**Montana State University - Control Assessments**

MSU’s financial and administrative staff can use these questionnaires to assess internal control activities in their units. These questionnaires were designed to make it easy for staff members to determine if their units have implemented many of the control activities that are commonly needed at MSU and are based on MSU and State of Montana policies and procedures and sound administrative practices.

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# Accounting & Budgeting Control Assessment

|  |  |  |  |
| --- | --- | --- | --- |
| **Unit:** |  | **Unit head:** |  |
| **Assessor(s):** |  | **Date:** |  |

| **Financial Account Management** | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| How do you ensure that all indexes are regularly monitored to know that you have adequate resources and prevent budget deficits? What are all of your indexes? Do you have plans for handling an unexpected deficit? |  |  |
| Describe your process for making budget projections. |  |  |
| How does your area determine how to allocate budget resources within your area, such as among departments or programs? |  |  |
| Describe your process for comparing financial account balances to budgets. |  |  |
| Financial reports are provided to supervisor (or designee). |  |  |
| Foundation accounts are monitored and transfers are completed in a timely manner. |  |  |
|  |  |  |
| Do you use a subsidiary accounting system (e.g., CatBooks)? How is it used? Is it regularly reconciled to Banner (monthly)? |  |  |
| What reconciliations do you perform and at what frequency? What do you do if you detect errors or omissions?The following reconciliations could be performed monthly: P-card reports - Reports are reviewed by someone other than the preparer. Banner Payment Authorizations (BPAs), Payroll - considering changes (e.g., new hires, promotion raises) Revenue (expected through deposited) |  |  |
| Reconciliations are periodically reviewed by supervisor (or designee). |  |  |
| Do you ever transfer costs between indexes? If so, what is your process? Do these transfers require authorization? |  |  |

# Human Resources Control Assessment

|  |  |  |  |
| --- | --- | --- | --- |
| **Unit:** |  | **Unit head:** |  |
| **Assessor(s):** |  | **Date:** |  |

| **Hiring**([MSU Policies website](http://www2.montana.edu/policy) Personnel section) ([MSU Recruitment and Hiring Handbook](http://www.montana.edu/hraa/handbook.html))  | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| Recruitment and hiring are conducted in compliance with applicable requirements. |  |  |
| Hire documents are complete, accurate and properly approved. |  |  |

| **Time and Leave Reporting**  | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| Regular, extra (e.g., overtime) and exception time (e.g., leave) is recorded, complete, reviewed and properly approved. |  |  |

| **Payroll**  | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| Payroll reports are reconciled periodically and discrepancies are properly resolved. |  |  |

| **Performance Evaluations**[**http://www2.montana.edu/policy/performance\_evaluation\_policy.htm**](http://www2.montana.edu/policy/performance_evaluation_policy.htm) | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| Employees are periodically evaluated by their supervisor and supervisors review evaluation results with their employees. |  |  |
| Formal disciplinary action is reviewed, documented and communicated to the affected employee and others as required. |  |  |

| **Terminations** | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| Terminations are reviewed, documented and communicated to the affected employee and others as required. |  |  |
| Termination checklist is completed and properly approved. |  |  |

| **Conflicts of Interest** [**http://www2.montana.edu/policy/conflict\_of\_interest/**](http://www2.montana.edu/policy/conflict_of_interest/) | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| A Conflict of Interest Disclosure Statement is made annually by all applicable employees.  |  |  |
| All employees, including those exempt from annual disclosure, make disclosures of potential conflicts of interest whenever they occur.  |  |  |
| Conflicts of interest are properly managed. |  |  |

# Information Security Control Assessment

|  |  |  |  |
| --- | --- | --- | --- |
| **Unit:** |  | **Unit head:** |  |
|  **Assessor(s):** |  | **Date:** |  |

