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CENTRAL WASHINGTON UNIVERSITY

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**To:** Dr. Kirk Johnson, Dean College of the Sciences  
Dr. James Gaudino, President  
Dr. Charles Reasons, Chair, Department of Law and Justice  
Dennis Defa, Assistant Vice President for Faculty Relations

**From:** Margaret Smith, CIA *Margaret Smith*  
Director, Internal Audit

**Date:** August 4, 2009

**Subject:** Review of Law and Justice Department

**Memo:** 394

This memorandum documents the results of my review of the Department of Law and Justice. This review was initiated at the request of staff and the department chair. Because action has been identified or taken to enhance the operation of the department no response to this memorandum is necessary.

I appreciated the cooperation of the faculty and staff during this review especially in response to the identified compliance concerns. The individuals were courteous and respectful when responding to my inquiries regarding the operations and records. Please contact me if you have any questions or comments.

### Scope and Objectives

This review addressed financial operations with limited sampling of vouchers, payroll and other financial transactions to determine operations were consistent with the financial requirements of the university. In addition, I reviewed procedures to identify internal control practices. The scope and objectives of my review included the following areas:

- Purchasing requisitions and payments
- Time and leave reporting
- Travel regulations
- Miscellaneous budget transfers
- Equipment inventory

Review of department activity included interviewing staff, reviewing financial and time reporting folders and supporting documents, verifying the existence of equipment, testing travel expenditures for compliance, confirming the reconciliation of financial charges and supporting documents, and testing time and leave records.

This review included financial records, time reports and documents created during the 2009 fiscal year through June 30, 2009.

- Time and attendance – to determine that time and leave was reported in compliance with applicable state and contractual guidelines,
- Travel – to determine travel vouchers were complete and in compliance with state and university regulations, and
- Financial records – to determine expenditures were reasonable, within available resources and supported by appropriate documentation.

### **Results of the Review**

The following observations identified areas where changes in the current situation strengthened internal controls to ensure that operations were functioning in compliance with state regulations, union agreements and strong internal controls. Improvements have been initiated and/or implemented as discussed.

#### **Oversight Responsibilities Enhanced**

My review disclosed that there were conflicts within the department that impaired the operation in achieving its goals and objectives. In addition, there were other compliance concerns such as hours of work and travel regulations that had not been monitored. The department and staff addressed these issues through various strategies. It appeared that staff work schedules during summer quarter have mitigated the concerns.

As a result, the chair agreed to increase his oversight responsibilities and to closely monitor the duties and responsibilities of the staff, particularly regarding compliance with regulations and time and leave reporting. The chair planned to clearly communicate job expectations to individual staff, to create a transparent work environment, to monitor the office morale, to meet with staff immediately when conditions warranted, and to search for other available university resources and ideas to address the situation. These actions promised to create and ensure a positive work environment within the department.

#### **Compliance with Work Hours**

My review disclosed that hours reported on time sheets did not accurately reflect the hours worked for two staff members. In addition, it appeared that hours were

reported when no work occurred. The time sheets reflected hours worked through lunch periods, and adjusted arrival and departure times resulting in accumulated overtime when no projects or job duties were available. These accumulated hours were paid as over time in March 2009 for both employees.

One staff claimed hours worked for three days in May 2009 when she was away from the office stating she did not receive payment for the overtime hours worked in March. As a result, she received payment and subsequently took time off for these hours. The other staff reported time worked while away from the office for medical appointments or during evening hours from home.

Time records for these two staff were not on file for February and April 2009. Because records were not properly maintained, I was unable to determine if questionable work hours were reported during these pay periods.

Detail documentation disclosing in excess of 70 questionable hours totaling approximately \$900 for these two staff members were submitted to Human Resources for follow up.

In response to confusion about work hours, the chair reviewed Article 19 Hours of Work in the union agreement and initiated ethics training for the staff which occurred on June 9, 2009. This training emphasized the importance of accurate reporting of time and leave in compliance with the union contract. At this time, the chair agreed to ensure that staff followed the union contract regarding overtime, work hours, meal and rest periods and schedule changes. Some of the questionable work hours were reported after the chair and staff attended this training.

### **Compliance with Travel Regulations**

My review of travel expenditures disclosed one faculty member who was reimbursed for mileage from Yakima to Ellensburg and return at 90 miles round trip for 3 days in November 2008 when the university was in holiday status. This totaled \$157.95. In addition, 14 trips were reported at 90 miles which was 6.6 miles in excess of actual round trip mileage totaling \$54.05. The faculty member reimbursed the department budget \$212.00 when this was brought to his attention.

### **Compliance with Light Refreshment Policy**

My review of state appropriated funds disclosed the purchases of pizza for a student club activity and personal greeting cards. The chair authorized these expenditures. Purchasing pizza for club activity does not meet the light refreshment policy criteria. Personal greeting cards are normally purchased through the foundation, personal funds or student club activity. Fund transfers moved these expenditures to appropriate budgets when this was brought to the attention of the chair.

## **Reconciliation of Faculty Professional Development Funds**

The schedule of allocation and use of professional development funds was updated and reconciled to the records from the Provost's, Dean's and Graduate Studies' offices. This resulted in budget reimbursements to the department.

## **Annual Equipment Inventory Completed**

The annual physical equipment inventory for the department was due in February 2009. The form was returned incomplete to Property Management. As a result of the review, an updated inventory identifying un-located items was completed including items at the centers. In addition, authorization forms for tracking equipment removed from the department were initiated in compliance with university procedures.

## **Reporting Changes for Instructor of Record**

The review disclosed an oversight in updating the Instructor of Record between the chair and Dean's offices and the Registrar's office for a situation where a faculty member was on leave and other faculty members assumed responsibility for teaching the classes. It is important that university records accurately reflect the Instructor of Record. Faculty and staff reviewed procedures to ensure that changes in the Instructor of Record would be accurately reported in the future.