



OHIO

UNIVERSITY

Interoffice Communication

Date: December 14, 2018

To: Ms. Gigi Secuban, Vice President for Diversity and Inclusion

CC: Mr. Michael Courtney, Associate General Counsel/Director of Employee & Labor Relations

From: Jeffrey Davis, Chief Audit Executive

Subject: D&I Concur Reports

At your request, we have completed our review of Diversity and Inclusion PCard activity. IA analyzed PCard data for the cardholders listed below from July 1, 2017 through August 3, 2018. We reviewed 100% of the transactions for the employees identified by the VP for Diversity and Inclusion (D&I). This included reviewing data in Concur and all supporting documentation uploaded to Concur. Specifically, we were looking for compliance with University policy.

We reviewed D&I Concur data by employee, vendor, and expense type. Certain expense types, such as Business Meetings and Entertainment, and certain vendors, such as Kroger, Lowes, and Walmart, are considered higher risk. The following table identifies the employees included in our testing and the total PCard expenditures audited by expense type.

Table 1. Breakdown of Employee Spend by Expense Type (07/01/17 - 08/03/18)

Name	Meetings & Entertainment	% of Total	Travel	% of Total	Other	% of Total	Total
bautista*	\$ 17,358	48%	\$ 13,303	37%	\$ 5,194	14%	\$ 35,855
Chunnu-Brayda	5,310	28%	7,189	38%	6,234	33%	18,733
Carr	888	6%	14,330	92%	422	3%	15,640
Murray	3,271	23%	5,862	42%	4,856	35%	13,989
Chavira Prado	3,267	40%	4,134	51%	691	9%	8,092
De La Cruz-Guzman	47	1%	4,980	98%	77	2%	5,104
Moore	13	1%	2,180	84%	393	15%	2,586

***delfin bautista prefers the lowercase form of their name and gender neutral/plural pronouns (they, them, their)**

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The following table identifies the amount of PCard purchases made at higher risk vendors for each of the employees tested. IA considers the following vendors to be higher risk: Amazon, CVS Pharmacy, Dollar Tree, Etsy, Family Dollar, Fruth Pharmacy, Hobby Lobby, Kroger, Joann's, Lowes, Target, Shoe Department and Walmart.

Table 2. High Risk Vendor Spend Summary by Employee (07/01/17 - 08/03/18)

Name	Higher Risk Vendor Spend	%
bautista	\$ 8,239	59%
Murray	2,892	21%
Chunnu-Brayda	1,886	13%
Chavira Prado	868	6%
Moore	98	1%
De La Cruz-Guzman	71	1%
Carr	-	0%
	\$ 14,054.00	100%

Based on the results of our review of D&I Concur data, we determined that additional testing should be performed on the transactions of delfin bautista. Not only did bautista have the highest overall spend, but also the highest percentage of expenses related to business meetings and entertainment, highest percentage of PCard transactions from vendors considered higher risk, and highest incident rate and dollar amount of PCard reimbursements. In addition, bautista had a far greater number of questionable transactions noted during the initial time period review. We expanded the scope of our testing period to July 2013 for bautista's transactions. The following table is a summary of bautista's PCard activity from July 1, 2013 through August 2, 2018.

Table 3. Summary of bautista's Concur Transactions by Expense Type

Expense Type	FY14	FY15	FY16	FY17	7/1/17 - 8/3/18
Meetings & Entertainment	\$ 2,867	\$ 4,373	\$ 9,570	\$ 8,002	\$17,358
Travel	4,775	8,298	5,301	11,373	13,303
Other	7,449	5,854	7,995	8,112	5,194
	15,091	\$ 18,525	\$ 22,866	\$ 27,487	\$35,855

This memo serves to document our findings. All policy exceptions for the seven employees tested have been included in the following tables as part of our findings.

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Internal Audit Findings

University Policy 55.074 describes the proper use of a University purchasing card (PCard). The procedures established by the policy serve to protect the University from fraud and other deliberate or accidental misuse of its funds. According to Section C (1)(i), cardholders should always obtain an itemized receipt for each transaction. If a cash register tape does not have descriptions, write them on the tape. Any transaction without a properly substantiated receipt is subject to reimbursement of the University by the cardholder. A receipt is defined as an invoice, cash register receipt, sales slip, or packing slip which contains an itemized list of goods purchased, with dollar amounts, and the name and location of the supplier. An employee of the supplier must sign handwritten receipts.

