

Prairie View A&M University
Audits – Fiscal Office

Because the Fiscal area is an administrative support service unit, the audit function serves as an external assessment of the administrative operations of that unit.

The Texas A&M University System Internal Auditors (SIAD) conducted a review of Financial Management Services (Project #20050503). Fieldwork was conducted from April 2005 through July 2005 for transactions and activities for the period of September 2003 through February 2005. The SIAD was meant as a follow up audit on a Texas State Auditor (SAO) Report No. 04-009. In follow-up SIAD audit the SIAD noted a number of operational weaknesses which suggested a lack of internal controls. A copy of the audit report is attached.

With a major task ahead of rectifying the operational weaknesses and implementing internal controls, the University addressed each audit recommendation. The University tracked the progress of each recommendation and reported the status of each to the Texas A&M University System. While a full copy of the audit report and the tracking document is attached, here are a few of the auditor's recommendations along with the actions that the University took in order to address the auditor recommendations:

- Fiscal Management – The auditors noted that the University needed to obtain the knowledge and skills necessary to establish an effective internal control system over fiscal operations at the University.

To address the recommendation above, the University addressed all outstanding items that led to the above recommendation. In addition, the University developed reconciliation training for University departments (Office of Business Affairs Memorandum No. FY08-10). In addition, the University re-organized the Fiscal Office into three functional areas including hiring a very experienced long-term higher education accounting professional. A copy of the current organizational structure is attached.

In addition the items listed above, the University has also automated several fiscal processes which have the effect of building internal control processes that are not inherent in manual processes: 1). Budget transfers are now done on-line. Budget documents are created on-line with the document routing electronically for required approvals. The process allows for on-line tracking of a document from inception until it is posted to the accounting system; 2). The ProCard was implemented which provides efficiencies in the Procurement process as well as quicker turnaround time for the University departments; 3). ACH payment processes were initiated for vendor payments and student refunds. This process provides efficiencies in the payment process as well as in the reconciliation process; 4). Payroll timesheets for bi-weekly employees and student employees are not submitted and approved on-line. This provides for efficiencies in processing and provides an automated audit trail for document processing.

- Accounts Receivable – The auditors' recommendation indicated that the University needed to clear old, outstanding reconciling items and establish a process to ensure that reconciling items are addressed in a timely manner in the normal course of operations.

To address the above recommendation, the University initially filled a temporary position to complete the reconciliation and to assist with clearing the old outstanding items. As a result of the re-organization, the Reconciliation Section was expanded to include a Supervisor and two Reconciliation Specialists (see attached organizational chart). In addition, the feeds from the student system to the accounting system were automated to make the process more efficient.

- Clearing Outstanding Checks – The auditors noted that the University needed to establish procedures to fully clear outstanding checks and move to unclaimed property in a timely manner. As part of the bank reconciliation procedures, review and research outstanding checks to determine if checks were issued in error, and make any necessary corrections in a timely manner.

To address the above recommendation the University drafted and implemented a written procedure addressing unclaimed property. A copy of the procedure is attached.

- Encumbrances – The auditors' recommendation indicated that the University should clear encumbrances in a timely manner. It further stated that the University should aggressively pursue monthly commitments to ensure the report accurately reflects binding encumbrances.

To address the above recommendation, monthly the University provides a monthly encumbrance listing to the Procurement Office, the Travel Office and the Budget Office. Departments are being contacted to assist in identifying invalid encumbrances. Account reconciliation training for University departments is now being provided on a monthly basis.

- Property and Equipment Management - The auditors recommended that the University continue efforts to increase accountability by requiring property officers to sign and take responsibility for the annual physical inventory and certification. The auditors also recommended that the University provide training and grant FAMIS property module access to property officers for the assets under their responsibility. In addition the auditors recommended that the University implement a bar code system to provide efficiencies and aid in monitoring processes to increase compliance with the A&M System Equipment Management Manual.

To address the recommendations above, the University now requires a liability form to be signed by every department. The signature on the liability form will be the one required on the certified physical inventory form. Property officers are now allowed FAMIS property module access for online updating of asset location information. The Fixed Asset Section conducts monthly training related to inventory. In addition, the bar coding system was implemented in FY2006 and is used by all departments for conducting inventory.

