



A Few Tips from the Auditors

1. ***Understand your signature authority.***

Don't sign or approve anything without reading and understanding it first. If your faculty or staff is requesting approval for various expenditures, be sure you understand the nature of the purchase to determine whether it is appropriate. Additionally, check with your campus procurement department before you sign an affiliation agreement or partnership with an outside entity.

2. ***Get to know your college/department financial analyst and campus accounting personnel.***

Your financial analyst and campus accounting personnel can help you to understand your funding sources (general fund, lottery fund, extended education fund, instructionally related activities fund, etc.) and what expenses are appropriate for each type of fund.

3. ***Understand where and how cash is being collected in your college/department.***

Cash and checks are only allowed to be collected at official cash collection points approved by the campus VP/CFO, so if staff or faculty is collecting cash or checks, you should know about it! They will need to be trained on how to safeguard and account for the funds collected. Most importantly, off-campus bank accounts are not appropriate.

4. ***Document your department policies and procedures.***

Policies and procedures are necessary because they eliminate confusion, create structure and enforce uniform standards throughout a large group. They are most effective when clearly documented.

5. ***Segregation of duties creates a system of checks and balances.***

Different individuals should be assigned responsibility for different elements of related activities, particularly those involving authorization, custody, or recordkeeping. For example, the same person who is responsible for an asset's recordkeeping should not be responsible for physical control of that asset.

6. ***Maintain adequate document and record retention.***

Controls designed to ensure adequate recordkeeping include the creation of invoices and other documents that are easy to use and sufficiently informative; the use of pre-numbered, consecutive documents; and the timely preparation of documents. Records of the University should be maintained in compliance with established and approved record retention policies.

7. ***Safeguard assets and sensitive information.***

Physical control over assets and records helps protect the University. Control activities may include electronic or mechanical controls (i.e. safe, employee ID cards, fences, cash registers, fireproof files, and locks) or computer-related controls dealing with access privileges or backup and recovery procedures.

Remember – you are ultimately responsible for what goes on in your department/college!

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