Last updated: July 2022

INTERNAL CONTROL SELF-ASSESSMENT QUESTIONNAIRE

PURPOSE

As a member of senior management at the University of Miami, manager, or administrator, it is important to periodically determine if good business practices are being observed within your department/group. You may have been asked to complete this questionnaire as part of an internal control self-assessment that is being facilitated by Audit and Advisory Services.   However, we encourage you to complete this questionnaire on your own to independently evaluate the adequacy of various internal controls and business practices that support your area. Use your responses to determine which internal controls are effective or need to be strengthened. Completing the questionnaire will help to:

1. Identify operating areas within your department where required business policies, administrative processes and regulatory compliance are important.
2. Assess the adequacy of existing policies and procedures and other internal controls that are designed to ensure compliance in each of the identified areas.
3. Raise awareness concerning certain efficiencies and cost-saving opportunities that result from complying with University-wide policies and procedures.

We encourage you to engage your colleagues in brainstorming ways to address areas where you believe certain internal controls need to be improved.

INSTRUCTIONS

Please complete the questionnaire below. Use the links to move more easily between the table of contents and the questionnaire sections. **If certain sections of the questionnaire do not apply to your organizational activities, indicate "N/A."** If you have any questions related to the items covered in the self-assessment questionnaire, please contact Audit and Advisory Services via email at A&AS@miami.edu.

Areas Covered:

A. Organizational Governance/General Controls

1. Does your department/organization have a written mission statement? **Yes/No/N/A**

2. Does management clearly communicate and demonstrate integrity and other ethical values consistent with the University's business conduct policy? **Yes/No/N/A**

3. Is the organizational chart up to date? **Yes/No/N/A**

4. Is the overall effectiveness of the internal control system routinely evaluated? **Yes/No**

5. Are departmental personnel aware of the University policy on conflicts of interest and have filed disclosure forms if appropriate? **Yes/No**

6. Have staff been instructed to be familiar with the University Code of Conduct? **Yes/No**

7. Are personnel familiar with the Whistleblower Policy and University Hotline? **Yes/No**

8. Have personnel been instructed to take sexual harassment training required for their position within 30 days of hire? **Yes/No**

9. Are all departmental personnel familiar with the policy on Gifts, Entertainment & Gratuities? **Yes/No**

10. Have processes been reviewed for potential internal control gaps or vulnerabilities? **Yes/No**

B. Financial Planning and Monitoring

1. Have budget unit or departmental objectives been established? **Yes/No**

2. Have risks or obstacles to achieving those objectives been identified? **Yes/No**

3. Does the department have an operating plan that states goals to be accomplished and a timeline for completion of tasks? **Yes/No**

4. Does your department prepare an annual financial report? **Yes/No/N/A**

5. Does the budget process include key members of management? **Yes/No**

6. Are managers held accountable for financial performance? **Yes/No/N/A**

7. Does fiscal staff understand the rules associated with different fund types (General Fund, Grants, Agency, Plant, Restricted Gifts, Designated Fund, etc.)? **Yes/No/N/A**

8. Are transactions associated with donations being reviewed to ensure that donor wishes are strictly observed and that gifts are used only for the purpose stated by the donor? **Yes/No/N/A**

9. Are fund balances reviewed periodically? **Yes/No/N/A**

10. Are funding sources evaluated periodically to assess the sustainability of current funding levels? **Yes/No/N/A**

Financial Planning and Monitoring cont'd

11. If fund deficits are anticipated, are appropriate levels of management notified timely and appropriate corrective action taken? **Yes/No/N/A**

12. Does the department perform periodic reconciliations of department codes (program and cost center)? **Yes/No/N/A**

13. Does spending appear to be within budget for the periods tested? **Yes/No/N/A**

14. Is the staff performing the reconciliations separate from the staff initiating and finalizing transactions? **Yes/No/N/A**

15. Are unreconciled transactions researched and corrected in a reasonable period of time? **Yes/No/N/A**

16. Does the department perform a monthly reconciliation/review of its payroll reports? **Yes/No/N/A**

17. Are all year-end close procedures and/or deadlines followed, as indicated by the appropriate University personnel? **Yes/No/N/A**

18. Has the department created, maintained, and made available to its faculty/staff a departmental policy and procedures manual? **Yes/No/N/A**

19. Are all departmental revenue and/or expenses reviewed each month and reconciled to internally maintained detail records? **Yes/No/N/A**

20. Are there procedures in place to assure that write-offs are sent to the Central Finance Office in a timely manner? **Yes/No/N/A**

21. Is fiscal staff familiar with policies, procedures, guidelines, and resources related to Planning and Accounting (such as account reconciliation procedures, sponsored program administration procedures, budget, payroll, and records and reporting)? **Yes/No/N/A**

C. Reporting Fraud/Fraud Indicators

1. Until completing this questionnaire did you know that any instances of suspected fraud should be reported to Audit and Advisory Services or reported using the University Hotline? **Yes/No**