The SIAD performed a follow-up audit and on July 11, 2008 noted that the University had addressed the audit recommendations. The audit cited that the University now had "improved controls in the following areas of sales tax payable, student receivables, Perkins Loans, departmental receivables, outstanding checks remittance to the Comptroller, travel vouchers, encumbrances, non-travel cash advances, cash working funds, and property and equipment as recommended in the prior audit." A copy of the follow-up audit report is attached.

University or Agency: PRAIRIE VIEW A&M UNIVERSITY

State Audit:

Internal Audit: PVAMU – Review of Financial Management Services – Project # - 20050503

Date of Request to Component: October 6, 2006

Response Due Date: October 30, 2006

Responsible Administrator: Ms. Mary Lee Hodge, Vice President for Business Affairs

Status Report on Audit Points					
Section	Audit Point	Target Date	Status	Date of Implementation	Comments on Implementation or Reason for Delay and New Target Date
OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES					
1. Fiscal Management					
	Obtain the knowledge and skills necessary to establish an effective internal control system over fiscal operations at the University.				
	a. Provide training to the employees so that they may be able to identify the necessary controls for the business processes they are responsible for.	05/31/06	I	06/26/06	
	b. Review internal procedures and business processes identified in this audit as having control deficiencies.	05/31/06	I	06/28/06	
	c. Amend internal business procedures to address deficiencies identified in this audit and forward amended procedures to higher management for review.	09/30/06	I	10/11/06	
	d. Upon approval from upper management, implement new controls and internal procedures.	09/30/06	I	10/11/06	
	e. Develop a reporting mechanism for management to use to identify problems and weaknesses.	09/30/06	I	06/01/06	Problems and potential weaknesses are discussed at regular staff meetings with the VP for Business Affairs.
2. Accounts Receivable					
2a. Reconciliation of Student Receivables (Prior Audit Issue)					
	Establish a process to ensure that reconciling items are addressed in a timely manner.	05/31/06 12/31/06	P.I.		A process has been established to clear future reconciling items in a more timely manner. Over 200 of the 400 line items noted have been researched and cleared. Delays were caused by the two fiscal office employees assigned to this task leaving the University in April 2006. One has been replaced and the process continues.
2b. Perkins Loans (Prior Audit Issue)					
	1) Ensure that necessary adjustments are posted and year-end balances are accurate.	02/27/06	I	08/31/05	
	2) Write off loans assigned to the federal government.	02/27/06	I	08/31/05	
	3) Establish procedures to ensure that reconciling items are cleared in a timely manner.	02/27/06	I	01/31/06	
2c. Departmental Receivables (Prior Audit Issue)					
	1) Complete the review of aged departmental receivables and write off accounts that are deemed uncollectible.	03/15/06 07/01/06	I	07/14/06	
	2) Establish monitoring procedures to ensure that departments are actively pursuing efforts to collect past due accounts.	03/15/06	I	4/13/06	
	3) Write off accounts as they are deemed uncollectible.	03/15/06 07/07/06	I	8/28/06	
3. Outstanding Checks					

