



CITIZENS SUMMARY

Findings in the audit of Harris-Stowe State University

Board Oversight of University Resources and Budgets	Continuous oversight by the Board of Regents is needed to ensure the efficient use of university resources while facing declining state appropriations. The Board has not established fund balance benchmarks and/or minimums to ensure sufficient funding for university operations, although Board minutes indicate the Board discussed the need for a "rainy day fund." University budgets are not complete.
Student Account Balances	The university is not following established procedures for the monitoring, follow up, and collection of tuition and fees on student accounts. Significant improvement is needed in the monitoring and collection of student accounts. The university does not have written policies and procedures for the issuance, monitoring, and collection of emergency loans made to students.
Payroll and Personnel Procedures	Numerous problems existed with the university's payroll and personnel procedures. The university paid individuals that did not have payroll or personnel files to support their employment and other employment records were incomplete. Timesheets required for hourly employees were not prepared or maintained for some employees. The university only performs background checks that identify Missouri criminal records despite actively recruiting and hiring employees from other states.
Disbursements	The university does not ensure employees follow credit card and travel policies and procedures and allows employees to continue making significant credit card purchases without supporting documentation. Some university disbursements should be further evaluated to ensure they provide a benefit to the university.
Early Childhood Development Center	The university subsidizes the William L. Clay Early Childhood Development/Parenting Education Center (ECDC) due to the program's annual operating losses. In addition, the ECDC does not sufficiently monitor outstanding balances due, enforce current policies for payment of outstanding balances, or have an updated agreement with another university for use of its facilities leading to further potential losses.
Tuition Analysis	University officials have not conducted a recent formal analysis of the impact on enrollment due to potential tuition rate changes or charging students for all credit hours.
Sunshine Law	The university did not always comply with the Sunshine Law. The Board discussed several topics in closed meetings that are not allowable by state law. The Board generally uses the same statement for each meeting notice/agenda to indicate the potential for a closed meeting, instead of citing the specific section of the law as the reason for a closed meeting. The public record request log documenting Sunshine Law requests is not complete.
University Foundation	The university subsidizes certain operating expenses of the University Foundation. In addition, the university has no formal contract or agreement with the Foundation and the University President is overseeing the Foundation because a Foundation Board of Directors has not been established.

Accounting Controls and Procedures	Significant improvements are needed in the university's cash handling and accounting procedures. Receipts are not deposited timely and intact. Receipt slips are not issued for monies transmitted to the Bursar's office by the Athletic Department and the ECDC. Voided system transactions do not require supervisory approval, are not periodically reviewed by an independent person or supervisor, and are not adequately documented. The university has not established procedures to routinely follow up on outstanding payroll checks.
Capital Assets	The university does not always follow its policies and procedures for capital assets.

In the areas audited, the overall performance of this entity was **Fair**.*

*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.