2. Are you aware of any thefts of cash or physical assets that should be reported to the Director of Public Safety Office/Campus Police? **Yes/No**

3. Are there any important financial reconciliations that are not being performed that should be? **Yes/No/N/A**

4. Are there any departmental assets (property, equipment, supplies, etc.) that you believe are not adequately protected against theft or misuse? **Yes/No**

5. Until completing this questionnaire were you aware that a hotline exists to report suspected instances of employee misconduct and that it can be done anonymously? **Yes/No**

6. Have any unusual trends or discrepancies in departmental accounts been recently detected? **Yes/No/N/A**

D. Information Technology/Information Confidentiality and Data Privacy

1. Are all departmental personnel familiar with the University policies/requirements concerning the handling of private and confidential University information available via PolicyStat? **Yes/No**

2. Do your computers/applications contain any of the following combinations of confidential data elements that are considered to be *"individually-identifiable"* information that could be used to commit identify theft? **Yes/No**
   *Name & Social Security
   *Name & Date of Birth
   *Name & Bank Account
   *Name & Credit Card
   *Name & Mother's Maiden Name
   *User ID & Passwords for University Systems

3. Confidential information –
   Definition - https://umiami.policystat.com/policy/token_access/0acc2dcc-0e0e-4599-bdb6-daab78c5ea1b/
   a. Do your computers/applications contain private or confidential information? **Yes/No**
   b. Do paper forms/records contain private or confidential information? **Yes/No/N/A**

4. Do paper forms/records contain any of the following combinations of confidential data elements that are considered to be *"individually-identifiable"* information that could be used to commit identify theft? **Yes/No/N/A**

5. Are paper forms/records stored in secure cabinets that prevent unauthorized personnel from gaining access to this data? **Yes/No/N/A**

6. If you maintain information related to students, have you received FERPA training? **Yes/No/N/A**

7. If you maintain information related to direct lending of student loans, have you received Gramm-Leach-Bliley Act (GLBA) training? **Yes/No/N/A**

8. Is the physical security of personal computers, terminals, and workstations compliant with University policy? **Yes/No**

9. Are backup and recovery procedures for personal computers and Local Area Networks (LANs) compliant with University policy? **Yes/No**

10. Are data security precautions for sensitive administrative data on personal computers compliant with University policy? **Yes/No**

11. Are University computers used in an employee's home documented and approved? **Yes/No**

E. Payroll and Human Resources

1. Are job descriptions accurate and up to date? **Yes/No**

2. Are payroll change business processes entered and approved in Workday on a timely basis according to the appropriate pay schedule? **Yes/No/N/A**

Payroll and Human Resources cont'd

3. Are timesheets timely authorized in accordance with the payroll period and reviewed with employee to confirm accuracy? **Yes/No/N/A** [   ]

4. Are HR partners notified timely for employee terminations? **Yes/No** [   ]

5. Is the termination process completed in Workday on a timely basis to avoid overpayments and allow Payroll and Benefits to finalize their corresponding tasks (to make final salary adjustments, cancel benefits, etc.), UM IT to terminate all logical computer access, and Access Control to disable physical access? **Yes/No** [   ]

6. Is a Form I-9 completed by new employees on a timely basis? **Yes/No** [   ]

7. Is supporting documentation completed promptly and properly approved for new hires and changes in employment status/salary? **Yes/No/N/A** [   ]

8. Is a periodic review of corresponding payroll reports performed? If yes, are immediate notifications of any changes or updates provided to HR? **Yes/No/N/A** [   ]

9. Is a monthly review of active staff performed? **Yes/No/N/A** [   ]

10. Are supervisors approving time off on a timely basis? **Yes/No** [   ]

F. Cash Controls

1. Are the department's petty cash funds necessary and have procedures for control and reconciliation? **Yes/No/N/A** [   ]

2. Does the department have unauthorized bank accounts or charge accounts? **Yes/No/N/A** [   ]

3. Are employees responsible for cash handling and deposit preparation familiar with applicable policies? **Yes/No/N/A** [   ]

4. Are cash deposits sufficiently documented? **Yes/No/N/A** [   ]

5. Are deposits made on a daily basis (i.e., in a timely manner) where practical, to the Cashier's Office (within 48 hours for a certain $ limit)? **Yes/No/N/A** [   ]

6. Are daily collections held in a secure manner (e.g., a safe) until deposited in the Cashier's Office? **Yes/No/N/A** [   ]

7. Are all cash or checks gifted to the University forwarded to the Advancement Office for gift processing? **Yes/No/N/A** [   ]

8. Is there adequate physical security where cash handling activities occur? **Yes/No/N/A** [   ]

9. Does an adequate segregation of duties exist within your department between staff members responsible for receiving, depositing, and reconciling cash and checks? **Yes/No/N/A** [   ]