3a. Clearing Outstanding Checks (Prior Audit Issue)				
1) Establish procedures to fully clear outstanding checks and move to unclaimed property in a timely manner.	02/27/06		01/31/06	
2) Review and research outstanding checks to determine if checks were issued in error.	02/27/06		08/31/05	
3) Make any necessary corrections in a timely manner.	02/27/06		08/31/05	
3b. Holding Checks				
1) Remit funds due to the State Comptroller of Public Accounts.	02/27/06		08/31/05	
2) Eliminate the practice of holding checks and combining unrelated transactions.	02/27/06		08/31/05	
3) Establish procedures that review outstanding checks.	02/27/06		01/31/06	
4) Take actions to resolve outstanding issues in a timely manner.	02/27/06		08/31/05	
4. Purchasing				
4a. Travel Vouchers (Prior Audit Issue)				
1) Require copies of mileage reimbursement calculation from the Texas Mileage Guide or odometer readings.	02/27/06		01/30/06	
2) Require documentation that supports expenditures made for group student travel.	02/27/06		03/02/06	
4b. Encumbrances (Prior Audit Issue)				
1) Properly clear encumbrances in a timely manner.	09/01/06		08/18/06	Encumbrances were reviewed and liquidations took place in February and August of 2006.
2) Prioritize clearing incorrect encumbrances.	09/01/06		08/18/06	Reviews of encumbrances are now being performed monthly.
3) Ensure the report accurately reflects binding encumbrances.	09/01/06		08/18/06	AFR will reflect reviews and adjustments through August 31, 2006.
4c. Non-travel Advances				
1) Consider other methods of payment to eliminate non-travel advances.	02/27/06		01/04/06	
2) Record non-travel advances in FAMIS and eliminate the manual ledger system for maintaining non-travel advance records.	02/27/06		03/09/06	
3) Ensure that advances are cleared in a timely manner.	02/27/06		08/31/05	
4) Establish procedures to ensure that timely and accurate reports are provided to management on outstanding advances.	02/27/06		01/31/06	
5) Resolve old outstanding items carried on the manual system.	02/27/06		03/10/06	
5. Cashier Working Fund				
1) Record cashier working funds in a separate FAMIS subcode.	02/27/06		02/27/06	
2) Resolve the old outstanding reconciling items on the monthly working fund reconciliation.	02/27/06		02/27/06	
3) Replenish cash funds on a timely basis.	02/27/06		01/31/06	
4) Review and assess the amount of cash funds needed.	03/31/06		03/28/06	
5) Reduce the working fund amount as appropriate.	03/31/06		04/03/06	
6) Establish procedures to ensure that individual accountability for cashier drawers is maintained at all times.	02/27/06		01/31/06	
7) Segregate duties related to issuing and monitoring prenumbered cash receipts and cashing.	02/27/06		01/31/06	
8) Count cash in the safe frequently.	02/27/06		01/31/06	
9) Periodically inventory and make timely resolution of items stores in the safe.	02/27/06		02/27/06	
6. Property and Equipment Management				
1) Continue efforts to increase property accountability.	02/27/06		02/28/06	

2) Provide training and grant FAMIS property module access to property officers for the assets under their responsibility.	09/01/06	I	06/30/06	
3) Ensure that property officer responsibilities are included in position descriptions.	09/01/06	I	10/24/06	University Mgt., Property Officers, and Human Resources notified of requirement.
4) Implement a bar code system to provide efficiencies, aid in monitoring processes, and safeguard property resources from misuse and misappropriation.	09/01/06	I	06/30/06	

Please report the status of the implementation of the highlighted audit point. (PI=Partially Implemented or I=Implemented) and date implemented. If PI, provide reason for delay and establish a new target date. If the audit point is NI (NI=Not Implemented), write NI in the status column, in the comments section write See Attached Explanation and attach an explanation of why the point was not implemented.

Please report any audit points that have been completed prior to target date.

PREPARED BY: Max Wardva

Date 10-26-06

RESPONSIBLE ADMINISTRATOR: Donna Lee Hodge

Date 10/26/06

APPROVED BY CEO: George C. Wright

Date _____

University or Agency: PRAIRIE VIEW A&M UNIVERSITY

State Audit:

Internal Audit: PVAMU – Review of Financial Management Services – Project # - 20050503

Date of Request to Component: February 23, 2007

Response Due Date: March 7, 2007

Responsible Administrator: Ms. Mary Lee Hodge, Vice President for Business Affairs

