



# **Office of Internal Audit Status Report**

BOARD OF TRUSTEES

March 30, 2009

# Office of Internal Audit Status Report

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**Executive Summary – Office of Internal Audit Status Report**  
**Board of Trustees**  
**Finance and Audit Committee**  
**February 27, 2009**

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The report details the current status of the Office of Internal Audit, which includes audits, investigations, follow-up, and other audit related activities during this reporting period. As of February 27, 2009, we have completed the following audits: **the College of Arts & Sciences Environmental Studies Department, the IT Security Controls over the Surplus Property Process, and the College of Law.** In addition, the following audits were in progress: **the College of Education, the IT Security over the Payment Card Process, the University Purchasing Card Program, and the Accounts Receivable.**

As for investigations, an investigative report pertaining to **the University's Online Learning Program** was issued and another investigation pertaining to a **Research Center's Program** was completed. Also, a complaint pertaining to the misuse of a grant was received during this reporting period. Additionally, the report includes a summary of the current status of management's implementation of 88 prior recommendations from internal and external audits. Our current implementation rate is 72 percent as compared with 95 percent reported at the last Finance and Audit Committee Meeting.

Finally, the report includes a recap of completed training hours for the current fiscal year through February 27, 2009 by each auditor.

Please let me know if you have any questions or comments regarding our Internal Audit Status Report.

Pyong Cho  
Interim Audit Director

**FLORIDA INTERNATIONAL UNIVERSITY  
OFFICE OF INTERNAL AUDIT**

**AUDITS AND REVIEWS**

As of February 27, 2009, the status of our audit and review activities is as follows:

<b><u>Audits and Reviews</u></b>	<b><u>Status</u></b>
1. Audit of the Applied Research Center's Information Systems	Completed/report issued
2. Audit of Controls over the ADP Payroll Process	Completed/report issued
<b>3. Audit of the College of Arts &amp; Sciences – Environmental Studies</b>	<b>Completed/report issued</b>
<b>4. Audit of IT Security Controls over the Surplus Property Process</b>	<b>Completed/report issued</b>
<b>5. Audit of the College of Law</b>	<b>Completed/report issued</b>
<b>6. Audit of the College of Education</b>	<b>Field work completed</b>
<b>7. Audit of IT Security over the Payment Card Process</b>	<b>Field work in progress</b>
<b>8. Audit of the University Purchasing Card Program</b>	<b>Field work in progress</b>
<b>9. Audit of the Accounts Receivable</b>	<b>Field work in progress</b>

(Note: Items bolded are audit/review activities during this reporting period.)

**FLORIDA INTERNATIONAL UNIVERSITY  
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**INVESTIGATIONS**

During this reporting period, we have received new allegations pertaining to the misuse of a grant. As of February 27, 2009, the status of our investigative activities is as follows:

**Investigation/Responsible Executive**

**Status**

- |   |                                |
|---|--------------------------------|
| 1. Southeast Environmental Research Center (SERC)<br>Responsible Executive - Senior VP Walker/Dean Furton             | Completed/report issued        |
| 2. Improper Sales of FIU Equipment<br>Responsible Executives - VP Wartzok/Deans Grossman & Banya                      | Completed/report issued        |
| <b>3. University's Online Learning Program</b><br><b>Responsible Executives - Provost Berkman/Executive Dean Elam</b> | <b>Completed/report issued</b> |
| 4. A Research Center's Program<br>Responsible Executive - Senior VP Walker  | Completed/report pending       |
| 5. Misuse of a Grant<br>Responsible Executive - Senior VP Walker  | Planning in progress           |

(Note: Items bolded are investigative activities during this reporting period.)

**FLORIDA INTERNATIONAL UNIVERSITY  
OFFICE OF INTERNAL AUDIT**

**FOLLOW-UP STATUS REPORTS**

**Summary of Follow-up Status Reports**

Total number of audit issues due for implementation as of January 31, 2009: **88**

Total number of audit issues completed as of January 31, 2009: **63**

Implementation rate: **72%**

**Explanatory Notes to Follow-up Status Reports**

- Explanation of status column – **Yes** = implemented; **No** = not fully implemented; N/A = not due for implementation this period.
- For those recommendations noted in bold as **No** (not fully implemented) in the status column of this schedule, the “Management Responses to Outstanding Audit Issues” section details management’s current action plan.
- \* in the report column – means that management’s responses on outstanding audit issues due by January 2009 were reported separately to the Finance and Audit Committee, since they were confidential and exempt from public records by Florida Statute.
- N/A in the revised due date column – revised due date is not applicable because the recommendation was either implemented or was not due during this reporting period.

