

OACR Audit Focus



A quarterly newsletter from the Office of Audit & Compliance Review

Nur Erenguc, Chief Audit Executive

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UF's Compliance Hotline Updated

In order to facilitate the confidential reporting of issues, the university initiated a confidential compliance hotline in 2007. The hotline allowed for the reporting of concerns or problems via the internet or telephone. The OACR is responsible for the oversight of the university's compliance hotline, which is operated by a third party to ensure that all callers and reports remain confidential.

During 2008, 50% of the OACR's complaints were received through the Hotline. When complaints and allegations are received by the OACR, they are assessed to determine if they should be addressed by our office or by other appropriate departments.

Statistics relating to assessment and classification of all complaints re-

ceived by the OACR in 2008, are show below:

Classification of Activities	Number of Cases
Referred for administrative review	19
Closed at preliminary assessment	6
Full scale review	11
Total	36

Information regarding UF's Compliance Hotline can be found at www.compliance.ufl.edu/reportonline.html and direct access to the confidential web reporting page is located at www.reportlineweb.com/uf. The new telephone reporting line number is 877-556-5356 and is available 24 hours a day, 7 days a week.

Contact OACR to obtain information posters for the compliance hotline.

OACR's Annual Report

OACR's 2007-2008 annual report has been posted to the OACR web site. The annual report provides a summary of the Office of Audit and Compliance Review's activities for the year and presents data for

benchmarking the effectiveness of its operations. Visit our website to review a copy of the annual report at http://oacr.ufl.edu/News&Reports/Annual_Report0708.pdf

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Good Business Practices



The following good business practices should be considered by management when implementing internal controls:

Segregation of Duties — The critical activities of transaction authorization, custody of assets, record-keeping and reconciliation should not reside with one individual. Compensating controls, such as management reviews, should be in place when segregation of duties cannot be accomplished.

Timeliness of Deposit — UF departments should remit all cash or check collections to the University Cashier no less frequently than weekly. Whenever collections exceed \$500 they must be deposited within one business day. Should collections include credit card or debit/ATM card payments a deposit should be made by the next business day.

Reconciliations — Ledgers should be reconciled to the unit's accounting records at least on a monthly basis to ensure that errors, irregularities or any unauthorized transactions are identified. Reconciliations should be documented and reviewed by management.

Red Flag Rules



The Federal Trade Commission and Federal Banking Agencies issued a regulation called Red Flag Rules to reduce the risk of identity theft. Users of consumer reports (i.e. those conducting credits and background checks) as well as financial institutions holding "covered accounts" must review this

rule to determine its applicability and actions to be taken. The Red Flag Rule implementation date, originally scheduled for November 1, 2008, has been delayed until May 1, 2009.

Detailed information about the effect of the rule in colleges and universities can be found at:

<http://www.nacubo.org/x10808.xml>

Staff Changes

Shirley Lampotang, Chartered Accountant, joined us on October 31 as a Senior Auditor. Shirley has extensive years experience in accounting, management and external audit. She previously worked for Coopers & Lybrand (now known as Price Waterhouse Coopers) in the United Kingdom and in the audit department of the Arthur Andersen representative in Mauritius. Please join us in welcoming Shirley to our staff.

Nur Erenguc, Chief Audit Executive has announced her retirement. Nur has been with the university for over 25 years, 22 of which have been in internal auditing. Her professional experiences include teaching, serving as an accountant, an internal auditor, and since 1990, overseeing the internal audit program for the university. The search for her replacement has commenced. The OACR will miss Nur but wish her the best.