The following table reflects transactions lacking an itemized receipt:

Table 4.			
Report Name	Date	Expense Description	Amount
<u>delfin bautista</u>			
TRBAUT030918	03/09/18	Athena Grand - Film Event	\$ 44.00
			44.00
<u>Alicia Chavira</u>			
TRCHAV020618	02/06/18	Wings Over Athens - Ohio Reach Group Meeting	70.49
PCCHAV091717	09/17/17	Old Dutch Restaurant - Ohio Scholars Meal	160.27
PCCHAV091717	09/17/17	Hocking Hills Canoe Livery - Field Trip - Ohio Reach Scholars	125.19
PCCHAV091717	09/17/17	Hocking Hills Canoe Livery - Field Trip - Ohio Reach Scholars	5.10
			\$ 361.05
<u>Marlene De La Cruz-Guzman</u>			
PCDELA111417	11/17/17	Amazon - Curriculum for Study Abroad Program - Amazon	15.49
PCDELA111417	11/16/17	Amazon - Curriculum for Study Abroad Program - Amazon	12.24
PCDELA111417	11/15/17	Amazon - Curriculum for Study Abroad Program - Amazon	19.44
PCDELA111417	11/14/17	Amazon - Curriculum for Study Abroad Program - Amazon	15.52
			\$ 62.69
<u>Megan Murray</u>			
TRMURR091817	09/20/17	Ohio University Inn - Hotel and Food for Guest Speaker	\$ 248.01
			\$ 248.01

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University Policy 41.121 section J(1) states business meeting meals or entertainment must have a business purpose and must include two or more persons (at least one non-university employee is often included). The following "self-care" meals and staff meals do not meet the criteria of a business meal.

Report Name	Date	Expense Description	Amount
<u>delfin bautista</u>			
TRBAUT080318	8/3/2018	LGBT Lunch Meeting - Texas Roadhouse	\$ 87.17
TRBAUT071318	07/13/18	Self-Care dinner for student hospitalized - Applebee's	77.95
TRBAUT042718	05/01/18	PACE Training for new student employee - Boyd Dining Hall	43.05
TRBAUT042718	04/27/18	Final Staff Retreat and Training Meal - Latitude 39	120.00
TRBAUT041218	04/12/18	Self-care staff meeting - staff feeling burnt out - OU Shively Dining Hall	86.10
TRBAUT030918	03/29/18	Staff Training - OU Latitude 39	79.00
TRBAUT032918	03/29/18	Queer Studies Conference planning and SHADES self-care meal - Applebee's	163.24
TRBAUT032818	03/28/18	Dinner Training - OU The Food Court	79.10
TRBAUT022318	02/26/18	Staff meeting and training	87.69
TRBAUT020918	02/09/18	New staff welcome and orientation - El Camino Mexican Restaurant	162.94
TRBAUT011018	01/10/18	New Hire Spring Orientation - Union Street Diner	100.25
TRBAUT120817	12/08/17	Fall Staff Retreat - El Camino Mexican Restaurant	207.83
TRBAUT110117	11/01/17	Staff Training - Ruby Tuesday	245.30
TRBAUT090917	09/09/17	Dinner for students who missed staff retreat - China Panda	61.45
TRBAUT082817	08/30/17	Staff Dinner - OU The Food Court	39.64
TRBAUT082817	08/26/17	Dinner after Staff Meeting - El Camino Mexican Restaurant	65.53
TRBAUT082617	08/26/17	LGBT Center Staff Retreat - Plus 1 Pizza	119.51
TRBAUT020317	02/11/17	Self-care meal - Sol Restaurant	95.45
TRBAUT020317	02/05/17	Staff meeting/orientation - Applebee's	73.92
TRBAUT012017	01/20/17	Self-care meal (students upset over inauguration) - El Camino	109.51
			\$ 2,104.63

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University Policy 41.123 provides guidelines for entertaining official guests of the University. Section B(2) states the following purposes are generally authorized for incurring entertainment expenses: (a) To establish and maintain effective external communication and relationships for the benefit of the University, (b) To expand available work hours to include early morning, noontime, and evening hours, with individual guests or small groups of guests. The following entertainment expenses do not meet the criteria of official University entertainment.

