

## University Policy Updates

*Stay up-to-date with new and amended policies.*

To help ensure Utah State University employees are familiar with the most recent policies and procedures, we have added links to some new or amended University policies below:

- # 515 Travel (8-15-06)  
<http://www.usu.edu/hr/policies/515.htm>
- # 516 Meals and Entertainment (1-27-06)  
<http://www.usu.edu/hr/policies/516.htm>
- #505 Employee Gifts and Awards (8-15-06)  
<http://www.usu.edu/hr/policies/505.htm>
- Purchase Card Delegation Form (PDF link at bottom of webpage)  
<http://www.usu.edu/purchsys/p-card.html>
- #514 Vehicle Use Policy (2-1-06)  
<http://www.usu.edu/hr/policies/514.htm>



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## Internal Audit Services' Hotline

*What issues to report and how to report them.*

Internal Audit Services has the responsibility for reviewing complaints and allegations of a fiscal or related compliance nature. We evaluate reports of suspected dishonest or fraudulent activities to determine if the report should be referred for further investigation. Dishonest or fraudulent activities include, but are not limited to:

- Forgery or alteration of documents (checks, payroll, agreements, purchase orders, enrollment or grades, etc.)
- Misuse, mismanagement or misappropriation of funds, supplies or any other asset.
- Improper handling or reporting of money transactions.
- Authorizing or receiving payments for goods not received, services not performed or hours not worked.
- Theft of University property.
- Personal use of University credit cards, materials or assets.
- Falsification of documents or reports.
- Any apparent violation of Federal, State or local laws.

Contact Internal Audit Services via our "hotline" or by completing the "report concerns form" on our website. You may remain anonymous.

**HOTLINE: 435-755-7118**

For additional information on the hotline or to complete the online form, please visit our website:

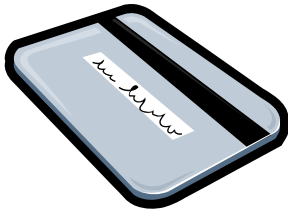
**REPORT CONCERNS ONLINE FORM:**  
<http://www.usu.edu/ias/concerns.cfm>

**Note:** Internal Audit Services is not a law enforcement agency. Any situation where an employee is aware a crime has been committed should be immediately reported to University Police.

## Purchase Card (PCard) Audits

*How to be prepared at all times for an audit or review.*

University funds, regardless of their source, are public funds. Prior to making a purchase, carefully consider if it is a prudent use of public funds (imagine it as a headline in the Herald Journal!).



**PREPARATION:** Organization is the key! We encourage cardholders to keep statements in chronological order with all the supporting documentation attached to the statement. This includes on-campus transactions.

**RECONCILIATIONS & REVIEW:** Enter each purchase on a log when it is made. This helps with reconciling the account when the statement arrives. Retain *itemized* receipts and other supporting documentation with the log. Compare the monthly statement to the log and receipts. Check-off all the correct transactions. If there are discrepancies, contact the vendor to dispute the erroneous charge. Be sure to follow-up to ensure a credit has been issued. If the dispute cannot be resolved with the vendor, call 1-800-344-5696 and complete a Cardholder Dispute Form as directed by U.S. Bank. The charge must be disputed within 60 days of the original transaction. Attach the receipts, other supporting documentation and log to the statement. Sign and date the statement, confirming the reconciliation is complete. Forward the statement to the administrative reviewer. The administrative reviewer must sign and date the statement indicating a review has been completed.

**THE AUDIT:** The auditor assesses transactions for compliance with University policy; verifies statements are reconciled, signed and reviewed; ensures supporting documentation is retained; and evaluates the overall control environment. We strive to keep disruption to your office to a minimum.

For purchase card policies, procedures & forms:  
<http://www.usu.edu/purchsvs/p-card.html>

## Segregation of Duties

*What is segregation of duties and why is it important?*

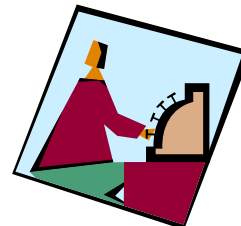
Segregation of duties is an internal control designed to help prevent, detect or decrease the likelihood of clerical errors or inappropriate transactions. It protects an employee from having the sole responsibility for all parts of a transaction by establishing checks and balances. Segregation of duties is accomplished when no one person controls all phases of a transaction.

There are four main duties: authorization, custody, record keeping and reconciliation. Ideally, different people should perform each function.

**Example:** Purchase Cards

- The cardholder retains custody of the card.
- The staff assistant reconciles the statement.
- The business office keeps the records.
- The administrative reviewer authorizes the purchases (by reviewing the statement).

All organizations with access to accounting processes, funds or have control over equipment or assets should be concerned about maintaining an effective segregation of duties.



Although segregation of duties is a strong control, it does not entirely eliminate risk. Additionally, small organizations may not have sufficient staff to properly segregate duties. In those cases, management should take an active role to minimize the risks by reviewing the work done by other employees. Reviews by a second set of eyes helps to ensure the transaction is accurate and appropriate.

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*<http://www.usu.edu/ias/>*

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