| **Security**([MSU Enterprise Technology Management Policy](http://www2.montana.edu/policy/enterprise_it/technology_management.html)) | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| Roles and responsibilities for information security management by the unit are clearly assigned to unit personnel. |  |  |
| Unit personnel who manage unit information systems follow applicable security related requirements and good practices. |  |  |
| The unit has identified the types of information for which it is responsible. Sensitive information is not stored on hard drives of computers assigned to unit employees or students.([MSU Enterprise Data Stewardship Policy](http://www2.montana.edu/policy/enterprise_it/data_stewardship.html)) |  |  |
| Information system access privileges for unit employees are periodically reviewed and accordingly changed or terminated. |  |  |
| Passwords are strong (e.g., avoid common words, use special characters). Passwords are secured and not shared. Passwords are periodically changed. Screens are locked to require password access when away from the computer. |  |  |
|  |  |  |
| Unit personnel do not download software from unknown sources or open attachments or links included in email using MSU information systems without first thinking about the potential for resulting information security issues, such as attempts to obtain your protected personal information or to install harmful software. |  |  |
| Software and operating system updates are applied immediately on unit information systems. |  |  |
| Personal firewalls are enabled on unit information systems. |  |  |
| Anti-virus and anti-spyware software are installed and properly set up on unit information systems. |  |  |
| Suspected incidents related to information security are properly reported.([MSU Enterprise IT Security Incident Response Policy](http://www2.montana.edu/policy/enterprise_it/security_incident.html)) |  |  |

# Procurement & Disbursements Control Assessment (Including Travel & Hospitality)

|  |  |  |  |
| --- | --- | --- | --- |
| **Unit:** |  | **Unit head:** |  |
| **Assessor(s):** |  | **Date:** |  |

| **Procurement**([MSU Procurement Policy and Procedures)](http://www2.montana.edu/policy/purchasing/) | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| Use the IT Purchase Approval Form to request approval to purchase any IT item not on the Products We Support list or the [Software](http://www.montana.edu/itcenter/purchase/software.php) page.<http://www.montana.edu/itcenter/purchase/purchase_request.php>  |  |  |
| 1. For purchases greater than $5,000 and up to $25,000, one of the following required actions is completed prior to purchase:
	1. PD-20 Tabulation of Bids Resulting from Limited Solicitation (note that you must accept the lowest bid)
	2. PD-14 Brand and Sole Source Justification
 |  |  |
| 1. For purchases greater than $5,000 and up to $25,000, after completion of PD-20 Limited Solicitation or PD-14 Sole Source Justification, one of the following is completed prior to purchase:
	1. Departmental Purchase Order (DPO) for goods and equipment
	2. Contracted Services Agreement (CSA) for services

And DPOs and CSAs are entered into the monthly DPO/CSA log when prompted by Procurement Services monthly email. |  |  |
| For purchases greater than $25,000, the unit works with the office of Procurement Services. |  |  |
| 1. Purchases are not manipulated (e.g., two payments of $4,900 for a single item) to avoid following procurement procedures.
 |  |  |

| **Contracted Services**([MSU Business Procedures Manual, Section 490 Contracted Services](http://www2.montana.edu/policy/business_manual/bus400.html#490.00)) | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| A written contract exists for all purchased services that amount to $500 or more. |  |  |
| 1. All contracts are signed by relevant MSU officials as well as the contractor.
 |  |  |
| Prior to entering into a contract, the unit determines whether the relationship with the person or firm is an employment relationship or an independent contractor relationship. If the contractor fails to meet criteria for independent contractor status, the contractor should be placed on University payroll. |  |  |

| **Purchasing Cards**([MSU Business Procedures Manual,](http://www2.montana.edu/policy/business_manual/bus400.html) [Section 435.10 Purchasing Card Manual For Card Holders](http://www2.montana.edu/policy/business_manual/bus400.html)) | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| P-card requirements are communicated to each cardholder. |  |  |
| 1. Only the authorized cardholder uses his/her p-card.
 |  |  |
| 1. Original itemized receipts and other required supporting documentation for p-card expenses are available and submitted timely for p-card report preparation.
 |  |  |
| Default accounting codes for p-card expenses are cleared in a timely manner. |  |  |
| 1. P-card expense statements/reports are properly reviewed and approved in a timely manner.
 |  |  |
| 1. Loss or theft of p-card is immediately reported by cardholders.
 |  |  |
| 1. Misuse of p-cards results in proper action by management.
 |  |  |
| 1. P-cards are terminated when cardholders’ employment is terminated and when cardholders move to another campus unit.
 |  |  |

| **Travel**[(MSU Business Procedure Manual, Section 500 Travel)](http://www2.montana.edu/policy/business_manual/bus500.html)  | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| Travel is taken for reasonable purposes. |  |  |
| 1. Travel requests are complete (e.g., supporting documentation), accurate and properly approved.
 |  |  |
| 1. Travel expense reimbursements are complete, accurate, based on approved rates and properly approved.
 |  |  |
| Travel that is not funded by the state or that is of a restricted type is in compliance with applicable requirements. |  |  |
| 1. Airline travel is paid for using university purchasing cards.
 |  |  |

