



Top Tens

UIS Business Manager's Meeting

March 21, 2017

A decorative graphic on the left side of the slide. It features a dark blue vertical bar on the far left. A black arrow points to the right from the top of this bar. Below the arrow, several thin, light blue lines curve upwards and to the right, creating a sense of movement and depth.

# Introduction and Agenda

- ▶ Office of University Audits
- ▶ [www.audits.uillinois.edu](http://www.audits.uillinois.edu)
  
- ▶ Agenda
  - ▶ Top 10 Consistent and Recurring Items
  - ▶ Top 10 New or Unusual Items



# Top 10 Consistent and Recurring Items

1. Collection, access, and storage of SSNs, credit card information, banking information (copies of checks), and driver's license info
2. Financial reporting is not complete, accurate, or reviewed at the appropriate levels
3. True supervisors not reviewing timecards
4. Self-supporting fund issues –
  - ▶ Not addressing surplus/deficits
  - ▶ Use of funds for unrelated expenditures
  - ▶ Commingling of activities
  - ▶ Lack of documented rate development



# Top 10 Consistent and Recurring Items

5. Monthly reconciliations not complete, and without judgmentally determining what to exclude
6. System access not regularly reviewed and which includes unnecessary roles and roles creating lack of segregation of duties
7. Segregation of duties – payroll, purchasing, cash receipts, Fabweb
8. Expenditures
  - ▶ No documentation of business purpose
  - ▶ Incorrect or general account codes
9. Compliance with System policy regarding minors
10. Awareness of items affected by tax policies – student payments, sales taxes, etc.



# Top 10 New or Unusual Items

1. Security over access to keys, media, etc.
  - ▶ Proper documentation of inventory, changes, no self-administering
2. Leave of absences not documented in enough detail to support the type of leave benefit used
  - ▶ E.g. Funeral leave – who passed? Relationship?
  - ▶ Inconsistent from employee to employee
  - ▶ Follow-through – verify requested absences against leave reporting
3. Clergy policy compliance
4. Use of University vehicles for personal commuting, housing, meals, compensatory benefits (e.g. tickets)
  - ▶ Taxable implications
  - ▶ Documentation should support why housing/meals/etc. are required



# Top 10 New or Unusual Items

5. Alteration of time-clock stamps or punches, submission of false timecards
6. Corporate sponsorships which appear to be a gift, but are actually a grant
  - ▶ What is really going on? Look past the form to the substance.
7. Tracking of faculty teaching requirements to actual
  - ▶ Agreements are documented
  - ▶ Leaves of absence are formal and according to HR practices
8. Conflicts of interest identified are not being adequately reviewed or managed



# Top 10 New or Unusual Items

9. Lack of sufficient documentation or support for payroll allocations or labor redistributions
10. Non-compliance with the non-financial terms of donor intent (e.g. letter to the donor, resident status)



# Key Takeaways

- ▶ Critical analysis of operations
- ▶ Careful placement of controls
- ▶ Follow-through
- ▶ Listen
- ▶ Understand policy
- ▶ Substance matters, Substance > Form
- ▶ Supervisors need to Supervise





# Contact Information



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Urbana campus – Oversees Urbana, Springfield, UIF, and UIAA audits, among others