10. Are all checks made payable to the University? **Yes/No/N/A** [   ]

11. Are there cameras facing the collection points or points of sale where transactions are taking place and payments are being made? **Yes/No/N/A** [   ]

12. For cash or checks received in the mail, do two or more persons open the envelope together?
Yes/No/N/A ☐

13. Has your area been designated and approved by Treasury as a Cash Collection Point?
Yes/No/N/A ☐

G. Expenditures and Travel
1. Are check requests, including personal reimbursements, properly authorized, sufficiently documented, and for appropriate University purposes? **Yes/No/N/A** ☐

2. Are all invoices for purchases and commitments initiated through Accounts Payable?
Yes/No/NA ☐

3. Are all department purchases processed through Purchasing, Purchasing Cards (PCards) or a combination? **Yes/No/N/A** ☐

4. Are purchase requisitions properly authorized, sufficiently documented, and for appropriate University purposes? **Yes/No/N/A** ☐

5. PCards use, if applicable:

   a. Are PCards adequately controlled? **Yes/No** ☐

   b. Are PCard transactions properly reviewed? **Yes/No** ☐

   c. Are PCard transactions sufficiently documented? **Yes/No** ☐

   d. Are supporting documents retained per policy? **Yes/No** ☐

6. Are journal entries appropriate, properly authorized, and adequately documented?
Yes/No/N/A ☐

7. Are travel/business expense reports properly authorized and documented? **Yes/No/N/A** ☐

8. Do expenses comply with University policy? **Yes/No/N/A** ☐

9. Do departmental personnel make personal purchases through University accounts?
Yes/No/N/A ☐

10. If yes, there is a policy in place under Corporate Cards that has implemented a PCard and Travel Card Misuse Form that must be completed and signed by the person who misused their PCard and their supervisor. Is this being used? **Yes/No/N/A** ☐

11. Do you know of any instances of noncompliance with policies for reimbursing travel and entertainment expenses in accordance with the University's Travel and Business Expense Reimbursement policy and sponsored agency regulations? **Yes/No/N/A** ☐

12. Are you aware of any travel/business expense reimbursements that were made for any unallowable expenses not in accordance with University policy and federal regulations? **Yes/No/N/A** ☐

13. Does someone in your department review travel and meeting expense reports to ensure alcohol expenses are not charged to federally funded grants? **Yes/No/N/A**

14. Are all requests for business and entertainment expenses documented in terms of how the activity was University or business related, including a listing of attendees (with titles)? **Yes/No/N/A**

H. Procurement of Goods and Services/Inventory

1. Does your department rely on the Purchasing Department to coordinate bids for goods and services? **Yes/No/N/A**

2. Does the department obtain 3 competitive written bids for any purchase that exceeds $10,000 and verbal quotes for purchases between $5,000 and $10,000? **Yes/No/N/A**

3. For sponsored accounts, does the department obtain 3 competitive written bids for any purchase that exceeds $25,000? **Yes/No/N/A**

4. Does the department maintain and forward to Purchasing any sole source or preferred vendor justifications for purchases exceeding $25,000 that are not bid? **Yes/No/N/A**

5. Does the department reconcile purchases/goods received to those charged to the department/area (for invoices paid)? **Yes/No/N/A**

6. Does your department split orders to avoid higher approval levels or to bypass limits (i.e., PCard limits or bidding levels)? **Yes/No/N/A**

7. Are inventory records maintained based on periodic physical counts or a perpetual system (UHealth/Supply Chain only)? **Yes/No/N/A**

8. Does your area have inventory that is for sale (UHealth/Supply Chain only)? If yes;
    a. Do you account and keep track of the inventory? **Yes/No**

    b. Are items physically counted matched against inventory records? **Yes/No**

    c. Do individuals independent of inventory custody investigate unusually large discrepancies between inventory records and physical counts? **Yes/No**

    d. Is any inventory stored or consigned at an outside location? **Yes/No**

    e. Are inventory items listed on the University's property list easy to locate, properly tagged, and in good condition? **Yes/No**

9. Is your department aware of the new federal mandate related to the purchase of goods and services? **Yes/No**

10. Is your department aware of the new contract management software that handles the contract process? **Yes/No**

I. Records Retention

1. Is your department record retention policy in line with the University's Record Retention policy?
   Yes/No

2. For documents or reports not produced in your department, have you determined that your retention is in line with the University's Record retention policy?
   Yes/No

3. Are important documents, including electronic media, stored in a secure area with adequate protection from fire and/or water damage?
   Yes/No

J. Physical Security and Building Safety

1. Have all concerns about the safety of the building(s) been brought to the attention of the individual or group responsible for building safety (e.g., lack of building exit routes, trained safety monitors, regular evacuation drills)?
   Yes/No

2. Are you aware of all of University building access granted to persons within your department?
   Yes/No

3. Was building access granted to persons within your department reviewed and approved appropriately?
   Yes/No

4. Was building access removed/suspended for terminated employees within your department/unit?
   Yes/No