Status Report on Audit Points					Comments on Implementation or Reason for Delay and New Target Date
Section	Audit Point	Target Date	Status	Date of Implementation	
OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES					
1. Fiscal Management					
	Obtain the knowledge and skills necessary to establish an effective internal control system over fiscal operations at the University.				
	a. Provide training to the employees so that they may be able to identify the necessary controls for the business processes they are responsible for.	05/31/06	I	06/26/06	
	b. Review internal procedures and business processes identified in this audit as having control deficiencies.	05/31/06	I	06/28/06	
	c. Amend internal business procedures to address deficiencies identified in this audit and forward amended procedures to higher management for review.	09/30/06	I	10/11/06	
	d. Upon approval from upper management, implement new controls and internal procedures.	09/30/06	I	10/11/06	
	e. Develop a reporting mechanism for management to use to identify problems and weaknesses.	09/30/06	I	06/01/06	
2. Accounts Receivable					
2a. Reconciliation of Student Receivables (Prior Audit Issue)					
	Establish a process to ensure that reconciling items are addressed in a timely manner.	05/31/06 12/31/06	I	2/20/07	A process has been established and reconciliations between subsidiary and general ledgers are current through January 31, 2007. Reconciling items are being cleared timely on current reconciliations. Of the \$2 million plus dollars and thousands of items initially identified as old outstanding reconciling items, almost 100% have been researched and cleared. The February 2007 reconciliation should start with less than 80 checks with a dollar value of approximately \$35,000 and one other reconciling item of \$50 are more than 2 years old. This item and these checks are being researched daily.
2b. Perkins Loans (Prior Audit Issue)					
	1) Ensure that necessary adjustments are posted and year-end balances are accurate.	02/27/06	I	08/31/05	
	2) Write off loans assigned to the federal government.	02/27/06	I	08/31/05	

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 Texas A&M University System
 200 Technology Way
 College Station, Texas 77845-3424
 (979)458-7100 Phone
 (979)458-7111 Fax
<mailto:chrncir@tamu.edu>

3) Establish procedures to ensure that reconciling items are cleared in a timely manner.	02/27/06	I	01/31/06	
2c. Departmental Receivables (Prior Audit Issue)				
1) Complete the review of aged departmental receivables and write off accounts that are deemed uncollectible.	03/15/06 07/01/06	I	07/14/06	
2) Establish monitoring procedures to ensure that departments are actively pursuing efforts to collect past due accounts.	03/15/06	I	4/13/06	
3) Write off accounts as they are deemed uncollectible.	03/15/06 07/07/06	I	8/28/06	
3. Outstanding Checks				
3a. Clearing Outstanding Checks (Prior Audit Issue)				
1) Establish procedures to fully clear outstanding checks and move to unclaimed property in a timely manner.	02/27/06	I	01/31/06	
2) Review and research outstanding checks to determine if checks were issued in error.	02/27/06	I	08/31/05	
3) Make any necessary corrections in a timely manner.	02/27/06	I	08/31/05	
3b. Holding Checks				
1) Remit funds due to the State Comptroller of Public Accounts.	02/27/06	I	08/31/05	
2) Eliminate the practice of holding checks and combining unrelated transactions.	02/27/06	I	08/31/05	
3) Establish procedures that review outstanding checks.	02/27/06	I	01/31/06	
4) Take actions to resolve outstanding issues in a timely manner.	02/27/06	I	08/31/05	
4. Purchasing				
4a. Travel Vouchers (Prior Audit Issue)				
1) Require copies of mileage reimbursement calculation from the Texas Mileage Guide or odometer readings.	02/27/06	I	01/30/06	
2) Require documentation that supports expenditures made for group student travel.	02/27/06	I	03/02/06	
4b. Encumbrances (Prior Audit Issue)				
1) Properly clear encumbrances in a timely manner.	09/01/06	I	8/18/06	
2) Prioritize clearing incorrect encumbrances.	09/01/06	I	8/18/06	
3) Ensure the report accurately reflects binding encumbrances.	09/01/06	I	8/18/06	
4c. Non-travel Advances				
1) Consider other methods of payment to eliminate non-travel advances.	02/27/06	I	01/04/06	
2) Record non-travel advances in FAMIS and eliminate the manual ledger system for maintaining non-travel advance records.	02/27/06	I	03/09/06	
3) Ensure that advances are cleared in a timely manner.	02/27/06	I	08/31/05	
4) Establish procedures to ensure that timely and accurate reports are provided to management on outstanding advances.	02/27/06	I	01/31/06	
5) Resolve old outstanding items carried on the manual system.	02/27/06	I	03/10/06	
5. Cashier Working Fund				
1) Record cashier working funds in a separate FAMIS subcode.	02/27/06	I	02/27/06	
2) Resolve the old outstanding reconciling items on the monthly working fund reconciliation.	02/27/06	I	02/27/06	