Table 6.

Report Name	Date	Expense Description	Amount
<u>delfin bautista</u>			
PCBAUT080318	08/03/18	Self-care meal for parent of a student - Shade on State Street	\$ 98.44
TRBAUT121417	12/14/17	Self-care meal - China Panda	48.56
TRBAUT111017	11/10/17	Self-care meal for SHADES - Texas Roadhouse	148.39
TRBAUT110717	11/07/17	Lunch to discuss graffiti - OU The Food Court	110.95
TRBAUT100617	10/06/17	Open Doors Self-Care Dinner for Staff/Members - Ruby Tuesday	175.39
TRBAUT090817	09/08/17	Self-care - Applebee's	115.82
TRBAUT090717	09/07/17	Impromptu coffee talk - OU The Food Court	10.50
TRBAUT012717	02/01/17	Trump's ban on Muslims Rally - Plus 1 Pizza	203.85
			<u>\$ 911.90</u>

University Policy 55.074 Section C (2)(a)(iv) restricts use of certain items unless requirements are met. C (2)(a)(iv)(5) states gifts and gift certificates are allowable only when certain criteria are met. University Policy 03.016 lists expenses permitted on Foundation but not on Operating Funds, including individual gifts not to exceed \$100 to persons external to the University who have a business or an advancement relationship to the University in appreciation of their efforts. The following identifies transactions for gifts where the transaction lacked sufficient documentation, such as who received the gift or gift cards.

Table 7.

Report Name	Date	Expense Description	Amount
<u>delfin bautista</u>			
PCBAUT031418	03/14/18	Passion Works - Thank you gift for pride graduation	\$ 60.99
			<u>\$ 60.99</u>

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Report Name	Date	Expense Description	Amount
Table 7. Continued from Previous Page			
<u>Tyrone Carr</u>			
TRCARR031418A	03/13/18	Subway - Gift cards for Interlink Alliance students traveling	100.00
TRCARR031418A	03/17/18	Subway - Gift cards for Interlink Alliance students traveling	40.00
			\$ 140.00
<u>Alicia Chavira Prado</u>			
PCCHAV101317	09/28/17	Follett's Bookstore - Giveaway at Staff Welcome Luncheon	\$ 54.86
			\$ 54.86

The following "thank you meals" fail to have a business purpose or meet the authorized purposes for incurring entertainment expenses. In addition, they were purchased on operating funds and were for staff of the LGBT Center, as such, expenses were not for persons external to the University; therefore do not fall within gift guidelines.

Table 8.			
Report Name	Date	Expense Description	Amount
<u>delfin bautista</u>			
TRBAUT072718	07/27/18	OU The Food Court -Thank you meal for students covering the center while delfin at camp pride	\$ 24.70
TRBAUT061118	06/11/18	Weasel Boy Brewing Co - Thank you dinner	44.94
TRBAUT052618	06/11/18	OU The Food Court - Thank you meal for volunteers	23.90
TRBAUT051518A	05/15/18	Applebee's - Thank you meal for staff and volunteers who helped with Safezones and Speakouts during the year	145.23
TRBAUT032218	03/22/18	Taco Johns - Thank you lunch for staff volunteering to help with Speakouts and Safezones	39.38
TRBAUT121917	12/20/17	El Camino - Thank you meal for volunteers helping clean Center	109.09
TRBAUT121917	12/19/17	Ruby Tuesday - Thank you meal for volunteers helped clean Center	109.95
TRBAUT112217	11/22/17	Chipotle - Lunch for staff who assisted in move to OMSAR	52.15
TRBAUT112217	11/22/17	Subway - Lunch for staff who assisted in move to OMSAR	14.80
TRBAUT111717	11/17/17	OU The Food Court - Thank you for volunteering for Safezone Presentation	31.25

