

**RIVERSIDE: AUDIT & ADVISORY SERVICES**

June 5, 2014

To: Nathaniel Jones III, Chief Financial and Administrative Officer  
College of Humanities, Arts & Social Sciences (CHASS)

Subject: Internal Audit of CHASS – Dean’s Office

Ref: R2014-08

We have completed our CHASS – Dean’s Office audit in accordance with the University of California, Riverside Internal Audit Plan. Our report is attached for your review. We will perform audit follow-up procedures in the future to review the status of management action. This follow-up may take the form of a discussion or perhaps a limited review. Audit R2014-08 will remain open until we have evaluated the actions taken.

We appreciate the cooperation and assistance provided by your staff. Should you have any questions concerning the report, please do not hesitate to contact us.

Gregory Moore  
Director

xc: Audit Committee

UNIVERSITY OF CALIFORNIA AT RIVERSIDE  
AUDIT & ADVISORY SERVICES  
MEMBER OF ASSOCIATION OF COLLEGE & UNIVERSITY AUDITORS

INTERNAL AUDIT REPORT R2014-08

CHASS – DEAN’S OFFICE

JUNE 2014

Approved by:

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Robin A. Maras  
Principal Auditor

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Rodolfo Jeturian  
Assistant Director

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Gregory Moore  
Director

**UC RIVERSIDE  
CHASS – DEAN’S OFFICE  
INTERNAL AUDIT REPORT R2014-08  
JUNE 2014**

**I. MANAGEMENT SUMMARY**

Based upon the results of work performed within the scope of the College of Humanities, Arts, and Social Sciences (CHASS) - Dean’s Office audit, it is our opinion that, overall, internal controls over the operations of the CHASS – Dean’s Office are satisfactory and generally in compliance with applicable University policies and procedures.

A positive observation noted during the audit is that the CHASS Chief Financial and Administrative Officer holds quarterly meetings with each Financial and Administrative Officer to discuss financial and operational concerns in their respective units.

We observed one area that needed enhancement to strengthen internal controls and/or effect compliance with University policy. Some travel vouchers reviewed were submitted and/or approved past the 60 day requirement as stated in Business and Finance Bulletin (BFB)-G-28: Travel Regulations (Observation III).

**II. INTRODUCTION**

**A. PURPOSE**

University of California, Riverside (UCR) Audit & Advisory Services (A&AS), as part of its Audit Plan, performed an audit of the CHASS – Dean’s Office to evaluate compliance with University policies and procedures, efficiency and effectiveness of selected operations, and adequacy of internal controls.

**B. BACKGROUND**

The College of Humanities, Arts, and Social Sciences is unique among its peers in that it combines the arts, humanities and social sciences into one college. This structure gives students and faculty the opportunity to explore across a broad range of disciplines and examine diverse dimensions of social and historical life and human meaning. The college, commonly known as “CHASS” is an organizational and administrative unit that encompasses twenty academic departments, over ten interdisciplinary programs, over a dozen research centers and Riverside’s premiere venue for arts and culture, the ARTSblock.

The Office of the Dean oversees the administrative aspects of the CHASS. Since 2006, the College has been led by Dean Stephen Cullenberg, a professor of economics at UCR since 1988.

**C. SCOPE**

A&AS reviewed selected records supporting transactions that occurred during fiscal years 2012 through 2014 Year to Date (YTD) and examined procedural controls relating to the following major administrative areas:

**1. Internal Controls**

We evaluated administrative and accounting procedures and internal controls based on management responses to the internal control questionnaire and verification of selected areas.

**2. Financial Management**

We performed a financial analytical review of expenditures for fiscal years 2012-2013 and 2013-2014 YTD. This included identifying unusual trends or fluctuations including the reasons for any significant variances.

**3. Travel and Entertainment Vouchers**

We reviewed a judgmental sample of 11 travel vouchers totaling \$11,462 (which was 89% of travel expenditures during fiscal years 2012-2014 YTD).

**4. Non-Payroll and Pro-Card Expenditures**

We reviewed a judgmental sample of 13 non-payroll expenditures totaling \$31,722 from fiscal years 2012-2014 YTD (54% of total non-payroll expenditures.) We reviewed a random sample of two months' purchase reconciliations (September 2013 and January 2014). Also, we reviewed Pro-Card users and a judgmental sample of seven Pro-Card expenditures totaling \$12,832 from fiscal years 2012-2014 YTD (64% of total Pro-Card expenditures).

**5. Inventory Management**

We reviewed and verified all items on the CHASS – Dean's Office inventory listing as of April 1, 2014, totaling \$38,038.

**6. Human Resources**

We interviewed CHASS – Dean's Office management on various CHASS Human Resources operations and processes. Also, we

reviewed a sample of 13 salary increases in the Payroll Personnel System during the period of November 2012 through May 2013 for proper approval and overall reasonableness.

Our review was performed from March 2014 to May 2014. Accordingly, this evaluation of internal controls is based on our knowledge as of that time and should be read with that understanding.

### **III. OBSERVATIONS, RECOMMENDATIONS, AND MANAGEMENT RESPONSE**

#### **Travel Vouchers**

Some travel vouchers reviewed were submitted and/or approved past the 60 day requirement as stated in Business and Finance Bulletin (BFB)-G-28: Travel Regulations.

#### COMMENTS

Two of 11 travel vouchers reviewed were submitted and/or approved past the time frame stated in BFB-G-28 – Travel Regulations, Section V.I.1., “*The Travel Expense Voucher must be submitted to the campus office within a reasonable amount of time not to exceed 60 days after the end of a trip...*” A travel voucher was submitted at 107 days and another voucher took 68 days to be approved before submission to the UC Riverside Accounting department.

#### RECOMMENDATIONS

CHASS – Dean’s Office management should ensure that the travel voucher submission time frame specified in BFB-G-28 – Travel Regulations is communicated to the CHASS – Dean’s Office staff to help ensure travel expense vouchers are submitted and approved per Policy.

#### MANAGEMENT RESPONSE

CHASS Dean’s Office will remind travelers, travel processors and approvers by both email and in meetings of the importance of timely submission and approval of travel vouchers in accordance with BFB-G-28 – Travel Regulations. This will be completed by October 1, 2014.