

Finding No. 1: Payroll Certifications

Recommendation: The University should implement procedures to provide for documented supervisory approval of each payroll for all employees.

University Response: While the basic understanding is correct, we would like to provide further explanation. It is accurate that only OPS and USPS are required to complete online timesheet/leave reports and that faculty and A&P employees are only required to do so when leave is taken. It should also be pointed out that the USPS/OPS timesheet and faculty/AP leave report are the same forms.

We do not believe however that this is the method in which we monitor the daily work effort for any employee. We believe that payroll certification and effort reporting are two different processes and issues. This is evidenced by other systems such as the FAIR system that is intended to capture the true work effort of faculty members. Furthermore, every employee is paid by default in accordance with their contractual agreement. Any deviation from this is then recorded upon completion of a timesheet/leave report.

We would like to point out that work effort is monitored by supervisors every pay period, as each and every employee, regardless of classification, is paid according to their contractual terms by default unless there is not sufficient leave available. In those cases, leave slips are required, submitted and approved.

12/08 University Follow-up: As indicated above changes have not been put into effect as we did not agree with the basic principal of this finding.

Finding No. 2: Faculty Activity Reports

Recommendation: The University should ensure that Faculty Activity Reports are timely approved, and retain evidence of such approvals.

University Response: The Division of Academic Affairs continues to monitor the faculty activity reporting process to ensure that they are timely and properly completed. To that end, the Office of Institutional Research, will be providing Academic Affairs a listing of faculty members who have not completed their Faculty Activity Reports within two weeks after the end of the semester to be shared with the Deans and Chairs so that they might ensure that action is taken to have the reports completed and signed no later than five weeks after the end of the semester.

12/08 University Follow-up: Academic Affairs is implementing the above procedure for Fall '08.

Finding No. 3: Competitive Procurement

Recommendation: The University should ensure that its procurement policies are consistent with BOG Regulations.

University Response: The University's understanding was that the Board of Governors regulation no longer applied once our own regulation was adopted. The Board of Governors has subsequently approved a new regulation establishing a \$75,000 threshold cap for competitive procurement. The newly proposed regulation is currently being advertised with an anticipated effective date of March 28, 2008. When adopted, we anticipate that UNF will maintain our current competitive solicitation threshold of \$50,000.

12/08 University Follow-up: The BOG's new regulation has been adopted as indicated above and the University's competitive solicitation remains at \$50,000. As such, we are in full compliance with the BOG regulation.

Finding No. 4: Purchasing Cards

Recommendation: The University should ensure that the results of its P-card postaudits are timely reviewed and any necessary corrective action is performed and documented.

University Response: Regular meetings have been established between the pcard administrator (purchasing) and the pcard auditors (Controller's Office) to improve communications between the two areas. Written procedures for following up and resolving issues identified in postaudits have been established and implemented. Subsequently, the University has improved its monitoring and controls of the program to reduce the risk of undocumented or unauthorized charges.

12/08 University Follow-up: As indicated our procedures have been strengthened to ensure better communication, follow-up of issues, and overall monitoring. This now includes written notification of supervisors of all audits and quarterly reports to the Vice Presidents for their divisions.

Finding No. 5: Cellular Telephones

Recommendation: The University should continue its efforts to ensure that employees issued cell phones document which calls are business related and which are for personal use.

University Response: Effective July 1, 2007 the University had instituted a new policy to address this issue. This new policy effectively states that in most cases the University will no longer provide cell phones to employees. Instead the University will provide a stipend for the employee's business use of their personal cell phone. This stipend is included in the employee's income and taxed accordingly. In the cases where a University provided cell phone is still made available each call is now required to be substantiated and documented as to the business or personal use.

12/08 University Follow-up: As indicated the new policy went into effect July 1, 2007 with stipends given to all employees required to have cell phones with annual recertification.

Finding No. 6: Construction Administration

Recommendation: The University should ensure that temporary certificates are kept current and that final certificates of occupancy are timely obtained. The University should also ensure that post-audits of payments to the CME for each GMP contract are timely completed to provide concurrency with project close-outs.

University Response: The UNF Facilities Planning & Construction Office has implemented the following:

- a) Timely arrangement for project postaudit: There is now a more streamlined process by which a post-audit firm can be engaged on a timely basis at the completion of a project to ensure that this issue is addressed. Additionally, the post-audit for the project in question was subsequently

completed with no findings resulting in questioned or unallowable costs. It did propose some recommendations for some additional contract language that we will evaluate.

- b) Temporary Certificates of Occupancy: Project Management Procedures and Guidelines are now clear about the life expectancy of a Temporary Certificate of Occupancy (TCO). With the influx of an entire new staff contingent, this life expectancy was not clearly defined. Project Managers are now aware that they need to review and renew the TCO until all deficiencies have been corrected.

Finding No. 7: Statement of Financial Interests

Recommendation: The University should ensure that Board members are advised of the statement of financial interests filing requirements and that all required forms are timely filed with the Florida Commission on Ethics.

University Response: The University has implemented a process that provides that the University advises all Board members of statement of financial interests filing requirements by e-mail and by regular mail no later than 15 days before the due date of any required filing. E-mail notices from the University include a link to the relevant form(s) via the Commission on Ethics website and each notice sent by regular mail includes a hard copy of the relevant form(s). The University will additionally monitor the Commission on Ethics website on an on-going basis to confirm that all Board members have filed required forms on a timely basis and will re-contact each Board member as necessary.

12/08 University Follow-up: We followed the new procedures and all trustee forms were submitted on time.