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Report Name	Date	Expense Description	Amount
<u>delfin bautista</u>			
<i>Table 8. Continued from Previous Page</i>			
TRBAUT111617	11/16/17	OU The Food Court - Dinner for volunteers who helped setup and cleanup - Trans Day of Remebrance	35.90
TRBAUT092117	09/21/17	OU The Food Court - Lunch for staff and volunteers helping with Pizza and Politics	71.49
TRBAUT091317	09/15/17	OU The Food Court - Lunch for workers to clean LGBT Center	42.27
TRBAUT091317	09/14/17	OU The Food Court - Lunch for workers to clean LGBT Center	48.18
TRBAUT091317	09/13/17	OU The Food Court - Lunch for workers to clean LGBT Center	31.60
TRBAUT071317A	07/24/17	Thank you to volunteers who provided transportation from airport- China Panda	* 62.52
			\$ 887.35
*bautista was on Paid Time Off (PTO) status on the date of this transaction			

University Policy 41.121, Section E, allows a spouse to travel at the University's expense provided the spouse's presence has a business purpose. Prior approval should be obtained and a copy of the approval must be submitted with the Travel Expense Report. The following transactions included expenses related to spouses and/or family of University employees. The amount reflected is based on the average cost per person for the meal multiplied by the number of spouses and/or family members present. There was no evidence in the Concur report that prior approval was obtained.

Table 9.				
Report Name	Date	Expense Description	Amount	Spouse Amount
<u>delfin bautista</u>				
TRBAUT012218	02/03/18	SHADES weekly mentoring dinner - OMG Rotisseri	\$ 109.72	\$ 10.97
TRBAUT121417	12/14/17	Self-care meal - China Panda	64.75	16.19
TRBAUT101417	10/14/17	SHADES dinner - OU Boyd Dining Hall	100.45	14.35
TRBAUT090817	09/08/17	Free Speech and Self-Care Dinner - Applebee's	130.30	14.48

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Report Name	Date	Expense Description	Amount	Spouse Amount
<u>delfin bautista</u>				
Table 9. Continued from Previous Page				
TRBAUT071317A	07/24/17	Thank you to volunteers who provided transportation from airport- China Panda	78.15	15.63
TRBAUT020317	02/05/17	Staff orientation - Applebee's	92.40	18.48
TRBAUT012017	01/20/17	Self Care Meal for Students - El Camino	127.76	18.25
TRBAUT033116B	03/30/16	QSC Expenses - Dinner with Speakers - Restaurant Salaam	78.00	19.50
TRBAUT120215	12/06/15	Staff Retreat - Chipotle	125.50	9.65
TRBAUT010215	1/2/2015	Dinner after Vigil for Leelah Alcorn - Panera Bread	72.51	12.09
				\$149.59

University Policy 55.003, Section (E)(2) describes inessential items as the purchase of such items as briefcases, expensive desk pads, or other such appointments and are not permitted using University funds. Such items are considered personal items. The following examples are listed: (a) flower vases and arrangements, (b) briefcases, (c) chair cushions, (d) coffee making equipment (except for public areas or official break rooms), (e) plate glass desk tops, (f) ornamental items such as pictures, pillows, plants, etc., (g) repairs to personal property, (h) area rugs for offices.

The following transactions are considered personal purchases:

Table 10.			
Report Name	Date	Expense Description	Amount
<u>delfin bautista</u>			
TRBAUT111617	11/11/17	The Change Project - 2 scarves and fanny pack	\$ 83.95
PCBAUT091917	09/19/17	Speck - Computer Supplies - Ruck Backpack and Purple/Magenta Ipad Case	104.90
TRBAUT091117	09/07/17	To Write Lone on Her Arms - I AM ENOUGH T-shirt Supporter Kit (2XL) & World Suicide Prevention Day Pack T-shirt (2XL)	109.51

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Report Name	Date	Expense Description	Amount
delfin bautista			
Table 10. Continued from Previous Page			
PCBAUT091816	09/18/16	Tina's Tiaras - Supplies - Two rainbow tiaras for drag show	128.40
PCBAUT100715	10/07/15	API - Out T-Shirt (3XL) & No Hate In Our State T-Shirt (3XL)	53.00
PCBAUT051315	05/16/15	Amazon Mktplace - Office Decorations - My Little Pony Coin Bank	16.00
			\$ 495.76

The following transactions were not allowable per the Finance Purchasing Guide (<https://www.ohio.edu/finance/purchasing/purchasing-guide>):

Table 11.

