



# **Office of Internal Audit Status Report**

**BOARD OF TRUSTEES**

**March 27, 2014**

**Date:** March 27, 2014

**To:** Board of Trustees and Finance and Audit Committee

**From:** Allen Vann, Audit Director

**Subject:** **OFFICE OF INTERNAL AUDIT STATUS REPORT**

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I am pleased to provide you with the quarterly update on the status of our office's work activities. Since our last update to you on January 9, 2014, we completed the following audits:

- 1. Student Activity and Service Fee** – During fiscal year 2013, FIU collected \$14.8 million in Activity and Service (A&S) Fees. We verified that A&S fees collected were appropriate and that there were adequate controls and procedures over the use of A&S fees. While there were no audit exceptions relating to revenue, we recommended that the calculation of the A&S fee increase cap should be refined, commingling of A&S fee funds with Auxiliary funds should be avoided, and that the manner in which expenditures are accounted for and processed can be improved. Management agreed to implement our eight recommendations.
- 2. College of Business Expenditures** – We included this audit in our approved annual plan based on a request from the Dean of the College of Business. During fiscal year 2013, the College expended approximately \$58.8 million. While the College's controls and procedures relating to those expenditures were well defined, there were areas where internal controls need strengthening, particularly for: extra compensation, program related expenditures, credit card controls, travel authorization and expenses, and asset management. Management agreed with our eleven recommendations.
- 3. FIU Football Attendance for the 2013 Season in Accordance with the National Collegiate Athletic Association** – We performed an audit to certify the accuracy of attendance at FIU home football games reported to the NCAA for the 2013 season. Based on the methodology adopted by the Athletics Department, we found that the football attendance data reported to the NCAA were supported by sufficient, relevant and competent records.

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### **INVESTIGATIONS**

We performed a preliminary investigation of an allegation of financial impropriety referred to us by Office of Equal Opportunity Programs and Diversity, which did not merit further inquiry.

### **WORK IN PROGRESS**

We are currently working on the following audits:

1. Purchasing Practices for Commodities (Office of the Controller)
2. Frost Art Museum (Academic Affairs)
3. School of Computing and Information Sciences (College of Engineering and Computing)
4. University Lab Safety (Environmental Health and Safety)
5. Business Services; Vendor and Retail Contracts (Office of Business Services)
6. Southeast Environmental Research Center (College of Arts and Sciences)
7. Minor Construction Projects (Facilities Management)

### **PROFESSIONAL DEVELOPMENT**

The Internal Audit staff continues to take advantage of professional development opportunities. Seven staff members attended a one day Conference of The Institute of Internal Auditors at the FIU Kovens Conference Center and our Information Systems Audit Manager attended a four day IT training conference in Miami, Florida.

During the period, we provided an overview of our internal audit operations and a tour of the University to a visitor from the University of West Indies' Internal Audit Department. The exchange of information was mutually beneficial.