

**Internal Audit Status Report
As of March 20, 2013**

FY2013 Annual Audit Plan

Italic Items - have been completed or are in progress

External Financial Audit Support:

<p><i>Year-end cutoff</i> <i>Inventory observation</i> <i>Cash disbursements & bank transfers</i> <i>Cash depositories</i></p>	<p><i>Auxiliary fund analysis</i> <i>Unexpended plant fund additions</i> <i>Search for Unrecorded Liabilities</i> <i>Program changes</i></p>
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Audits and Projects:

<p>University of Alaska Anchorage: <i>Restricted Funds Compliance*</i> <i>Departmental Cash Receipts**</i> <i>Departmental Review** - Mat-Su College</i></p>	<p><i>Fraud and Ethics Incident Management</i> <i>Effort Reporting (FY11)</i></p>
<p>University of Alaska Fairbanks: <i>Restricted Funds Compliance*</i> <i>Departmental Cash Receipts**</i> <i>Departmental Review*</i></p>	<p>Information Systems Reviews: <i>Banner Access Controls**</i> <i>OnBase Access Controls</i> <i>Data Integrity</i> <i>IT Governance</i> <i>Outsourced IT Services (FY12)</i> <i>Banner Program Upgrade (FY12)</i></p>
<p>University of Alaska Southeast: <i>Title III and Title IV Compliance</i> <i>Sitka Campus</i> <i>Human Resources (FY12)</i></p>	<p>Ongoing Audits: <i>Follow-up Auditing</i> <i>Continuous Controls Auditing</i></p>
<p>Statewide: <i>Restricted Funds Compliance</i></p>	<p>Special Requests* <i>President's Residence Maintenance</i></p>
<p>Function and System Reviews: <i>Fixed Cost Contracts Analysis**</i></p>	<p>Investigations* <i>Confidential</i></p>

*Specific departments/areas to be determined later

**Carried forward from FY12

1. FY2013 Audit Plan Progress and Department Staffing
 - a. We continue to be fully staffed with four full-time auditors and a part time student intern.
 - b. The following scheduled audits will not likely be completed in FY13:
 - i. UAF Departmental Review
 - ii. OnBase Access Controls
2. Audit Reports:
 - a. UAS Human Resources – Final report issued February 28, 2013
 - b. Statewide Restricted Funds (BTOP) – Final report issued by March 22, 2013
 - c. Outsourced Information Technology Services (system wide audit)- Preliminary report issued by March 22, 2013
 - d. Sponsored Programs Effort Reporting (system wide audit) – Final report to be issued in April
 - e. UAF Departmental Cash Receipts and Accounts Receivable – Preliminary report to be issued in March, pending draft report comments
3. Audit Reports in Progress:
 - a. UAA Departmental Cash Receipts – Draft
4. Audits in Progress:
 - a. President's Residence
 - b. Banner Access Controls
 - c. Fraud and Ethics Incident Reporting
 - d. Mat-Su College
 - e. UAA Restricted Funds
5. Support and Consultation Activities
 - a. Annual audit planning for FY14.
 - b. Discussion with President and Chancellors regarding athletics compliance auditing

c. In progress:

- i. Effort certification process redesign.
- ii. Business continuity (Kuali Ready implementation)
- iii. Implementation of Issue Track for campus-designated employees to be able to view open audit recommendations.
- iv. Quality Assessment Review (QAR) remediation.

d. Internal control discussions with staff system wide (upon request).

6. Continuous Controls Auditing

This is an ongoing project that involves analytical tests that run automatically on a prescheduled basis. An auditor has been assigned to the follow-up of results from tests, refinement of tests, and development of new tests.

- Potential Duplicate Payments by Accounts Payable
- Potential Scheduled Payments (unauthorized)
- Representational expenditures with inappropriate funding sources
- Gifts Exceeding \$25 Threshold
- Potential Duplicate Payroll Checks
- Terminated Employees on the Payroll
- Phantom Employees
- Excessive Overtime
- Potentially Prohibited Credit Card Transactions
- Potentially Miscoded Credit Card Transactions
- Transactions Associated with Excluded Merchant Types
- Purchases that Exceed a Credit Card Holder's Single Purchase Limit
- Credit Card Holders with High Dollar Volumes of Purchase Activity
- Credit Card Transactions on Holidays