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3) Replenish cash funds on a timely basis.	02/27/06	I	01/31/06	
4) Review and assess the amount of cash funds needed.	03/31/06	I	03/28/06	
5) Reduce the working fund amount as appropriate.	03/31/06	I	04/03/06	
6) Establish procedures to ensure that individual accountability for cashier drawers is maintained at all times.	02/27/06	I	01/31/06	
7) Segregate duties related to issuing and monitoring prenumbered cash receipts and cashing.	02/27/06	I	01/31/06	
8) Count cash in the safe frequently.	02/27/06	I	01/31/06	
9) Periodically inventory and make timely resolution of items stores in the safe.	02/27/06	I	02/27/06	
6. Property and Equipment Management				
1) Continue efforts to increase property accountability.	02/27/06	I	02/28/06	
2) Provide training and grant FAMIS property module access to property officers for the assets under their responsibility.	09/01/06	I	06/30/06	
3) Ensure that property officer responsibilities are included in position descriptions.	09/01/06	I		
4) Implement a bar code system to provide efficiencies, aid in monitoring processes, and safeguard property resources from misuse and misappropriation.	09/01/06	I	06/30/06	

Please report the status of the implementation of the highlighted audit point. (PI=Partially Implemented or I=Implemented) and date implemented. If PI, provide reason for delay and establish a new target date. If the audit point is NI (NI=Not Implemented), write NI in the status column, in the comments section write See Attached Explanation and attach an explanation of why the point was not implemented.

Please report any audit points that have been completed prior to target date.

PREPARED BY: Mark Wardrup

Date 03-06-07

RESPONSIBLE ADMINISTRATOR: Michelle Hodges

Date 3/7/07

APPROVED BY CEO: George C. Wright

Date _____

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Audit Action Plan – Financial Management Services- Status at 09/17/07

Status Report on Audit Points					
Section	Audit Point	Target Date	Status	Date of Implementation	Comments on Implementation or Reason for Delay and New Target Date
OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES					
1a. Fiscal Management					
	Obtain the knowledge and skills necessary to establish an effective internal control system over fiscal operations at the University.				
	a. Provide training to the employees so that they may be able to identify the necessary controls for the business processes they are responsible for.	05/31/06		06/26/06	
	b. Review internal procedures and business processes identified in this audit as having control deficiencies.	05/31/06		06/28/06	
	c. Amend internal business procedures to address deficiencies identified in this audit and forward amended procedures to higher management for review.	09/30/06		10/11/06	
	d. Upon approval from upper management, implement new controls and internal procedures.	09/30/06		10/11/06	
	e. Develop a reporting mechanism for management to use to identify problems and weaknesses.	09/30/06		06/01/06	
2a. Accounts Receivable					
2a. Reconciliation of Student Receivables (Prior Audit Issue)					
	Establish a process to ensure that reconciling items are addressed in a timely manner.		P.I.	12/31/07	As of the May 31, 2007 reconciliation, reconciliations are current and all reconciling items over two years old were cleared. The University has cleared several thousand O/S items in this project and still has O/s items over 90 days old which will be cleared by 12/31/07.
2b. Perkins Loans (Prior Audit Issue)					
	1) Ensure that necessary adjustments are posted and year-end balances are accurate.	02/27/06		08/31/05	
	2) Write off loans assigned to the federal government.	02/27/06		08/31/05	
	3) Establish procedures to ensure that reconciling items are cleared in a timely manner.	02/27/06		01/31/06	
2c. Departmental Receivables (Prior Audit Issue)					
	1) Complete the review of aged departmental receivables and write-off accounts that are deemed uncollectible.	03/15/06 12/31/07	P.I.		The process is complete for all departmental receivables with the exception of Library Book Fines which we plan to complete by December 31, 2007. We will consider the cost-effectiveness of accessing a library fee and eliminating the compiling of daily fines and reconciling this daily activity for an immaterial amount of revenue collections.
	2) Establish monitoring procedures to ensure that departments are actively pursuing efforts to collect past due accounts.	03/15/06 12/31/07	P.I.		See 2c.1.