**FLORIDA INTERNATIONAL UNIVERSITY  
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**FOLLOW-UP STATUS REPORT - INTERNAL AUDITS**

The following summarizes the current status of audit issues from prior internal audit reports as of January 31, 2009.

*Note: Items bolded in the status column (Yes or No) were due for implementation this period.*

<b>Report</b>	<b>Audit Issue(s)</b>	<b>Responsible Executive/Director</b>	<b>Status</b>	<b>Revised Due Date</b>	<b>Original Due Date</b>
<b>Frost Art Museum</b> Report Issued: Jan. 28, 2005	1. Art Collection Records: <ul style="list-style-type: none"> <li>• Inventory (Rec. #1.1)</li> <li>• Fair Market Value (Rec. #1.2)</li> <li>• Insurance (Rec. #1.3)</li> <li>• Assignment of Accession Numbers (Rec. #1.4)</li> </ul> 2. Capitalization of Art Work (Rec. #3)	Berkman/Damian	<b>Yes</b> <b>No</b> <b>No</b> <b>Yes</b> <b>No</b>	N/A 06/09 06/09 N/A 06/09	04/06 04/06 04/06 04/06 07/05
<b>Access Controls Over PS Student Records Module</b> Report Issued: Feb. 23, 2006	1. Logging User Access (Rec. #2.1)	Yao/Grillo	<b>Yes</b>	N/A	12/06
<b>Allegations Against the Director of Enterprise Technology Support Services</b> Report Issued: July 7, 2006	1. Purchasing Rule - Gift (Rec. #3.3)	Sanchez/Millspaugh	<b>No</b>	03/09	09/06
<b>Student Administration Oracle Databases</b> Report Issued: Dec. 19, 2006	1. Client Network Security (Rec. # 2.1) 2. Data Access (Rec. #5.1)	Yao/Grillo	<b>Yes</b> N/A	N/A 02/09	04/07 04/07
<b>Audit of the Contracts &amp; Grants Expenditures (Other Than Payroll)</b> Report Issued: March 21, 2007	1. Indirect/Direct Costs (Rec. #3.2)	Walker/Gil/ Barabino	N/A	07/09	06/07
<b>Allegations Against the Associate Director of Purchasing Services</b> Report Issued: May 25, 2007	1. Credit Checks (Rec. #2.3)	Hardrick/Cuesta-Gomez	<b>No</b>	03/09	12/07
<b>Review of IT Resources in Student Affairs Health Departments</b> Report Issued: Nov. 13, 2007	1. Evaluation of IT needs and consolidation of IT resources and security	Berkman/Jones	<b>Yes</b>	N/A	04/08
<b>Review of Management's Actions to Prior Audit Recommendations</b> Report Issued: Feb. 6, 2008	1. User Access Management (Rec. #1.3) 2. Close-out Checklist & Report of Expenditure Form (Rec. #1.1) 3. Excess of Expenses over Revenues (Rec. #2) 4. Excess of Revenues over Expenses (Rec. #3) 5. Project Accounting (Rec. #1)	Hardrick/Cuesta-Gomez Walker/Gil/ Barabino	<b>No</b> <b>Yes</b> <b>No</b> <b>No</b> N/A	03/09 N/A 03/09 03/09 N/A	11/08 06/08 06/08 06/08 07/09
<b>Audit of University Minor Construction Projects</b> Report Issued: May 16, 2008	1. Contractor Selection Process (Rec. #1.1) 2. Oversight of Minor Construction Projects (Rec. #4) 3. Decentralized Project Filing System (Rec. #6)	Sanchez/Cal/ Berenguer	<b>No</b> <b>No</b> <b>No</b>	03/09 12/09 03/09	12/08 08/08 10/08

