

**Internal Audit Status Report
As of November 5, 2012**

FY2013 Annual Audit Plan

Italic Items - have been completed or are in progress

External Financial Audit Support:

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

Audits and Projects:

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

*Specific departments/areas to be determined later

**Carried forward from FY12

1. FY2013 Audit Plan Progress and Department Staffing

- a. We have four full-time auditors and are recruiting for the student intern position.
- b. One of our auditors has achieved the Certified Information Systems Auditor (CISA) certification since the September meeting.
- c. Each of the other three full-time auditors is pursuing a professional certification, also.

2. Audit Reports:

- a. Banner Program Upgrade Testing – Draft report issued October 18, 2012
- b. Outsourced Information Technology Services - Draft report issued October 18, 2012

3. Support and Consultation Activities

- a. External Audit Request for Proposal (early FY13)
- b. Implementation of Issue Track for campus-designated employees to be able to view open audit recommendations.
- c. Effort certification process redesign.
- d. Website updates.
- e. Internal control discussions with staff system wide (upon request).
- f. Quality Assessment Review (QAR) remediation.

4. 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