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3) Write off accounts as they are deemed uncollectible.	03/15/06 07/07/06 12/31/07	P.I.		See 2c.1.
3. Outstanding Checks				
3a. Clearing Outstanding Checks (Prior Audit Issue)				
1) Establish procedures to fully clear outstanding checks and move to unclaimed property in a timely manner.	02/27/06	I	01/31/06	
2) Review and research outstanding checks to determine if checks were issued in error.	02/27/06	I	08/31/05	
3) Make any necessary corrections in a timely manner.	02/27/06	I	08/31/05	
3b. Holding Checks				
1) Remit funds due to the State Comptroller of Public Accounts.	02/27/06	I	08/31/05	
2) Eliminate the practice of holding checks and combining unrelated transactions.	02/27/06	I	08/31/05	
3) Establish procedures that review outstanding checks.	02/27/06	I	01/31/06	
4) Take actions to resolve outstanding issues in a timely manner.	02/27/06	I	08/31/05	
4. Purchasing				
4a. Travel Vouchers (Prior Audit Issue)				
1) Require copies of mileage reimbursement calculation from the Texas Mileage Guide or odometer readings.	02/27/06	I	01/30/06	
2) Require documentation that supports expenditures made for group student travel.	02/27/06	I	03/02/06	
4b. Encumbrances (Prior Audit Issue)				
1) Properly clear encumbrances in a timely manner.	09/01/06	I	8/18/06	
2) Prioritize clearing incorrect encumbrances.	09/01/06	I	8/18/06	
3) Ensure the report accurately reflects binding encumbrances.	09/01/06	I	8/18/06	
4c. Non-travel Advances				
1) Consider other methods of payment to eliminate non-travel advances.	02/27/06	I	01/04/06	
2) Record non-travel advances in FAMIS and eliminate the manual ledger system for maintaining non-travel advance records.	02/27/06	I	03/09/06	
3) Ensure that advances are cleared in a timely manner.	02/27/06	I	08/31/05	
4) Establish procedures to ensure that timely and accurate reports are provided to management on outstanding advances.	02/27/06	I	01/31/06	
5) Resolve old outstanding items carried on the manual system.	02/27/06	I	03/10/06	
5. Cashier Working Fund				
1) Record cashier working funds in a separate FAMIS subcode.	02/27/06	I	02/27/06	
2) Resolve the old outstanding reconciling items on the monthly working fund reconciliation.	02/27/06	I	02/27/06	
3) Replenish cash funds on a timely basis.	02/27/06	I	01/31/06	
4) Review and assess the amount of cash funds needed.	03/31/06	I	03/28/06	
5) Reduce the working fund amount as appropriate.	03/31/06	I	04/03/06	
6) Establish procedures to ensure that individual accountability for cashier drawers is maintained at all times.	02/27/06	I	01/31/06	

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7) Segregate duties related to issuing and monitoring prenumbered cash receipts and cashiering.	02/27/06	I	01/31/06	
8) Count cash in the safe frequently.	02/27/06	I	01/31/06	
9) Periodically inventory and make timely resolution of items stores in the safe.	02/27/06	I	02/27/06	
6. Property and Equipment Management				
1) Continue efforts to increase property accountability.	02/27/06	I	02/28/06	
2) Provide training and grant FAMIS property module access to property officers for the assets under their responsibility.	09/01/06	I	06/30/06	
3) Ensure that property officer responsibilities are included in position descriptions.	09/01/06	I		
4) Implement a bar code system to provide efficiencies, aid in monitoring processes, and safeguard property resources from misuse and misappropriation.	09/01/06	I	06/30/06	

Please report the status of the implementation of the highlighted audit point. (PI=Partially Implemented or I=Implemented) and date implemented. If PI, provide reason for delay and establish a new target date. If the audit point is NI (NI=Not Implemented), write NI in the status column, in the comments section write See Attached Explanation and attach an explanation of why the point was not implemented.