Report	Audit Issue(s)	Responsible Executive/Director	Status	Revised Due Date	Original Due Date
<b>Audit of University Consultant Expenses</b> Report Issued: May 16, 2008	1. Competitive Solicitation (Rec. #2.3)	Sanchez/Millspaugh	Yes	N/A	11/08
<b>Audit of Controls Over Decentralized Collections</b> Report Issued: July 31, 2008	1. Theater and Dance (Rec. #2.1 - #2.6)	Bueno/Schriner	Yes	N/A	10/08
<b>Audit of the AIDS Prevention Program's Information Systems*</b> Report Issued: August 8, 2008	1. Data Encryption (Rec. #1) 2. Outlook Protection (Rec. #2) 3. Screen Saver Password Protection (Rec. #3) 4. Active Directory Migration (Rec. #4) 5. Administrative Privileges (Rec. #5) 6. Network Firewall (Rec. #6) 7. Network Access Translation (Rec. #7) 8. File Shares (Rec. #8) 9. Server Roles (Rec. #9.1, #9.2) 10. Intrusion Detection System (Rec. #10) 11. Active Directory User Accounts (Rec. #11.1 - #11.3) 12. Terminal Services & Remote Desktop (Rec. #12) 13. Access Database (Rec. #13) 14. Physical Access to Unauthorized System Closet (Rec. #14) 15. Location of Server & Backup Media (Rec. #15) 16. Backup Procedures (Rec. #16) 17. Contingency Plan (Rec. #17) 18. System Administration Resources (Rec. #18)	Treviño/Malow/ Devioux	No Yes Yes  Yes Yes No No No No Yes No Yes  Yes  No Yes  Yes No Yes	03/09 N/A N/A  N/A N/A 03/09 03/09 03/09 03/09 N/A 03/09 N/A  N/A  03/09 N/A  N/A 03/09 N/A	10/08 10/08 10/08  10/08 10/08 11/08 11/08 10/08 10/08 11/08 10/08 10/08  10/08  11/08 07/09  10/08 10/08 10/08 10/08
<b>Allegations Against the Southeast Environmental Research Center (SERC)</b> Report Issued: August 26, 2008	1. Employee Classification (Rec. #3.2) 2. Property Accountability (Rec. #7) 3. Overall Recommendation (Rec. #10)	Hardrick/Cuesta-Gomez Furton/Jaffe	No Yes Yes	03/09 N/A N/A	11/08 12/08 12/08
<b>Allegations of Improper Selling of FIU Equipment</b> Report Issued: Sept. 8, 2008	1. Sales of FIU Equipment (Rec. #1.3) 2. Transfer of FIU Property (Rec. #2.1, #2.3, #2.4, #2.5)	Grossman/Doherty-Restrepo Banya/Mendez	Yes Yes	N/A N/A	09/08 11/08
<b>Audit of the Applied Research Center's Information Systems*</b> Report Issued: Oct. 15, 2008	1. Administrative Privileges (Rec. #1) 2. Password Policy and/or Procedures (Rec. #3.1) 3. Password Policy and/or Procedures (Rec. #3.2) 4. Asset Tracking & Management (Rec. #6)	Salas/Proni/Millares	Yes No Yes Yes	N/A 03/09 N/A N/A	11/08 12/08 11/08 12/08
<b>Audit of Controls Over the ADP Payroll Process</b> Report Issued: Nov. 25, 2008	1. Time Approval Process (Rec. #1.1 - #1.7) 2. Access Controls (Rec. #2.1 - #2.5)	Hardrick/Flores	Yes Yes	N/A N/A	01/09 01/09