Report Name	Date	Expense Description	Amount
delfin bautista			
PCBAUT091817	09/18/17	NEDA - walk sponsorship (charitable contribution)	\$ 250.00
PCBAUT082516	08/25/16	NEDA - walk sponsorship (charitable contribution)	250.00
			\$ 500.00

University Policy 41.121: Reimbursement for Official Travel and Entertainment, section A, states that persons traveling on university business should incur the lowest practical and reasonable expenses. In addition, University travelers have the duty to avoid impropriety, or even the appearance of impropriety. The following meeting and entertainment expenses appear unnecessary and therefore, questionable in nature.

Table 12.

Report Name	Date	Expense Description	Amount
delfin bautista			
TRBAUT032318	03/23/18	SHADES Dinner meeting - El Camino Mexican Restaurant	\$ 161.51
TRBAUT030218	03/02/18	SHADES meeting and dinner meal - Millers Chicken	86.50
TRBAUT012518	01/25/18	SHADES gathering and meeting - Union Street Diner	110.68
TRBAUT120717	12/07/17	Evaluations meal - OU Latitude 39	47.00
TRBAUT120717	12/07/17	Entertainment - SHADES end of semester gathering - Buffalo Wild Wings	252.41
TRBAUT112717	11/21/17	Meal following SafeZone presentation - Tlaquepague, Zanesville	66.70

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Report Name	Date	Expense Description	Amount
delfin bautista			
Table 12. Continued from Previous Page			
TRBAUT111017	11/10/17	Food for SHADES Event (Off-campus with alcohol) - Kroger	81.68
TRBAUT102417	10/24/17	Dinner following Take Back Night Event - Olive Garden, Lancaster	166.07
TRBAUT070917	07/11/17	Dinner meeting w/students attending "Fairness West Virginia" - Union Street Diner	55.19
TRBAUT070917	07/09/17	Lunch meeting with Campus Pride attendees - Sol Restaurant	82.08
			\$ 1,109.82

During audit procedures, we noted evidence contrary to the Concur business purpose/descriptions provided by the employee for the following transactions:

Table 13.			
Report Name	Date	Expense Description	Amount
delfin bautista			
TRBAUT020818	02/08/18	Discuss ways for SuBamuh and LGBT Center can work together - Fluff	\$ 65.55
PCBAUT122517	12/25/17	Vehicle gasoline provided for support - Speedway	51.38
			\$ 116.93
The following transactions were previously reimbursed and therefore, excluded from totals:			
TRBAUT041818	04/18/18	PACE interviews during dinner - Union Street Diner (lack of an itemized receipt)	\$ 72.32
PCBAUT112717	11/27/17	Mistake when purchasing groceries - Kroger (receipt indicates PCard was used after employee's debit card was declined)	\$ 258.26

CONCLUSION:

Based on the results of our review, policy exceptions were noted for all employees except Winsome Chunnu-Brayda and Alison Moore. A summary of exceptions identified is as follows:

- A total of \$716 of receipts were not itemized. These transactions were included on 5 Concur reports. Considering the scope of our review, the results for this common policy exception were positive. Management should inform the employees who were missing itemized receipts to give them the opportunity to gather the documents. If itemized receipts cannot be obtained, Finance may require repayment in accordance with policy.
- Exceptions were noted related to the University's gift policy. A total of three Concur reports totaling \$256 did not identify who the gift was for or didn't include the required documentation in Concur. Management should inform the employees who did not

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include the required documentation and request that they gather the documentation. Finance may require repayment if the information is unavailable or additional documentation reveals that the gift was in violation of policy.

- The remainder of the exceptions identified by IA, totaling \$6,276 were the transactions of delfin bautista. These transactions were identified as policy exceptions because they did not meet the requirements of policy, lacked sufficient documentation, lack of prior approval in the case of spousal meals, were personal in nature, appeared unreasonable or unnecessary and in some cases the business purpose stated appears to be contrary to other documentation gathered by IA.

