



# 2020-21 ANNUAL REPORT

*Office of Internal Audit*



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Certified Internal Auditor  
Certified Fraud Examiner  
Certified Information Systems Auditor  
Certified in Risk and Information Systems Control  
BS Accounting, USF

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MBA, University of South Florida  
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**Berina Fazlic-Frljak, Senior Audit Consultant**

Certified Internal Auditor 

## MISSION, PURPOSE

USF

the CARES Act Student Financial Aid. The audit focused on those controls performed by the Enrollment Planning & Management's Office of Financial Aid (OFA), over the distributions of the student portion of the CARES Act Higher Education Emergency Relief Fund (HEERF) received by USF to ensure compliance with federal regulations, including its reporting requirements.

Based on the review, IA concluded there was an adequate system of internal controls in place, assuming corrective actions were taken timely to address the two medium-priority risks related to the improvement of CARES Act reporting and documentation of internal procedures.

IA reviewed the processes and controls established to ensure the completeness, accuracy, and timeliness of data submissions to the Board of Governors (BOG) in support of the Performance-Based Funding measures.

Based on the review, IA concluded there was an adequate system of internal controls in place.

IA reviewed the processes and controls established to ensure the completeness, accuracy, and timeliness of data submissions relied upon by the BOG to support calculations for the 12 preeminence metrics and assess USF's eligibility under the Florida Statute 1001.7065 Preeminent state research universities program.

Based on the review, IA concluded there was an adequate system of internal controls in place, over nine of the 12 metrics (Metrics A-E and I-L).



provided with information related to ongoing investigations.

Out of 26 such reports of complaints, allegations, or concerns received by IA, eight were referred to other units and six remained open as of June 30, 2021. Of the 12 completed investigations, two were substantiated and three resulted in recommendations to improve the control environment. The substantiated recommendations related to personal charges on travel expenditure reports and the transfer of funds between auxiliaries inconsistent with the auxiliaries' restrictions.

In accordance with IIA Standards, IA follows up on all IA recommendations to determine if corrective actions have been taken. Utilizing a web-based tracking system, university leadership can continuously update the status of their corrective actions, including action plans and target implementation dates, and IA can efficiently and effectively monitor their progress. Two Follow-Up Reports, covering activity from July 1 through December 31, 2020, and January 1 through June 30, 2021 were issued during the fiscal year demonstrating an average implementation rate of 57%.

During this fiscal year, leadership implemented corrective actions related to open recommendations in the following categories:

