

Florida Atlantic University  
Office of Inspector General

**Annual Report of Activities  
Fiscal Year Ended June 30, 2017**

## **Our Mission and Standards**

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The mission of the Office of Inspector General (OIG) is to add value to the University through evaluation of its control environment, risk management, and governance processes. OIG provides a number of diverse but related activities - audit, consulting, and non-criminal investigative services - intended to promote accountability, integrity, and efficiency within the University. The Office operates under international standards promulgated by the Institute of Internal Auditors and follows an annual work plan, developed with input from senior management and members of the Board of Trustees' Audit and Compliance Committee.

## **2016-2017 Highlights**

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During fiscal year 2016/17, our office spent a total of 4,989 hours in support of direct services related to our mission.

### **AUDITS**

For the fiscal year ended June 30, 2017, we completed four internal audits, including an audit requested by the Florida Board of Governors of all public universities related to data integrity used to support system-wide performance. 5.69MCID 14 >>BDCudi244 a t Tc 0.011 h6(heo)12(fenc)(f)-17Tcnt sv

## Summary of Internal Audits

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### **Performance Based Funding Data Integrity**

#### **Synopsis of Scope and Objectives:**

Evaluate institutional controls and processes in place for proper data compilation and timely submission to the Board of Governors. This audit also served as support for a BOG-required certification of the University's data integrity by the president and board of trustees chair.

#### **Summary of Recommendation:**

Recommended additional controls be put in place to ensure consistency in timely submission of data required by the BOG for performance metrics.

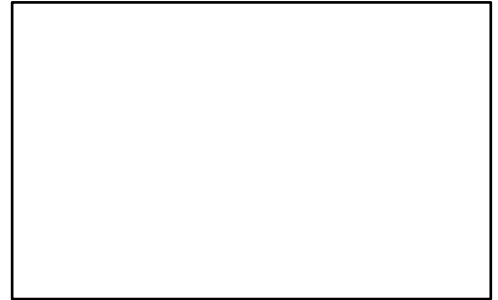
### **Central Cashier's Office**

#### **Synopsis of Scope and Objectives:**

Controls at the cashier's office on the Boca Raton campus were evaluated for adequacy of accountability for money collections and other financial transactions, as well as physical security of the facilities.

#### **Summary of Recommendation:**

Two recommendations were made to address documenting accountability for money collections and access to cashier facilities.



### **FAU Pharmacy**

#### **Synopsis of Scope and Objectives:**

Evaluation of pharmacy administration and operations related to accountability for revenues, periodic inventories, and controlled substances.

#### **Summary of Recommendation:**

Three recommendations were made to improve accountability for periodic inventories, reconciliation of revenues, and enhance controls over payments to supply vendors.



### **Purchasing - Bidding**

#### **Synopsis of Scope and Objectives:**

Evaluation of the University's formal bidding processes for compliance with laws, rules and regulations on purchases equal to or exceeding \$75,000 and competitive quotes for lesser amounts.

#### **Summary of Recommendations:**

No recommendations were made for this audit.



## **Administrative and Other Activities**

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In addition to its planned direct services, OIG spent approximately 20% of total available hours on administrative and service delivery support activities. Examples of the most significant other activities included the preparation of the annual risk analysis, related work plan, and our annual report, coordinating activities with external auditors, addressing personnel matters, and general internal administration of the office. The OIG staff also spent 170 hours, or 3% of total available time, fulfilling continuing professional education requirements prescribed by professional standards.

In early May, our office was privileged to host a meeting of the SUS internal auditors and the BOG inspector general to discuss a range of issues impacting the internal audit function. The group typically meets biannually, rotating among the state's public universities

## **Compliance with professional audit standards and BOG regulations**

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Consistent with professional standards established by the Institute of Internal Auditors (IIA), we are organizationally independent of the activities, programs and functions we review, and we consistently strive to ensure that all services provided to the university are carried out with objectivity, professionalism and ethical standards set by the IIA. In keeping with requirements of the Institute, our office underwent its five-year quality assessment review (QAR). The assessment was comprised of an internal evaluation, followed by an independent validation by a qualified internal audit professional. Overall, results of the QAR concluded that our office was operating in general conformance with IIA professional internal auditing standards.

In November 2016 the Florida Board of Governors approved regulations affecting the governance and operations of the SUS internal audit functions. Our internal audit charter, as well as departmental audit and investigations manuals, was appropriately revised to reflect the regulations.

## **Goals and Challenges for 2017/18**

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Timely completion of the 2017/18 work plan, including a BOG-required audit of existing controls and processes related to integrity of data submitted in support of its performance funding model.  
Add value to the University's operations by identifying and addressing institutional risks, and