Cutler Business Services provides financial and administrative transactional processing, focused on departmental needs and University policy and procedures. This support was provided to Diversity and Inclusion during the period of review. This included preparation of Concur reports based on the information provided by the employee on the Transactional Processing Form. It is IA's opinion that while Cutler Business Services is knowledgeable of University policies and substantiation requirements, Cutler Business Services was too far removed from D&I operations to approve transactions for necessity and reasonableness. In addition, Cutler Business Services was not in the best position to determine the accuracy of the information provided by the employee.

Recommendations

We recommend the VP for Diversity and Inclusion consult with University Human Resources for consideration of possible disciplinary action. We recommend the VP for Diversity and Inclusion consult with Finance – Director of Payments for consideration of appropriate action, such as whether permanent closure of the PCard or PCard suspension with required training is necessary. We further recommend consultation with Finance regarding whether PCard reimbursement is appropriate and the amount of any required reimbursements. The following summarizes policy exceptions by employee for transactions that have not previously been reimbursed.

Summary of Potential Reimbursements by Employee

Tyrone Carr	\$ 140.00
Alicia Chavira Prado	415.91
Marlene De La Cruz Guzman	62.69
Megan Murray	248.01
delfin bautista	6,380.97
Grand Total	<u>\$ 7,247.58</u>



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Interoffice Communication

Date: December 14, 2018

To: Ms. Gigi Secuban, Vice President for Diversity and Inclusion

CC: Mr. Michael Courtney, Associate General Counsel/Director of Employee & Labor Relations

From: Jeffrey Davis, Chief Audit Executive

Subject: D&I Special Project – Supplementary Information

As a result of procedures requested by the VP for Diversity and Inclusion, we identified additional information worthy of focus related to delfin bautista.

High Volume of Meals in Athens

Based on a review of PCard data for all University employees for FY18, bautista was ranked 8th in terms of overall spend for meals in Athens.

Upward Trend in PCard Spend Despite Budget Concerns, Resulting in Budget Overspending

As reported in the D&I Concur Reports Memorandum (Table 3), bautista's PCard spending steadily increased from FY14 to the date of our procedures, August 3, 2018, (\$15,091 to \$35,855), including spending related to Business Meals & Entertainment (\$2,867 to \$17,358).

This occurred in spite of budget overspending and budget concerns expressed by Dr. Shari Clarke in an email on March 23, 2017, where each unit was urged to not spend down their budget and to have all budgets end the fiscal year in the black. Dr. Clarke's email further requested that no purchases of promotional items, food or entertainment be made. Between the date of Dr. Clarke's email and fiscal year end, bautista made \$2,240 of PCard purchases of this type, resulting in a budget deficit for FY17 of \$2,166, as shown in the table below.

Budget vs. Actual Results by Fiscal Year - LGBT Center

	FY14	FY15	FY16	FY17	FY18
Amount of Budget (Over)/Under Spent	\$ (5,564)	\$ 2,411	\$ (572)	\$ (2,166)	\$ (30,773) *
Additional Approved by VPSA	0	0	0	0	\$ 17,370
Overall	\$ (5,564)	\$ 2,411	\$ (572)	\$ (2,166)	\$ (13,403)

*Includes \$18,000 funding support transfer from VPSA in August 2017.

Without additional funding transfers, the LGBT Center would have overspent original budget by \$48,773

Diversity & Inclusion - Supplementary Information

History of PCard Reimbursements Due to Policy Violations

During our testing, we identified a significant amount of personal reimbursements related to bautista's PCard purchases. In addition to the significant amount, the frequency with which personal reimbursements were necessary, as well as lack of timely repayment due to the employee's expressed financial strain, was of concern.