Please report any audit points that have been completed prior to target date.

PREPARED BY: _____

Date _____

RESPONSIBLE ADMINISTRATOR: _____

Date _____

APPROVED BY CEO: _____

Date _____

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University or Agency: PRAIRIE VIEW A&M UNIVERSITY

State Audit:

Internal Audit: PVAMU – Review of Financial Management Services – Project # - 20050503

Date of Request to Component: May 15, 2008

Response Due Date: June 6, 2007

Responsible Administrator: Ms. Mary Lee Hodge, Vice President for Business Affairs

Status Report on Audit Points					
Section	Audit Point	Target Date	Status	Date of Implementation	Comments on Implementation or Reason for Delay and New Target Date
OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES					
1. Fiscal Management					
	Obtain the knowledge and skills necessary to establish an effective internal control system over fiscal operations at the University.				
	a. Provide training to the employees so that they may be able to identify the necessary controls for the business processes they are responsible for.	05/31/06	I	06/26/06	
	b. Review internal procedures and business processes identified in this audit as having control deficiencies.	05/31/06	I	06/28/06	
	c. Amend internal business procedures to address deficiencies identified in this audit and forward amended procedures to higher management for review.	09/30/06	I	10/11/06	
	d. Upon approval from upper management, implement new controls and internal procedures.	09/30/06	I	10/11/06	
	e. Develop a reporting mechanism for management to use to identify problems and weaknesses.	09/30/06	I	06/01/06	
2. Accounts Receivable					
2a. Reconciliation of Student Receivables (Prior Audit Issue)					
	Establish a process to ensure that reconciling items are addressed in a timely manner.	05/31/06 12/31/06 12/31/07	I	12/15/07	
2b. Perkins Loans (Prior Audit Issue)					
	1) Ensure that necessary adjustments are posted and year-end balances are accurate.	02/27/06	I	08/31/05	
	2) Write off loans assigned to the federal government.	02/27/06	I	08/31/05	
	3) Establish procedures to ensure that reconciling items are cleared in a timely manner.	02/27/06	I	01/31/06	

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 Texas A&M University System
 200 Technology Way
 College Station, Texas 77845-3424
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<mailto:chrncir@tamu.edu>

2) Resolve the old outstanding reconciling items on the monthly working fund reconciliation.	02/27/06	I	02/27/06	
3) Replenish cash funds on a timely basis.	02/27/06	I	01/31/06	
4) Review and assess the amount of cash funds needed.	03/31/06	I	03/28/06	
5) Reduce the working fund amount as appropriate.	03/31/06	I	04/03/06	
6) Establish procedures to ensure that individual accountability for cashier drawers is maintained at all times.	02/27/06	I	01/31/06	
7) Segregate duties related to issuing and monitoring prenumbered cash receipts and cashing.	02/27/06	I	01/31/06	
8) Count cash in the safe frequently.	02/27/06	I	01/31/06	
9) Periodically inventory and make timely resolution of items stores in the safe.	02/27/06	I	02/27/06	
6. Property and Equipment Management				
1) Continue efforts to increase property accountability.	02/27/06	I	02/28/06	
2) Provide training and grant FAMIS property module access to property officers for the assets under their responsibility.	09/01/06	I	06/30/06	
3) Ensure that property officer responsibilities are included in position descriptions.	09/01/06	I		
4) Implement a bar code system to provide efficiencies, aid in monitoring processes, and safeguard property resources from misuse and misappropriation.	09/01/06	I	06/30/06	

Please report the status of the implementation of the highlighted audit point. (PI=Partially Implemented or I=Implemented) and date implemented. If PI, provide reason for delay and establish a new target date. If the audit point is NI (NI=Not Implemented), write NI in the status column, in the comments section write See Attached Explanation and attach an explanation of why the point was not implemented.

Please report any audit points that have been completed prior to target date.

PREPARED BY: Max Wardlaw

Date 05-27-08

RESPONSIBLE ADMINISTRATOR: Matthew Hodges

Date 5/27/08

APPROVED BY CEO: George C. Unstut

Date _____

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