Lessons Learned

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Duties of Department Chairs

- A department chair is a faculty member who serves as the academic leader and administrative head of a department of instruction or research, or a clinical service.

- APM-245 Appendix A:
  - The chair's administrative duties include the following:
    5. To prepare the budget and administer the financial affairs of the department, in accord with University procedures.
    8. To be responsible for the custody and authorized use of University property...
    10. To maintain records and prepare reports in accord with University procedures.

Problems Maybe Costly

- Direct monetary costs/losses to the department
- Question management skills
- Time and resources involved in correcting
- Disciplinary action decisions
- Damaged careers and reputations
- Negative impact on staff morale
- Possible external agency audits
- Negative impact on future funding or donations
- Negative media exposure
Some Areas of Concern

- Research Compliance
- Information Technology
- Equipment Management
- Cash Handling
- Employee Leave Records
- Entertainment & Travel – Policy

[Research Compliance]

- Deficits in research funds
- Timely cost transfers – not over 120 days
- Pre-award expenditures – PI to obtain formal approval (new policy in process)
- Timely PI certification of cost sharing contribution reports
- Training

[Information Technology]

- Privacy – Senate Bill 1386; record disposal
- Security – anti-virus software; critical Windows updates; firewalls
- Grade input/change accuracy – planned future electronic comparison between what faculty submit and SIS
- Disaster recovery – backup et al
- UCRFS – expenditure monitoring, need for monthly review and possible action
Equipment Management

- Cost to capitalize/inventory going from $1500 to $5000 on 7/01/2004 -- cost savings but still have accountability need
- Proposed write-offs of equipment inventory require documented mgmt approval
- Preparation of Off-Campus Loan Forms

Cash Handling

- Individual accountability
- Physical security
- Background checks
- Timely deposits
- Document transfers of cash accountability
- Reconciliation

Employee Leave Records

- Errors and omissions (13% significant differences in sample) -- check that new balance reflects input
- Incorrect OT calculations (straight vs premium) for compensatory time accruals -- verify with labor agreement
- Exempt employees report leave in full day increments -- check on leave timesheets
- Workers compensation calculations
- Review before signing leave timesheets
Helpful Hints

- Be involved with finances
- Balance risk and controls
- Compliance with policies/procedures
- Set an example
- Continual monitoring procedures
- Take timely action
- Employee training
- Independent reconciliation procedures

Contact Information

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  - Suggested links:
    - About Internal Controls: [http://audit.ucr.edu/internal_controls.htm](http://audit.ucr.edu/internal_controls.htm)
    - Internal Control Quiz/Checklist: [http://audit.ucr.edu/departmental_quiz.htm](http://audit.ucr.edu/departmental_quiz.htm)