The following table identifies noted reimbursements and may not be a complete list:

PCard Reimbursements - delfin bautista			
Transaction #	Date	Amount	Reason for Reimbursement
4675369	10/27/14	\$ 9.91	Sales Tax
4753907	02/04/15	40.41	Personal Expense - Snacks for Office
5026303	03/09/16	8.00	Meal Tip Exceeded 20%
5089258	06/29/16	21.63	Travel Insurance
5111372	08/16/16	205.00	Personal Expense - GRE Test
5111373	08/16/16	5.00	Donation to Skate Park
5192656	12/23/16	6.41	Sales Tax
5307586	06/20/17	160.00	Personal Expense - Kroger
5311069	06/28/17	254.30	Personal Expense - American Airlines
5358459	09/22/17	15.00	Sales Tax
5391959	11/20/17	37.43	Sales Tax
5405806	12/21/17	125.00	Personal Expense - Kroger (partial reimbursement)
5435960	01/30/18	133.77	Personal Expense - Kroger, Sales Tax on Tlaquepaque
5453317	02/22/18	35.57	Personal Expense
5502378	05/15/18	12.03	Sales Tax
5512566	06/06/18	72.32	No Itemized Receipt - Union Street Diner
5522150	07/03/18	2.51	Meal Tip Exceeded 20%
5522151	07/03/18	8.75	Sales Tax
5522152	07/03/18	27.82	Personal Expense
5552425	08/27/18	7.04	Sales Tax
5576742	10/05/18	54.95	Expenses not approved by D&I (PCBAUT091418)
		<u>\$ 1,242.85</u>	

Fraud, Waste, and Abuse

According to University Policy 03.006, Ohio University expects all of its employees to be honest and ethical in their conduct and protect and ensure the proper use of University assets.

Fraud is defined as an act of planned deception or misrepresentation. It is IA's opinion that the following table from the D&I Concur Reports Memorandum (Table 13) identified transactions that appear to fit the definition of fraud, based on the information made available to us as of the date of this memo.

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Report Name	Date	Expense Description	Amount
<u>delfin bautista</u>			
TRBAUT020818	02/08/18	Discuss ways for SuBamuh and LGBT Center can work together - Fluff	\$ 65.55
PCBAUT122517	12/25/17	Vehicle gasoline provided for support - Speedway	51.38
			\$ 116.93
The following transactions were previously reimbursed and therefore, excluded from totals:			
TRBAUT041818	04/18/18	PACE interviews during dinner - Union Street Diner (lack of an itemized receipt)	\$ 72.32
PCBAUT112717	11/27/17	Mistake when purchasing groceries - Kroger (receipt indicates PCard was used after employee's debit card was declined)	\$ 258.26

Abuse is deficient or improper behavior compared with behavior that a prudent person would consider a reasonable and necessary business practice given the facts and circumstances. Abuse also includes misuse of authority or position for personal financial interests or those of an immediate or close family member or business associate.

The large volume of meals purchased in FY18, in light of delfin's personal financial constraints, have called to question whether those meals were a reasonable and necessary business practice or a misuse of delfin's authority as a PCard holder. Management should review the meals identified by Internal Audit in the D&I Concur Reports Memorandum and give consideration as to whether the meals were reasonable and necessary or evidence of abuse.

Waste is to use, consume, spend or expend thoughtlessly or carelessly.

delfin purchased a wide range of items at Wal-mart during the period reviewed. Examples include: aloe soothing gel, sunscreen, coolers, camping chairs, Bluetooth speakers, plants, games, all-terrain wagons, folding tables, tablecloths, pitchers, utensil caddy, sea salt and black pepper grinders, nail polish, punching bag, children's plush pillows, wallet, DVD's, board games, beverage dispenser, first aid kits, emoji poop piñata, lanterns, tarps, rubber mallets, nail pegs, pioneer woman bowls, table runners, EZ Up Shelter Canopy, EZ Up Screen Room, EZ Up Weight Bags, metal yard art, chandelier sun catcher, kites, care bears, slow cooker, Pyrex mixing bowls, cookie sheets, Dino Marty, hammock, lawn darts, decorative pillows, serving bowls and plates, measuring cups and spoons, spatula sets, fleece throws, dish mats, canister sets, tool set, mugs, floor pillows, large amounts of office supplies, and more.

IA made a large selection of these items from Concur reports and verified the presence of the items in the LGBT Center. There was no evidence that the purchases had been converted to personal use or were misappropriated. Additionally, delfin provided a business purpose for the items purchased. However, management should again consider whether these purchases were necessary for programmatic needs or whether there is evidence of waste.

