



Item: AF: I-1

## AUDIT AND FINANCE COMMITTEE

Wednesday, February 16, 2011

**SUBJECT: REVIEW OF SUMMARY OF FOLLOW-UP ON AUDIT RECOMMENDATIONS SCHEDULED TO BE IMPLEMENTED DURING THE PERIOD OF JULY 1 THROUGH DECEMBER 31, 2010.**

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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 six months ended December 31, 2010, we reviewed a total of 18 audit recommendations resulting in the following conclusions:

- 13 recommendations were deemed to be fully implemented
- 4 recommendations were partially implemented
- 1 recommendation for which the status could not readily be determined pending results of an external information technology audit by the Florida Auditor General.

We have obtained new expected implementation dates from the auditees responsible for all partially 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 07/01/10 - 12/31/10**

**IMPLEMENTED (13)**

AUDIT TITLE	AUDIT REPORT #	AUDIT RECOMMENDATION #	COMMENT TITLE	AUDITEE	RESPONSIBLE MANAGER	PENDING ISSUES	NEW EXPECTED IMPLEMENTATION DATE
Operational Audit of FAU	AG10-131	1	Student Fees – Repeated Enrollment	Dr. Diane Alperin	Dr. Mary Jane Saunders	N/A	N/A
Operational Audit of FAU	AG10-131	2.1	Decentralized Collections – Campus Recreation	Eric Hawkes	Dr. Charles Brown	N/A	N/A
Florida Education Finance Program (FEFP)	AG10-190	1	Full-Time Equivalent (FTE)	Glenn Thomas	Dr. Valerie Bristor	N/A	N/A
Student Health Services	FAU09/10-3	2	Formal Documentation Lacking for Diagnostic Laboratory Fee Schedules	Cathie Wallace	Dr. Charles Brown	N/A	N/A
Institutes and Centers	FAU09/10-5	1	Improvement Needed in Accuracy and Compilation Methods of Reported Data	Dr. Edwin Bemmell	Dr. Barry Rosson	N/A	N/A
Institutes and Centers	FAU09/10-5	2	Documenting the Dissolution Process	Dr. Edwin Bemmell	Dr. Barry Rosson	N/A	N/A
Bank Account Reconciliations	FAU09/10-4	1	Inadequate Segregation of Conflicting Duties	Stacey Semmel	Dennis Crudele	N/A	N/A
Bank Account Reconciliations	FAU09/10-4	2	Write-Off of Unidentified Reconciling Items	Stacey Semmel	Dennis Crudele	N/A	N/A
NCAA Eligibility Compliance	FAU08/09-2	1	Squad and Eligibility Checklists	Ed Hayward	Craig Angelos	N/A	N/A
NCAA Eligibility Compliance	FAU08/09-2	2.1	Documentation Deficiencies Related to Student-Athlete Eligibility	Ed Hayward	Craig Angelos	N/A	N/A
NCAA Eligibility Compliance	FAU08/09-2	2.2	Monitoring Deficiencies Related to Student-Athlete Eligibility	Ed Hayward	Craig Angelos	N/A	N/A
NCAA Eligibility Compliance	FAU08/09-2	3	Incomplete Student-Athlete Eligibility Written Procedures	Ed Hayward	Craig Angelos	N/A	N/A
Employee Time Cards	FAU09/10-2	2	Employees with Excessive Overtime Compensatory Leave Balances – University Police & V.P. Jupiter Reserve	Charles Lowe	Dennis Crudele	N/A	N/A

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**PARTIALLY IMPLEMENTED (4)**

AUDIT TITLE	AUDIT REPORT #	AUDIT RECOMMENDATION #	COMMENT TITLE	AUDITEE	RESPONSIBLE MANAGER	PENDING ISSUES	NEW EXPECTED IMPLEMENTATION DATE
Operational Audit of FAU	AG10-131	2.2	Decentralized Collections – Athletics	Michael Boele/ Michael LaRocco	Craig Angelos	Management needs to ensure that: 1) The Order Procedures in the FAU Ticket Office Policies & Procedures Manual are adhered to; 2) All <i>Departmental Bulk Deposit</i> forms are signed/initialed and dated by a separate preparer and reviewer, and the Athletics employee who delivers the deposit to the central cashier's office; and, 3) The Deposit Procedures in the FAU Ticket Office Policies & Procedures Manual are revised to include the proper completion of <i>Departmental Bulk Deposit</i> forms.	6/30/11
Operational Audit of FAU	AG10-131	12	Pharmaceutical Inventory	Cathie Wallace	Dr. Charles Brown	Management needs to ensure that policies and procedures are developed for the new inventory tracking system which was upgraded on January 4, 2011.	2/1/11
Student Health Services	FAU09/10-3	1.1	Billing to Students (Accounts Receivable)	Cathie Wallace	Dr. Charles Brown	The automated interface between the PyraMED and Banner Finance systems needs to be implemented, and policies and procedures pertaining to the reconciliation processes will need to be revised.	3/1/11
Student Health Services	FAU09/10-3	1.2	Third Party (Insurance) Billings and Payments	Cathie Wallace	Dr. Charles Brown	The automated interface between the PyraMED and Banner Finance systems needs to be implemented.	3/1/11

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**INDETERMINATE – EXTERNAL IT AUDIT IN PROGRESS (1)**

AUDIT TITLE	AUDIT REPORT #	AUDIT RECOMMENDATION #	COMMENT TITLE	AUDITEE	RESPONSIBLE MANAGER	PENDING ISSUES	NEW EXPECTED IMPLEMENTATION DATE
Operational Audit of FAU	AG10-131	15	Environmental and Security Controls	Jason Ball	Dr. Gitanjali Kaul	Management has informed us that Information Resource Management has recently submitted documentation to the Auditor General (AG) to resolve this recommendation. Management expects satisfactory resolution of the finding will be made during the current Auditor General's information technology audit. We plan to revisit the implementation status of this audit recommendation in approximately six months or sooner, depending on when the AG issues its final IT audit report.	Refer to Pending Issues comments