



**Missouri  
State**<sup>®</sup>  
UNIVERSITY

**Bursar's Office**

June 17, 2021

Report No. 169-21

Office of Internal Audit & Risk Management

# Table of Contents

<b>MANAGEMENT LETTER</b> .....	1
<b>OBSERVATIONS, RECOMMENDATIONS AND MANAGEMENT RESPONSES</b>	
1. Receipt Processing.....	3
<b>APPENDIXES</b>	
1. Appendix A – Summary of Survey Responses.....	4



# Missouri State<sup>™</sup>

U N I V E R S I T Y

**DATE:** June 17, 2021

**TO:** Stephen C. Foucart, Chief Financial Officer  
Lori L. Swindell, Accounting Manager & Bursar  
Katy Hensley, Supervisor

**CC:** Rachael Dockery, General Counsel  
Clifton M. Smart III, University President

**FROM:** Natalie B. McNish, Interim Director, Internal Audit and Risk Management  
Arti Arti, Internal Auditor

## Bursar's Office

### BACKGROUND

The primary function of the Bursar's Office is the processing and recording of receipts. Receipts of various types and compositions are forwarded to this office for processing from students, faculty, staff, other offices and departments and community businesses, etc. These receipts are processed through payment windows, an overnight drop-box located on the first floor of Carrington Hall, through both campus and U.S.P.S mail service, and through an online payment portal for students, employees, and the general public. The office accepts cash, check, e-check, money order, cashier's check, credit/debit card, ACH (electronic payments), and Bear Pass Card as method of payment. A convenience fee of 2.75% is applied to all credit and debit card payments.

During the year ended December 31, 2019, the office processed more than \$85 million in payments; however, due to the COVID-19 pandemic and resulting changes in operations only \$52 million in payments were processed during the year ended December 31, 2020. A detailed summary of these receipts is documented in Appendix A.

In conjunction with our audit work, we also conducted a customer satisfaction survey. Surveys were sent to 50 employees who processed transactions through the Bursar's Office during March and April 2021. A total of 34 responses were received. Those responses and a sample of comments received are documented in Appendix B.

The Bursar's Office has experienced nearly complete turnover in staffing due to retirements. This turnover prompted the Chief Financial Officer to request an audit of Bursar's Office operations in December 2020. The Office of Internal Audit and Risk Management accepted this request and added the audit to the 2021 audit plan.

## OBJECTIVE AND SCOPE

The objective of this audit was to review the operations of the Bursar's Office. In addition, management requested a specific review of the Office's use of armored car services. The scope of this review included, but was not limited to, the two years ended December 31, 2020.

## SUMMARY

To ensure adequate control of receipts requiring research before processing, the Bursar's Office should implement a mail log to document receipts received but not receipted, endorsed, or recorded in the computerized cashiering system and additional security camera coverage should be considered in all areas where receipts are processed. In addition, we have provided information for management to consider when evaluating continued use of armored car service.



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Natalie B. McNish, CFE, CGAP  
Interim Director  
Office of Internal Audit and Risk Management



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Arti Arti  
Internal Auditor

Audit Field Work Completed: May 7, 2021

## **OBSERVATIONS, RECOMMENDATIONS AND MANAGEMENT RESPONSES**

### **1. Receipt Processing**

The Bursar's Office does not have a process to track receipts received but not processed the same day. As a result, these receipts are not endorsed and final disposition always recorded in the computerized cashing system.

During a cash count completed March 8, 2021, we counted 23 checks totaling \$23,665 received through the mail and not yet processed. At the end of the business day, we determined nine of those 23 checks totaling \$5,293 were not endorsed, receipted, or recorded in the computerized accounting system. Bursar's Office personnel indicated these receipts required additional information from the payors or other University departments for accurate processing to be completed. Upon further review, we determined the following disposition for each of the nine checks not processed the same day as received:

- Two checks totaling \$2,144 were shredded by Bursar's Office personnel at payor request,
- Two checks totaling \$2,034 were processed March 9, 2021,
- Three checks totaling \$1,072 were returned to the payor via mail,
- One check totaling \$31 was processed March 10, 2021, and
- One check totaling \$12 was forwarded to another University office for processing.

Through our customer survey, we also received comments from staff requesting a method to process check and/or credit card receipts from other University departments through campus mail (other results documented at Appendix B). Adopting a mail log process would increase the accountability of receipts and may also allow the Bursar's Office to open methods of processing currently prohibited by Operating Policy 8.04, Cash Handling Procedures.

### **Recommendations**

The Bursar's Office should develop a mail log to track the receipt and disposition of all items not processed the day received.

### **Management's Responses**

*A mail log was established May 1, 2021*

## Appendix A Summary of Survey Responses

In conjunction with our audit of operations completed by the Office of the Bursar, we also sent a five (5) question survey to fifty (50) employees who filed money received reports with the Bursar's office during March and April 2021. We received thirty-four (34) response as follows:

### Question 1:

**Overall, how would you rate your satisfaction with the service you receive from the Bursar's Office?** (Provided 1-5 star rating options)



Average Rating 4.76

### Question 2-4:

**Are your transactions/deposits processed in a timely manner? Are you provided with a receipt to document each transaction/deposit? Are your transactions processed accurately?** (Provided yes and no options)

**100% replied YES!**

### Question 5:

**Please share any additional comments or questions:** (Sample of responses received)

**"I always have a good experience with the Bursar's Office. Everyone there is very helpful!"**

*"They are very prompt and professional!"*

**"Always professional and courteous staff."**

*"They do a great job helping us at The Standard. We are a somewhat needy unit, and they always handle our requests quickly and professionally."*

***"The ladies at the Bursar's Office are excellent people. Glad to work with them!"***