Report	Audit Issue(s)	Responsible Executive/Director	Status	Revised Due Date	Original Due Date
<b>Audit of the College of Arts &amp; Sciences Environmental Studies Department</b> Report Issued: Dec. 15, 2008	<ol style="list-style-type: none"> <li>1. Unaccounted for Books (Rec. #1)</li> <li>2. Unauthorized Book Purchases (Rec. #2.1 &amp; #2.2)</li> <li>3. Outstanding Invoices (Rec. #3.1&amp; #3.3) (Rec. #3.2)</li> <li>4. Mutilated Vendor Receipts (Rec. #4)</li> <li>5. Signature Authority (Rec. #5)</li> <li>6. Travel Authorization Requests (Rec. #6)</li> <li>7. Property Accountability (Rec. #7.1&amp; #7.3) (Rec. #7.2)</li> <li>8. Foundation Reimbursement Requests (Rec. # 8)</li> <li>9. Oversight and Legal Action (Rec. #9)</li> </ol>	Furton/Clement/ Bray	<b>Yes</b> <b>Yes</b>  <b>Yes</b> N/A <b>No</b> <b>Yes</b> N/A <b>Yes</b> <b>No</b> <b>Yes</b>  <b>No</b>	N/A N/A  N/A 02/09 N/A N/A N/A 02/09 N/A  02/09	12/08 01/09  01/09 03/09 01/09 12/08 03/09 01/09 01/09 01/09  01/09
<b>Allegations Against the University's Online Learning Program</b> Report Issued: Dec. 19, 2008	<ol style="list-style-type: none"> <li>1. Collection of Funds (Rec.#1.1)</li> <li>2. Legal Action (Rec. #1.2)</li> <li>3. Monitoring Online Programs (Rec. #1.3)</li> <li>4. Guidance of Intellectual Property Rights (Rec. #1.4)</li> <li>5. Disciplinary Action (Rec. #1.5)</li> <li>6. Appropriate Action (Rec. #1.6)</li> </ol>	Berkman/Elam    Hardrick/Cuesta-Gomez Berkman/Elam	<b>Yes</b> <b>Yes</b> <b>Yes</b> N/A  <b>Yes</b>  <b>Yes</b>	N/A N/A N/A N/A  N/A N/A	12/08 12/08 12/08 02/09  12/08 12/08

**FLORIDA INTERNATIONAL UNIVERSITY  
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**FOLLOW-UP STATUS REPORT - EXTERNAL AUDIT**

The following summarizes the current status of audit issues from the State Auditor's Operational Audit (Report No. 2008-120, dated March 11, 2008) as of January 31, 2009.

*Note: Items bolded in the status column (Yes or No) were due for implementation this period.*

<b>Finding Number &amp; Area</b>	<b>Audit Issue(s)/Finding</b>	<b>Responsible Executive/Director</b>	<b>Status</b>	<b>Revised Due Date</b>	<b>Original Due Date</b>
<b>Finding No. 12</b> Information Technology- University Governance	There was a need for improved University-level governance of the PeopleSoft financials system and the enterprise data contained therein.	Yao/Grillo	<b>No</b>	06/09	06/08
<b>Finding No. 13</b> Information Technology- Application Environment and Support Function	Improvements were needed in certain security controls within the overall operations of the application and the supporting network environment at the University.	Yao/Granto	<b>No</b>	03/09	06/08

**FLORIDA INTERNATIONAL UNIVERSITY  
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**MANAGEMENT RESPONSES TO OUTSTANDING AUDIT ISSUES**

<b>Audit of the Frost Art Museum</b>
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1. Audit Issue: **Fair Market Value** (Recommendation #1.2)

Status: Not Implemented

Recommendation:

The Art Museum should assign a fair value to all collection items.

Action Plan to Complete:

Fair market value needs to be determined in order to properly insure the collection. An outside appraisal will be done by a certified art appraiser for insurance purposes. However, it would be most useful to wait until the artworks are moved, unpacked, and stored in the new museum to allow for easy access and visibility. The collection move was begun in January, 2009 and is scheduled to be completed by June 30, 2009.

New Target Date: June 30, 2009

2. Audit Issue: **Insurance** (Recommendation #1.3)

Status: Not Implemented

Recommendation:

The Art Museum should provide accurate information to Environmental Health & Safety regarding the value of the art collection to ensure adequate insurance coverage.

Action Plan to Complete:

Once the collection move has been completed we will be able to have a Fine Art Appraiser review the collection and provide an overall fair market value of the collection for the sole purpose of insuring the collection. Our current insurance policy is based on the insurance values indicated in the database records.

New Target Date: June 30, 2009

3. Audit Issue: **Capitalization of Art Work** (Recommendation #3)

Status: Not Implemented

Recommendation:

We recommend that the Art Museum work with Property Control and the Controller's Office to ensure that applicable art works are properly recorded in the University's property records, as required by AA Policy 14.30.

Action Plan to Complete:

A simple mechanism has been proposed for including artworks from museum's collection (with value over \$1,000) into the FIU property control system. It has been agreed that Property Control will enter the Frost collection number into the description column of the Property Control inventory list and the Frost registration department will be diligent in updating records in the collection database (with values greater than one thousand dollars) with Property Control numbers.

