



# STATE OF FLORIDA AUDITOR GENERAL DAVID W. MARTIN, CPA



## Summary

**Report Number:** [2010-078](#)

**Report Title:** [University of Florida – Operational Audit](#)

**Report Period:** [07/01/2008 – 06/30/2009](#)

**Release Date:** [01/22/2010](#)

Our operational audit for the fiscal year ended June 30, 2009, disclosed the following:

**Finding No. 1:** The State allocates Public Education Capital Outlay (PECO) funds to the University on an annual basis; annual allocations consist of specific State-defined project categories and appropriation amounts, each of which has their own restrictions governing use. Our audit of the University's administration of PECO funds disclosed areas needed improvement:

**Finding No. 1A:** The University's procedures for requesting PECO encumbrance authorizations needed improvement.

**Finding No. 1B:** Procedures for requesting PECO funds needed improvement.

**Finding No. 1C:** The University needed to establish procedures to allocate interest earning on PECO funds to each PECO project to accurately report interest earnings to the Florida Department of Education.

**Finding No. 2:** The University needed to develop written guidelines for determining continuing education MBA program fees.

**Finding No. 3:** The University needed to provide clear guidance on the amount of professional liability insurance requirements for design professionals.

**Finding No. 4:** The University needed to enhance its procedures to ensure that payments for consultant's invoices are made in accordance with contract terms.

**Finding No. 5:** The University procedures for documenting and monitoring alternate work location agreements needed improvement.

**Finding No. 6:** The University needed to establish procedures for monitoring submission of sabbatical and professional development leave reports.

**Finding No. 7:** The University needed adequate alternate information technology processing facilities should its primary processing facility become disabled.

**Other Matter:** An internal audit of the University's Purchasing Card program by the University's Office of Audit and Compliance Review disclosed internal control weaknesses that needed improvement.

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**Management's response is included as Exhibit B.**