

ACR Audit Focus



A quarterly newsletter from the Office of Audit & Compliance Review

Nur Erenguc, Chief Audit Executive
February 2006

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University Payroll

Our audit of University Payroll, the University's largest operational disbursement at \$1,053,495,000 in 2004-2005, found internal controls were designed adequately and operating effectively to ensure that payroll is calculated, recorded and disbursed accurately for services performed.

Our review found that payroll inaccuracies could be reduced if departments ensure that job actions are processed timely. Additionally, approving time and reviewing the preliminary payroll prior to finalizing payroll will reduce the volume of incorrect payments to employees.

Cashiering

We audited University Cashiering and found it had adequately designed and implemented controls.

University Cashiering, the point of receipt for all University collections, including student fees, accounts receivable and loan collections, collected approximately \$670 million in 2004-2005. Although University directives require that credit and debit/ATM card transactions be de-

posed by the next business day, we found that some departments did not deposit these transactions timely. Also, some departments failed to use locked bags when transporting cash between buildings.

Departments are reminded that separation of payroll duties is an important control for ensuring payroll integrity. For example, employees who approve job actions and time worked should not have access to pay checks. A University of Florida ID and signature are both required when picking up payroll checks from central payroll.



For complete guidelines on handling cash, collections and receivables, see Finance and Accounting's online directives and procedures at <http://fa.ufl.edu/uco/handbook>.

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Audits of Direct Support Organizations

The Office of Audit and Compliance Review performs audits of the University's direct support organizations, including the University Athletic Association and University of Florida Foundation.

We recently audited university units that had collected gifts for deposit with the University of Florida Foundation. All gifts solicited in the name of and received for the benefit of the University of Florida must be deposited with the Foundation in one of over 5,800 funds administered by the Foundation.

Role Security Administration

The Auditor General, in their recent audits of University financial statements and information technology, commented that in some cases role assignments in myUFL did not provide for proper segregation of duties in the accounting, purchasing, voucher processing, and cash man-

We found that written policies and procedures were not clearly communicated regarding gift processing. University units processing Foundation gifts should follow the University Controller's directives and procedures regarding collections and receivables.

We also noted that some university units were not making timely deposits or reconciling deposits to Foundation records. Any questions about gift collection procedures should be directed to the UF Foundation or your development officer.

agement functions, increasing the risk of erroneous or fraudulent transactions being processed.

We remind management to review role security assignments with the assistance of their departmental security administrator (DSA).