A message from Rita Moore, Director, Internal Auditing:

Internal Auditing is on the Move!

At the beginning of the spring semester, the Internal Auditing Office moved to a new location in Sherman 310. Our new location provides enough space for a private meeting area, as well as, additional workspace for student workers and interns. Please stop by and see our new office!

Internal Auditing goes electronic…

The Internal Audit Department also implemented an electronic audit software program at the beginning of the semester. Our office has been a paper intensive, manual process requiring the accumulation of large amounts of paper files and records. Audits could include up to 12” of paper organized in binders and files. The shift to an electronic audit software system reflects the University’s commitment to meet strategic technology initiatives and brings the department forward meeting industry best practices. As we phase-in functionality of the application, we anticipate being able to complete risk assessments, the annual audit planning process, audits, investigations and projects, more efficiently and at a higher quantity.

External Audit Cycle Completed

Another annual external audit cycle is complete. The Financial Audit was released by the Illinois State Auditor General’s Office (OAG) on January 15, 2015, followed by the Federal and State Compliance audits being released on March 12, 2015. The FY14 WIU Financial and Compliance audits can be found on the OAG web-site. Thank all of you for your patience and cooperation in completing the audit. We anticipate the E.C. Ortiz auditors to be back sometime in May for an opening meeting for FY15.

May is International Internal Audit Awareness Month

Governor Bruce Rauner has issued a proclamation recognizing the profession! See the proclamation at the end of our newsletter.
Annual Certification of Internal Controls

Earlier in the spring, Internal Auditing began sending questionnaires to many departments across campus to assist University management in its annual certification of internal controls. This certification is required by the Fiscal Control and Internal Auditing Act, (30 ILCS 10/), and due to the Illinois Auditor General by May 1st. Thank you for cooperating and submitting timely responses, our office greatly appreciates it.

How to determine if you have effective internal controls in your department?

The Control Self-Assessment Questionnaire is a tool for Departments to use to assess the adequacy of internal controls within their area. Completing the self-assessment questionnaire can help identify potential areas of weakness, non-compliance, and/or opportunities to improve processes. By self-identifying weaknesses and implementing corrective actions, departments can improve their operations, increase efficiency, and help reduce potential audit findings. Please visit the Internal Audit webpage to complete your own control self-assessment.

Helpful Tips for Every Department:

1. Foster and promote ethical behavior as well as compliance with governing laws and University policies.
2. Have your department familiarize itself with both University and Foundation policies and procedures.
3. Do not approve something without fully understanding what is being requested. Review supporting documentation. Do not permit other employees to sign your name in your absence.
4. Never permit another employee to use your p-card. Always have items shipped to your work address when using a University p-card.
5. Segregate job duties so that the same employee does not approve, record, and reconcile records.
6. Whenever possible, cross-train employees so that operations continue in the event someone is absent or leaves the University.
7. Ensure that all University and Foundation accounts involving your department are reconciled at least monthly. If possible, have another employee review the transactions for reasonableness.
8. Consider unique activities that your department may have and the risk associated with them. Develop departmental specific procedures to help manage medium and higher risk activities and to document operating practices.
9. Periodically review security access to the mainframe and departmental specific applications. As a general rule, the least amount of security access should be granted so that staff can complete their assigned duties.
10. Keep file cabinets, offices, storage areas, and computer labs locked to protect data and prevent theft of equipment. Equipment, inventories, cash, checks and other assets should be secured physically, and periodically counted and compared with amounts shown on control records. Protect and properly dispose of sensitive data in a timely manner. Don’t leave it sitting in a hallway or area where anyone could observe it. Encrypt electronic files.
11. Ask for assistance when needed. No matter what type of problem or issue that arises, there is likely an office or colleague in the organization that can help resolve the issue.
WIU Policy & Procedures Update:

The following is a listing of University policies that have been created or updated during the past year:

**Concealed Carry Policy**: Approval Date: 11/18/2013, Revised: 9/02/2014

**Policy on Discrimination Complaint Procedures**: Approval Date: 02/06/09, Revised: 09/30/2014

**DMCA and HEOA Response Policy**: Approved: March 23, 2015

**International Travel**: Approval Date: 1/22/2014, Revised: 7/17/2014

**Laboratory/Class Charge Policy**: Approval Date: 04/19/1982, Revised: 08/18/2014

**Moving Expenses Guidelines**: Approval Date: 7/21/04, Revised: 8/18/2014

**Non-Discrimination Policy**: Approval Date: 11/16/04, Revised: 09/30/2014

**Personal Property Loss Policy**: Approval Date: 08/19/2014

**Service Animal Policy**: Approval Date: 7/21/2014

**Sexual Misconduct Policy** (Title IX) [FKA Anti-Harassment Policy] Approved: 11/16/2004 Revised: 09/30/2014

Fraud Focus

According to the WIU Policy on Fraud, any irregularity that is detected or suspected must be reported immediately to the Internal Auditing Office, who coordinates all investigations with the Legal Counsel/Ethics Officer and other internal and external areas affected. Fraud may be reported to our office directly by anyone at the University or anonymously. To the greatest extent possible, confidentiality will be maintained.