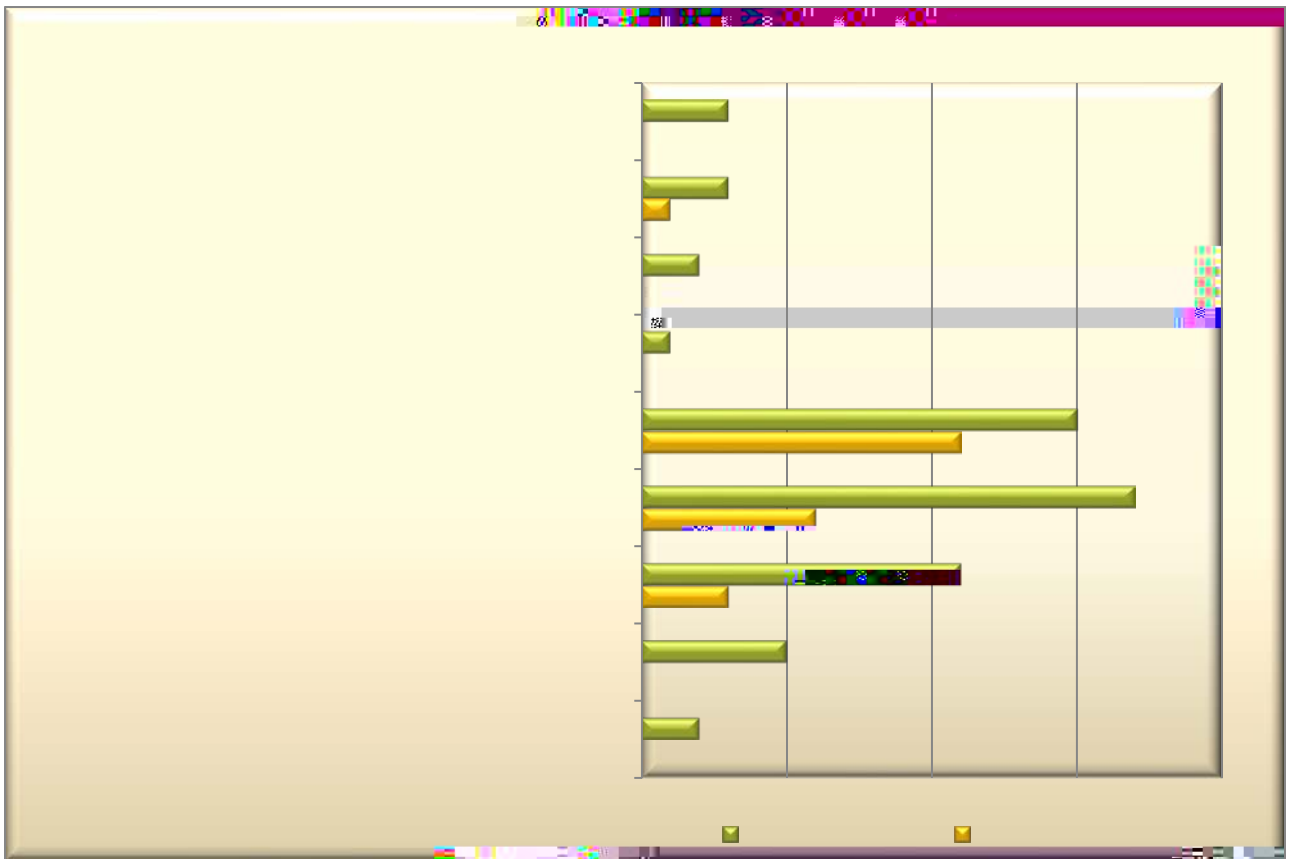
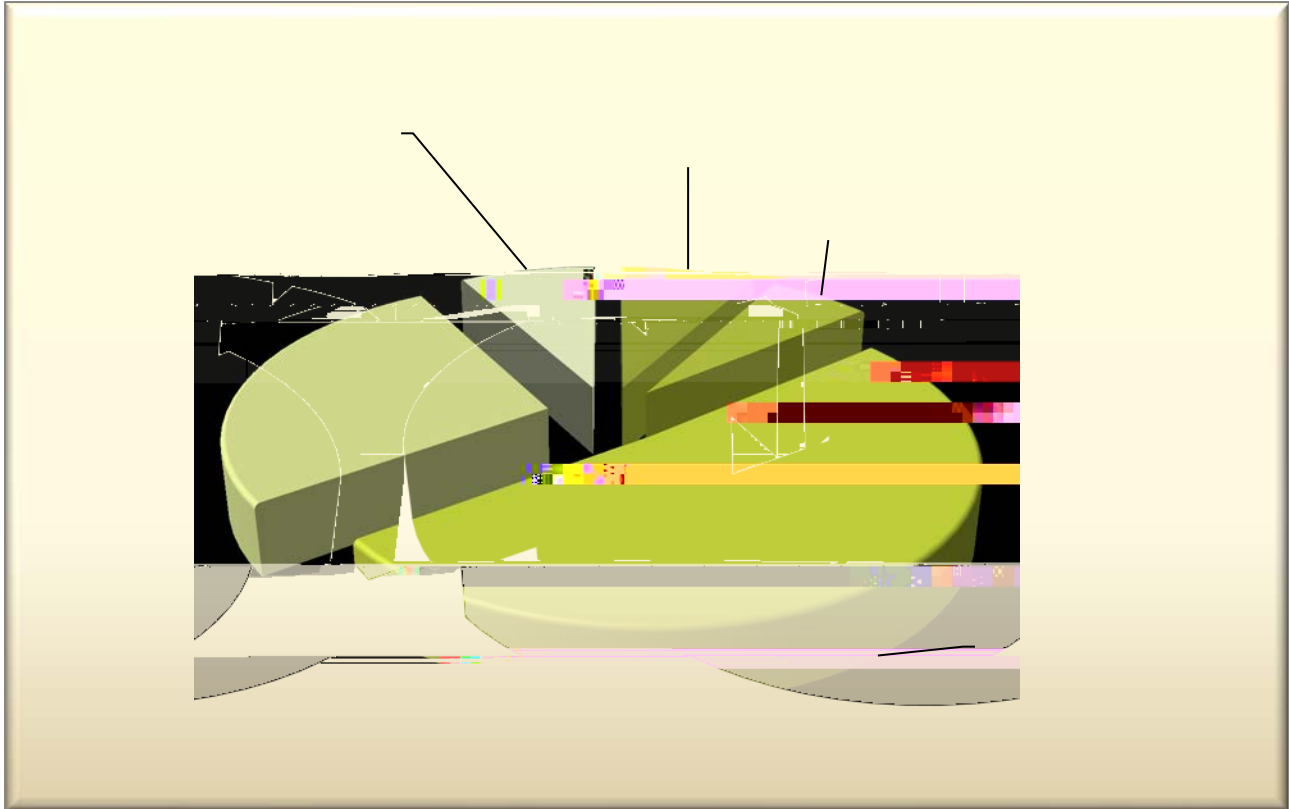
- Assignment of Responsibility