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OFFICE OF INTERNAL AUDIT**

**MANAGEMENT RESPONSES TO OUTSTANDING AUDIT ISSUES**

In this way both departments will be able to cross-reference each other without corrupting their own particular numbering system.

Numerous works in the collection that have high insurance values (most notably are 18 monumental sculptures in the sculpture park) are on loan to the museum and would not be assigned a property control number. This may account for some discrepancy between insured value and the values that Property Control has on record.

For works that have no value listed, research will be conducted by referring back to donor files and object record files in order to update the records where possible. We will be able to focus on this project once the collection move has been completed at the end of June, 2009.

New Target Date: June 30, 2009

<b>Allegations Against the Director of Enterprise Technology Support Services</b>
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1. Audit Issue: **Purchasing Rule – Gift** (Recommendation #3.3)

Status: Partially Implemented

Recommendation:

Purchasing Services should disseminate the University Purchasing rule regarding the acceptance of gifts from current or potential vendors to the entire University community on a periodic basis.

Action Plan to Complete:

Ethics in Purchasing and Gift Policy will be presented to the Operations Committee by March 16, 2009 for approval.

New Target Date: March 23, 2009

<b>Allegations Against the Associate Director of Purchasing Services</b>
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1. Audit Issue: **Credit Checks** (Recommendation #2.3)

Status: Partially Implemented

Recommendation:

After consultation with the Office of the General Counsel, consideration should be given to perform credit checks on candidates requiring background checks. This will provide some comfort regarding the financial stability of an individual assigned to a sensitive position.

Action Plan to Complete:

The Division of Human Resources took this opportunity to also review expanding the Pre-Employment Requirements Policy while exploring the feasibility of conducting credit checks. The policy has been revised and expanded to include the following additional checks (i.e. educational verification, licensure verification, and specific checks for those in the healthcare field) and to include conducting checks faculty hires. The information was presented at the October Operations Committee meetings at which time there were concerns about the increased cost and scope of employees covered. They also provided feedback on the proposed revised policy.

**FLORIDA INTERNATIONAL UNIVERSITY  
OFFICE OF INTERNAL AUDIT**

**MANAGEMENT RESPONSES TO OUTSTANDING AUDIT ISSUES**

The committee members felt we should consider conducting appropriate checks only on newly hired employees as this would also reduce the cost. The Division of Human Resources incorporated the feedback and will re-present at the February Operations Committee meeting. Should the Operations Committee members approve, the changes will be presented at the next BOT Board meeting in March for approval and implementation. If the committee determines that the policy should not be changed, we will continue to operate under the current policy, and this audit item will be closed.

New Target Date: March 31, 2009

<b>Review of Management's Actions to Prior Audit Recommendations</b>
--

1. Audit Issue: **User Access Management** (Recommendation #1.3)  
Status: Partially Implemented

Recommendation

Human Resources should work with UTS to develop a policy for locking the accounts of on-leave employees. This policy should include the handling of any exceptions to the policy as well as required documentation.

Action Plan to Complete:

Upon further review, it has been determined that removing access for employees who are on leave is not feasible. Many employees, depending on the type of leave granted, will continue to work remotely even when on an approved leave; therefore, automatically disabling access is not practicable. The Division of Human Resources has implemented a process by which supervisors will make the determination whether an employee should retain his/her computer access or if it should be temporarily disabled while on leave. The Division of Human Resources worked with UTS and developed procedures that will temporarily disable employee access if required by the employee's supervisor.

New Target Date: March 16, 2009

2. Audit Issue: **Excess of Expenses over Revenues** (Recommendation #2)  
Status: Partially Implemented

Recommendation:

The Office of Sponsored Research Administration should ensure that all existing contracts and grants that have ended reflecting an excess of expenses over revenues are collected.

Action Plan to Complete:

Twenty-five projects remained open to allow for the collection of outstanding receivables or to determine the disposition of the cash balance. Each project is currently being processed for inactivation/closure, which will be completed by March 15, 2009.