Internal Auditing reviews fraud allegations on a case-by-case basis. Sufficient evidence must exist to investigate and substantiate the potential fraud. Depending on the nature and circumstances involved, allegations may be referred to other University departments for resolution.

Fraud in the News

(Click on the link to read full article)

**Three Lynchburg women facing federal fraud charges**: Investigators say between 2011 and 2014, all three women submitted financial aid forms in order to get credit refunds while enrolled at Liberty University. According to the indictment, between 2011 and 2014, the women allegedly engaged in a scheme to submit Free Applications for Federal Student Aid (FAFSA) in order to get Federal Student Aid (FSA) credit refunds for online classes for the purpose of obtaining money to which they were not entitled.

**Former Clarke University bookstore director to serve 4 years for $300,000 book vendor scheme**: According to the plea agreement, the director was responsible for ordering text books and other books for the student bookstore, and he would submit invoices to the university’s accounting department for payment to the book supplier. A fictitious corporation was created and would send fraudulent invoices for books to Clarke University, totaling $302,176, which were paid to the fictitious corporation.
Yale Employee Is Accused of Taking Tens of Thousands in Kickbacks - An employee of Yale University was charged with taking tens of thousands of dollars in kickbacks when he was responsible for hiring vendors for audio and visual projects on the Connecticut campus. The employee took money in exchange for rewarding vendors extra projects from 2005 to 2013.

Ex-Framingham State employee pleads guilty to thefts, sentenced to 2 1/2 years in prison - A former Framingham State University employee accused of stealing $116,000 from the school pleaded guilty in Middlesex Superior Court was sentenced to two and a half years in prison. According to prosecutors, the former employee misused his university-issued procurement card to buy approximately 700 Visa pre-paid gift cards over the span of two years mainly to fund a cocaine habit. He would either pay drug dealers with the cards himself, or give the cards to someone else to buy drugs for him.

Athletic Director's secrets revealed about embezzlement at Northern Kentucky University – Over a six year period, the Athletic Director bought $262,106 in Kroger gift cards for his personal use. The gift cards were then used to buy other store gift cards to make personal purchases. In all, the university said the Athletic Director embezzled $311,215 for his personal use. According to the Kentucky Attorney General, "It went on for a while because he was able to access the money, he was able to direct the money and he did not have sufficient oversight." Further review found that the Athletic Director spent another $145,760 for university uses against university policy or without proper authorization.

Where to go for what:

The following resources are being provided to assist you in finding key University and Foundation regulations, policies, and procedures.

- Official University Policy Manual: listing of all current WIU policies.
- Administrative Procedures Handbook: listing of administrative procedures for WIU.
- WIU Board of Trustees Regulations
- WIU Foundation Policies & Procedures
- WIU Faculty Policy Manual
- Civil Service Handbook
- Graduate Assistants
- Student Employment Handbook
- WIU Ethics Officer
- Office of Equal Opportunity & Access
- Financial Accounting System Training Guide
- Business / Departmental Expense Policy
- Travel Guide
- WIU P-Card Manual

Still Can’t Find It? Contact us at I-auditing@wiu.edu or 298-1664
WHEREAS, internal auditing is a vital part of strengthening organizations and protecting stakeholders of both the public and private sectors across Illinois and throughout the United States; and,

WHEREAS, internal auditing helps identify and manage the organization’s risks and ensure policies, procedures, and controls are in place and working appropriately; and,

WHEREAS, internal auditing is an increasingly sophisticated and complex activity requiring specialized knowledge, training, and education; and,

WHEREAS, internal auditing is an established profession, led by The Institute of Internal Auditors, with a globally recognized code of ethics and International Standards for the Professional Practice of Internal Auditing; and,

WHEREAS, the contributions of internal auditors to the success of organizations and the global economy at large deserves our recognition and commendations; and,

THEREFORE, I, Bruce Rauner, Governor of the State of Illinois do hereby proclaim May 2015 as INTERNATIONAL INTERNAL AUDIT AWARENESS MONTH in Illinois, and invite the citizens of this great state to join me in recognizing professional internal auditors for their contributions.

In Witness Whereof, I have hereunto set my hand and caused the Great Seal of the State of Illinois to be affixed.

Done at the Capitol in the City of Springfield,
this TWENTY-EIGHTH day of APRIL, in
the Year of Our Lord, two thousand and
FIFTEEN, and of the State of Illinois,
one hundred and NINETY-SIXTH.

[Signature]
SECRETARY OF STATE

[Signature]
GOVERNOR