- Authorization: Adequacy & Timeliness

- Compliance with Federal Laws

- Effective and Effi57ri9qo 10.98gnd Effi57ri9qo 10.98go9.896 (e)1.7 p7 (ons)- ( 2.Tj0.2.88J0 TcD 24 BDC /C(s)79Tf-1





IA's direct services include activities related to the performance of audits, consulting and advisory projects, investigations, and follow-up. The fiscal year (FY) 2021 work plan budgeted 57% of IA's resources for direct services. Actual direct services for FY 2020-21 were 53.26% (2,699,434) of 5,091,761 (100%) of total IA resources.

In conformance with IIA Standards, BOG regulations, and the USF IA Charter, it is the responsibility of the Chief Audit Executive to develop and maintain a quality assurance and improvement program that covers all aspects of the internal audit activity and includes both internal and external quality components. Internal assessments were performed throughout the audit processes to confirm conformance with IIA Standards and Code of Ethics. Additionally, an external assessment, which is required at least once every five years, was performed in 2018. Based on the external assessment, it was determined Audit to the [IIA Standards](#) and [Code of Ethics](#)

***Audit Services***

Attractive Assets	500
Procure to Pay (Jaggaer)	700
Procurement Card Program	External

PBF Data Integrity	400
Preeminence Data Integrity	500

IT - TBD	1,350
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CARES Act Institutional Aid	400
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Resource Management Development - Student Success	100
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Institute of Applied Engineering	625
University Medical Services Association	1,250

<b><i>Follow-up; Coordinate External Audits</i></b>	500
Subtotal	6,325

***Consulting & Other Direct Services***

USFH Compliance Assessment Validation	450
Other Services - compliance, financial, IT, risk assessment	1,050

<b><i>Investigations @ 10%</i></b>	1,878
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<b><i>Contingency @ 7%</i></b>	1,306
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**INDIRECT 17U%**

University Meetings, In-House Training, Professional Orgs	963
Administration (including DSO Transition of IA Activities)	2,890

CPE	359
Holidays	933
Leave (Annual/Sick)	2,513
Vacancy	4,213



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