New Target Date: March 15, 2009

**FLORIDA INTERNATIONAL UNIVERSITY  
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**MANAGEMENT RESPONSES TO OUTSTANDING AUDIT ISSUES**

3. Audit Issue: **Excess of Revenues over Expenses** (Recommendation #3)  
Status: Partially Implemented

Recommendation:

The Office of Sponsored Research Administration should ensure that contracts and grants reflecting an excess of revenues over expenses be verified and properly closed out with funds transferred out for other uses or reimbursed to the granting agency, as appropriate.

Action Plan to Complete:

Twenty-five projects remained open to allow for the collection of outstanding receivables or to determine the disposition of the cash balance. Each project is currently being processed for inactivation/closure, which will be completed by March 15, 2009.

New Target Date: March 15, 2009

<b>Audit of University Minor Construction Projects</b>
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1. Audit Issue: **Contractor Selection Process** (Recommendation #1.1)  
Status: Not Implemented

Recommendation:

We recommend that Facilities Management implement written procedures for administration of minor construction projects that include selecting contractors, requesting and receiving proposals, and maintaining documentation.

Action Plan to Complete:

The department contracted a qualified independent firm to conduct an overall assessment and action plan for the construction group that would include drafting a single procedure manual. The search process started in early 2008, and the qualified firm was contracted in November 2008. The scope of work with the consultant included development of a comprehensive "field guide" for minor construction projects. The construction and operations groups worked with the contractor to develop a preliminary draft in December 2008 that was subsequently revised in January 2009. A final draft is expected by late February 2009. The department expects to publish the field guide in March 2009 with initial implementation beginning March 15, 2009.

New Target Date: March 15, 2009

2. Audit Issue: **Oversight of Minor Construction Projects** (Recommendation #4)  
Status: Partially Implemented

Recommendation:

In order to administer minor construction projects properly, we recommend that Facilities Management should implement a more reliable tracking system for monitoring and reporting. The data for the minor construction projects should be complete, updated and accurate.

**FLORIDA INTERNATIONAL UNIVERSITY  
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**MANAGEMENT RESPONSES TO OUTSTANDING AUDIT ISSUES**

Action Plan to Complete:

The department continues to build and implement the database. At this point, the database includes a time and effort tracking system used to properly allocate construction service reimbursement charges. Full implementation of this component began in July 2008 and is functioning adequately. To assure consistent financial data, the development strategy is to download construction financial data directly from PantherSoft into the database. Because of the importance of the upgrade to PantherSoft 9.0 scheduled for July 2009, developing the automated interface must logically follow the implementation of the 9.0 upgrade. This recommendation has been partially implemented with a revised target date of December 15, 2009 for full financial integration.

New Target Date: December 15, 2009

3. Audit Issue: **Decentralized Project Filing System** (Recommendation #6)  
Status: Not Implemented

Recommendation:

We recommend that Facilities Management establish written procedures that improve the maintenance and availability of project files for minor construction projects. These files should be organized and maintained in a central location.

Action Plan to Complete:

The written procedures will be published in the "field guide" being implemented in March 2009. All newly completed minor projects are being collected monthly for centralized filing.

New Target Date: March 15, 2009

<b>Allegations Against the Southeast Environmental Research Center (SERC)</b>
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1. Audit Issue: **Employee Classification** (Recommendation #3.2)  
Status: Partially Implemented

Recommendation:

We recommend that Human Resources evaluate the classification of SERC employees and accuracy of position descriptions.

Action Plan to Complete:

The issues from this audit finding impacted a specific group of staff positions. The Compensation Administration staff met with department heads and is in the process of reviewing position descriptions and will make the recommended changes accordingly.

New Target Date: March 16, 2009

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**MANAGEMENT RESPONSES TO OUTSTANDING AUDIT ISSUES**

<b>Audit of the College of Arts &amp; Sciences Environmental Studies Department (EVR)</b>
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1. Audit Issue: **Mutilated Vendor Receipts** (Recommendation #4)  
Status: Not Implemented

Recommendation:

We recommend that the Dean's Office work with EVR to recover \$155 inappropriately paid to the former Office Assistant and review reimbursements to the former Office Assistant prior to our audit period and recover any inappropriate payments identified.

Action Plan to Complete:

The College of Arts & Sciences will review reimbursements to the former Office Assistant prior to July 1, 2007 and confer with the Office of General Counsel to determine if FIU endorses taking legal action against the former Office Assistant to recover \$155 of inappropriate reimbursements made to her using mutilated vendor receipts.

