation checklist to be included with each terminated employee's official personnel file has not been developed.	12/15/06
Personnel Services	FAU05-06-2	3.2	Lack of Formal Written Procedures for Employee Terminations	El pagnier Hudson	Dr. Ken Jessell	A written policy that details the termination policy consistent with industry standards is in the process of being developed.	12/28/06
Travel	FAU05/06-3	3	Travel Advance Documentation & Compliance Deficiencies	Stacey Semmel	Dr. Ken Jessell	Manual TRVs were not submitted to the Controller's Office within 30 workdays from the travel ending date in all cases. In addition, there was no documented evidence to indicate that the travelers' departments were notified of the unresolved outstanding debt of the travelers prior to the 30 workdays deadline as stated in the <i>Travel section of the Controller's Manual</i> .	06/30/07

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PARTIALLY IMPLEMENTED (continued)

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Travel	FAU05/06-3	4	Inadequate Centralized Monitoring of Outstanding Travel Advances	Stacey Semmel	Dr. Ken Jessell	Although a manual log to monitor outstanding travel advances has been developed, travel advances will not be booked as receivables until the Banner for Students system is implemented.	06/30/07
Athletics Ticket Revenue	FAU04/05-6	1.2	Inadequate Documentation of Receipt of Complimentary Tickets	Randy Langejans	Craig Angelos	All persons who receive complimentary tickets, via pick-up at the ticket office or will call window, are not signing an appropriate control document to acknowledge the receipt of the tickets.	03/30/07
Athletics Ticket Revenue	FAU04/05-6	1.4	Lack of Supervisory Approval and Proper Back-Up Documentation for Exception Transactions Processed by Ticket Sellers	Randy Langejans	Craig Angelos	Appropriate supporting documentation for voided transactions, such as the original voided tickets with explanations, and the written approval of the supervisor, is not being maintained on file.	03/30/07
Athletics Ticket Revenue	FAU04/05-6	3.4	Incomplete Documentation and Accountability for End-of-Shift Balancing of Daily Money Collections of Ticket Sellers	Randy Langejans	Craig Angelos	The end-of-shift balancing of the non-monetary ticketing transactions processed by the ticket sellers were not documented on the <i>Ticket Seller's Daily Collections Receipt Report</i> .	05/30/07
Athletics Ticket Revenue	FAU04/05-6	3.6	Untimely Periodic Reconciliations of Money Deposit Records	Randy Langejans	Craig Angelos	Documented reconciliations of the ticket office's money deposit records to the <i>Organizational Detail Activity</i> reports and validated bank deposit slips were not being performed by an employee independent of payment handling and processing, and the reconciliation frequency was not adequate.	05/30/07

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Athletics Ticket Revenue	FAU04/05-6	3.8	Inadequate Accountability for Game-Day Ticket Sales	Randy Langejans	Craig Angelos	A <i>Game-Day Ticket Reconciliation Worksheet</i> was not used to document the reconciliation process to ensure that all money collected from game-day ticket sales was posted to the TM Archtics system.	03/30/07

NOT IMPLEMENTED (4)

AUDIT TITLE	AUDIT REPORT #	AUDIT RECOMMENDATION #	COMMENT TITLE`	AUDITEE	RESPONSIBLE MANAGER	PENDING ISSUES	NEW EXPECTED IMPLEMENTATION DATE
Bank Account Reconciliations	FAU04/05-3	5	Deficiencies Pertaining to Reconciling Items on Reconciliation of Athletic Petty Cash Bank Account	Randy Langejans	Craig Angelos	Verification that the Controller's Office is performing monthly reconciliations of the Athletic Petty Cash Bank Account and related procedures have been developed.	03/30/07
Bank Account Reconciliations	FAU04/05-3	6	Lack of Written Procedures for Reconciliation Process for Athletic Petty Cash Bank Account	Randy Langejans	Craig Angelos	Verification that the Controller's Office is performing monthly reconciliations of the Athletic Petty Cash Bank Account and related procedures have been developed.	03/30/07
Athletics Ticket Revenue	FAU04/05-6	1.1	Incomplete Customer Phone/Mail/Fax Ticket Order Forms	Randy Langejans	Craig Angelos	The disposition of the tickets ordered via phone/mail/fax is not indicated on the ticket order forms or the TM Archtics (<i>Batch-Details</i>) reports.	03/30/07
Athletics Ticket Revenue	FAU04/05-6	3.7	Non-Verification of Employee Payroll Deductions for Football Season Ticket Purchases	Randy Langejans	Craig Angelos	The Athletics Ticket Office is not receiving the <i>Deduction Register Report</i> to verify the accuracy of each employee's biweekly deduction (for football season tickets) indicated on the employee payroll deduction ticket order forms.	05/30/07

* The results of these information technology audits are considered confidential (exempt from public records laws) per Florida Statutes.