

Financial Control Assessment

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1. Control Stage	2. Description of key control procedure	3. Standards Covered (click all that apply)	4. Control procedure Rating	
Entity set-up Transaction approval Asset receipt verification Post-transaction certification Balance reconciliation Balanced analysis		Appropriate Valid Reasonable Funded Accurately recorded Supportable Timely recorded	a. Staff qualifications	Strong Weak
			b. Review quality	Complete Limited
			c. Separation of duties	Adequate Inadequate
			d. Strength of control Strong Moderate Weak	
Accountable person and position				
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Control Stage Categories (Refer to Topic 2 for complete descriptions)	
Entity setup	Setup of basic vendor, customer, or employee information
Transaction approval	Review and approval of transaction
Asset receipt verification	Verification of receipt of goods or services
Post transaction certification	Review of transactions appearing in ledgers and reports
Balance reconciliation	Balance comparison between ledger & an independent data source
Balance analysis	Review of ratios, trends, or year-to-year comparisons

Financial Control Standards (refer to Topic 4 for complete descriptions)	
1. Appropriate	Directly related to achieving the mission of the University
2. Valid	Allowed by policy, law, contractual agreement, and/or professional stds.
3. Reasonable	Fair amount received or paid for product or service provided or procured
4. Funded	Sufficient funding exists to cover the transaction
5. Accurately recorded	Amount equals value received, provided, or adjusted for; and free from error
6. Supportable	Transaction is supported by documentation, accepte standard or practice
7. Timely recorded	Transaction date is accurate

**HOW TO COMPLETE THE WORKSHEET****Complete one row for each control procedure of the financial process:****1 Control Stage**

Check the appropriate box indicating the stage to which the control procedure is associated.

**2 Description of Key Control Procedure**

Provide a description of the key control procedure, including the following information

- a. The control action being performed, such as an approval, certification, verification, or reconciliation
- b. The frequency that the action is performed, such as per transaction, daily, monthly, sampling basis, etc.

**3 Accountable Person and Position**

Provide the name of the individual accountable for performing the key control procedure. If another individual has been delegated the authority to perform the procedure, provide that name, too.

**4 Standards Covered**

Circle each of the seven campus transaction control standards that the control procedure is intended to provide assurance of compliance

**5 Control Procedure Rating****a. Staff qualifications**

- |        |  |
|--------|--|
| Strong | Strong knowledge, analytical skills, & experience      |
| Weak   | Minimal knowledge, experience and/or analytical skills |

**b. Review quality**

- |          |   |
|----------|---|
| Thorough | Complete and thorough review of transactions        |
| Limited  | Cursory and/or limited scope review of transactions |

**c. Separation of duties**

- |            |  |
|------------|--|
| Adequate   | Staff involved in process have no conflicting duties |
| Inadequate | Staff involved in process have conflicting duties    |

**d. Strength of control - based on responses to 5a - 5c**

- |          |   |
|----------|---|
| Strong   | A high level of reliance can be placed on the procedure control to ensure compliance with the seven transaction control standards.    |
| Moderate | A moderate level of reliance can be placed on the procedure control to ensure compliance with the seven transaction control standards |
| Weak     | Little of no reliance can be placed on the procedure control to ensure compliance with the seven transaction control standards        |

**HOW TO EVALUATE THE WORKSHEET****Perform these processes to evaluate the overall quality of controls over the financial process:****1 Control Procedure**

Review each control procedure to ensure the following:

- a. All control procedures have been identified
- b. Each "Strength of Control" rating is consistent with staff qualifications, review quality, and separation of duties

**2 Transaction Control Standards**

Review the "4. Standards Covered" section to ensure that the process controls taken as a whole, provide assurance of compliance with all of the seven transaction control standards applicable to the financial process under review. The strength of the process controls providing the assurance should be either strong or moderate. Assurance provided by weak controls should prompt a reexamination of the control or of the controls as a whole. This may result in the need to improve the qualification of the position responsible for performing the control procedure, improving separation of duties, and/or improving the thoroughness of the transaction review.

**3 Accountability**

Review the "3. Accountable Person and Position" section to ensure that a competent, qualified individual is assigned accountability for performing the control procedure. If the control procedure is not performed by the accountable individual, but is officially delegated to another individual, ensure that the other individual has been delegated the appropriate authority and is qualified and competent to perform the control procedure. Refer to the "Understanding Financial Accountability" guide for more information.

**4 Separation of Duties**

Review the "5c. Separation of Duties" section to ensure that adequate separation of duties exist between the individual responsible for performing the control procedures and other individuals involved in the financial process. A control procedure is rendered ineffective if it is performed by an individual with conflicting duties. Refer to the "Understanding Separation of Duties" guide for more information.