New Target Date: February 28, 2009

2. Audit Issue: **Property Accountability** (Recommendation #7.2)  
Status: Not Implemented

Recommendation:

We recommend that EVR establish a proper procedure for tracking its tangible assets.

Action Plan to Complete:

The laboratory manager and the office manager will maintain a property list on a shared drive that will identify property by account number and project ID.

New Target Date: February 28, 2009

3. Audit Issue: **Oversight and Legal Action** (Recommendation #9)  
Status: Partially Implemented

Recommendation:

The results of this audit disclosed that there were several financial irregularities at EVR, including unaccounted for books, missing tangible assets, and improper reimbursements using mutilated receipts. Since EVR is mainly staffed with faculty members whose primary concern is teaching and conducting research, we recommend that the Dean's Office closely supervise and monitor EVR financial operations and consult with the Office of the General Counsel the possibility of bringing legal action against the former Office Assistant.

Action Plan to Complete:

The College of Arts & Sciences will confer with the Office of General Counsel to determine if FIU endorses taking legal action against the former Office Assistant to recover inappropriate payments, unaccounted for books, and missing tangible assets.

New Target Date: February 28, 2009



**FLORIDA INTERNATIONAL UNIVERSITY  
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**MANAGEMENT RESPONSES TO OUTSTANDING AUDIT ISSUES**

<b>State Auditor's Operational Audit</b>
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1. Audit Issue: **Information Technology – University Governance** (Finding No. 12)  
Status: Partially Implemented

Recommendation:

There was a need for improved University-level governance of the PeopleSoft financials system and the enterprise data contained therein.

Action Plan to Complete:

The Media Sanitation policy is under review in the Office of the General Counsel. Expected presentation date is March 9, 2009. The Data Retention policy is still in development and the expected presentation date is June 9, 2009.

New Target Date: June 9, 2009

2. Audit Issue: **Information Technology – Application Environment and Support Function** (Finding No. 13)  
Status: Partially Implemented

Recommendation:

University management should strengthen controls surrounding its enterprise information resources and systems in some areas.

Action Plan to Complete:

Policies are under review in the Office of the General Counsel. Expected presentation date is March 9, 2009

New Target Date: March 9, 2009

**FLORIDA INTERNATIONAL UNIVERSITY  
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**TRAINING AND SEMINARS UPDATE**

The following is an update on continuing professional education (CPE) obtained by each auditor through February 2009. Internal auditors are required to enhance their knowledge, skills, and other competencies through CPE. Below is a recap of completed CPE hours for the current fiscal year by each auditor.

	<u>CPE Hours</u>
Pyong Cho	14 hours
Manuel Sanchez	13 hours
Albert Mayungbe	9 hours
Tenaye Arneson	5 hours
Hector Machado	8 hours

DATE	ATTENDED SEMINARS	HOURS	AUDITOR
07/10, 08/21/08	Ethics Point Webinar	2	Manuel Sanchez
07/10, 10/31, 08/13/08	Ethics Point Webinar	3	Pyong Cho
07/10, 07/31, 08/13/08	Ethics Point Webinar	3	Tenaye Arneson
08/13, 08/21/08	Ethics Point Webinar	2	Albert Mayungbe
08/28, 09/24, 10/08, 12/09/08	KPMG Webinar	4	Pyong Cho
08/28, 09/24, 10/08, 12/09/08	KPMG Webinar	4	Manuel Sanchez
09/11/08	PeopleTools 8.49	1	Manuel Sanchez
09/18/08	Paisley.Webex.com	1	Manuel Sanchez
09/24, 10/01, 10/08/08	KPMG Webinar	3	Albert Mayungbe
10/08/08	KPMG Webinar	1	Tenaye Arneson
10/29/08	Florida Institute of CPA's	4	Manuel Sanchez
10/29/08	Florida Institute of CPA's	4	Pyong Cho
10/29/08	Florida Institute of CPA's	4	Albert Mayungbe
11/06/08	Bisk Education	1	Tenaye Arneson
12/02/08	ACFE Webinar	1	Manuel Sanchez
12/18/08, 01/29/09	CPE Link	3	Pyong Cho
01/30/09	ISACA Seminar	8	Hector Machado