In response to the request of the Board of Trustees’ Audit Committee, Internal Audit Services developed a list of top 10 controls that University units should have in place. This list is to help University units strengthen controls they have in place and put controls where they are needed.

We briefly discuss these top 10 controls below. For more comprehensive understanding of this list, we conduct training for University units. In the next couple of months, we will coordinate with various units to schedule this training. If you want this training earlier, you can also contact us to schedule.

1. Approval Authority and Responsibilities
   An approver’s signature should mean something. Before you sign, ask if the transaction was reasonable and for a legitimate business purpose. Verify if documentation supports the transaction. Check if there is available funding and if it is appropriate to be charged to that account. Don’t sign blank forms and don’t let others sign your name or initials.
   An approver may sometimes delegate his approval duties. This is okay. However, this does not relieve an approver of his responsibility and accountability. Select appropriate delegates and choose one that has the knowledge, skills and ability to the task. Most importantly, monitor what your delegate is approving.

2. Reconciliations and Reviews
   Account reconciliations and reviews are the best tool to detect errors and misuse. These let you know if transactions have posted correctly and how much funding is remaining in your budget.
   Document reconciliations and reviews with your signature and the date it was done. Reconciliations and reviews should be completed within a month of issuance of Banner statements.

3. Protect Data and Assets
   Secure devices containing data, including thumb drives and CDs. Don’t share passwords. Review your files for sensitive data (social security numbers, driver’s license, P-card 16-digit number). If there is a need to keep specific files containing sensitive data, please redact sensitive information. Shred unnecessary files.
   Lock doors and file cabinets which contain sensitive as well as proprietary information. If your unit collects cash, collect it in as few locations as possible.

4. Separation of Duties
   Responsibilities should be divided between different people to ensure one person does not perform every aspect of a transaction. Remember to separate the ABCs – Asset handling, Booking the transaction and Comparison or reconciliation. Separation of duties is the best way to avoid mistakes and prevent fraud.

5. Be Familiar with Applicable Policies, Procedures and Regulations
   Policies, procedures and regulations provide guidance and set guidelines to help employees complete their responsibilities. Know which policies are applicable for your department or unit. Non-compliance with federal and state regulations may subject the University to fines or penalties, loss of funding or reputational risk.

6. Appropriate Use of University Resources
   Avoid mentality of “This is my funding.” All funds are University funds and should be used according to policies. Use USU resources for University business.

7. Open Communication – Be Aware
   Allow and promote open dialogue. Be open to concerns from employees.

Continued on next page.
Top 10 Controls (cont’d.)

8. Documentation and Record Retention

If you are asked about a transaction several months later, will you remember why you processed or approved it? If there is a purchase that might be construed as personal, document its business purpose.


9. Utilize Tools and Resources

Take advantage of training opportunities to enhance processes and improve personnel. USU’s training and professional development website is at https://training.usu.edu/. Ask questions and clarify issues.

10. Control Environment – Leadership

This control is critical and core to all other controls. The tone about following policies and good ethical practices set by those in leadership roles determine the success of all other controls.

To sum it all up, what does this list mean for me as a University employee? This list is your guide. Controls are everybody’s business. So, whether you’re faculty, professional or administrative staff, you can contribute to the efforts to make controls work.

Ask the Auditors

Q: I have a concern that I think Internal Audit needs to take a look at. How do I report this? Can I remain anonymous? What if I’m not sure if it’s even an issue?

A: There is an online form on our website where you can report your concern (http://www.usu.edu/ias/concerns.cfm.) If you prefer to talk to us in person, you can visit us at our office or call us at 797-1084 to set up an appointment. You can also email any of our auditors. You can remain anonymous when reporting a concern. Even if you’re not sure it is even an issue, we are still open to helping you.