| **Hospitality/Entertainment**([MSU Business Procedures Manual, Section 460 Hospitality Approval](http://www2.montana.edu/policy/business_manual/bus400.html#460.00)) | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| Hospitality/entertainment is provided for reasonable purposes. |  |  |
| 1. Hospitality requests are complete, accurate and properly approved.
 |  |  |
| 1. Alcoholic beverage service authorization forms are complete, accurate and properly approved.
 |  |  |

| **Expense Reimbursements**([MSU Business Procedures Manual, Section 400 Claims](http://www2.montana.edu/policy/business_manual/bus400.html)) | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| Expense reimbursement requests are complete (e.g., supporting documentation), accurate, match supporting documentation and properly approved. |  |  |
| 1. Purpose of reimbursed expenses is reasonable and types of expenses reimbursed are allowable.
 |  |  |

# Property Management Control Assessment

|  |  |  |  |
| --- | --- | --- | --- |
| **Unit:** |  | **Unit head:** |  |
| **Assessor(s):** |  | **Date:** |  |

| **Tracking and Safeguarding Property****(**[Montana Operations Manual (MOM) 335 Capital Assets](http://mom.mt.gov/default.mcpx))**(**[MSU Property Management Policies and Procedure Manual](http://www2.montana.edu/policy/property/manual.html)) | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| 1. Unit personnel have been assigned responsibility to track, ensure proper use and maintenance of and to report losses of property.
 |  |  |
| 1. There are adequate provisions for safely storing equipment.
 |  |  |
| 1. The unit maintains capital and minor and sensitive equipment inventory listings.

Sensitive property includes items that possess a special risk of theft due to marketability and/or portability or that present a risk to safety. Sensitive property includes, but is not limited to:* Computers: laptop, desktop
* Cameras: digital, film, video
* Firearms Musical equipment, systems and instruments
* Video equipment: projectors, recorders, monitors, televisions
* Certain chemicals, as may be deemed sensitive by the Safety and Risk Management Office.
 |  |  |
| 1. Individuals responsible for maintaining inventory listing do not have the authority to authorize withdrawals of items maintained in inventory.
 |  |  |
| 1. A physical inventory of all capital assets and minor and sensitive property is conducted at least every two years.
	1. The physical inventory is subject to verification or conducted by a person who is not directly responsible for the assets or for maintaining the inventory listing.
	2. Unit personnel perform a reconciliation between the physical inventory and the inventory listings. Missing items are reported to the Property Management office.
 |  |  |
| 1. University facilities and equipment should not be personally used.
 |  |  |

| **Disposing and Transferring Property** | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| MSU Property Management is notified and proper procedures are followed in the sale or disposition of property. |  |  |
| 1. Transfers of property between departments is properly recorded.
 |  |  |
| Actual and suspected losses of assets are reported to MSU Property Management. |  |  |

# Revenue Collection Control Assessment (Including Petty Cash)

|  |  |  |  |
| --- | --- | --- | --- |
| **Unit:** |  | **Unit head:** |  |
| **Assessor(s):** |  | **Date:** |  |

| **Cash Handling**([MSU Business Procedures Manual, Section 300 Cashier Activity](http://www2.montana.edu/policy/business_manual/bus300.html))([MOM 326 Non-Treasury Cash Accounts](http://mom.mt.gov/default.mcpx)) | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| An official fund custodian is named and record of this responsible individual is filed in University Business Services (UBS) (Permanent Petty Cash Change of Custodian form). |  |  |
| 1. Procedures must prevent skimming at the initial receipt of revenue. Records of initial receipt must be retained to prove that all revenue received was deposited.
 |  |  |
| 1. The amount of the change fund is appropriate to support daily operations.
 |  |  |
| 1. The change fund is balanced each day it is in use (amount authorized for the change fund plus amount recorded as received that day equals amount on hand).
 |  |  |
| 1. Procedures are in place for handling cash overages/shortages. There is a documented specified amount that is considered a material shortage.
 |  |  |
| 1. Duties, roles and responsibilities are clearly defined and documented.
 |  |  |
| 1. Duties for receiving cash, preparing deposits, posting payments and performing reconciliations are separated.
 |  |  |
| 1. If there is insufficient staff for ideal separation of duties, procedures are in place that compensate for the lack of separation (e.g., supervisory review).
 |  |  |
| 1. Checks are restrictively endorsed at the time of initial receipt.
 |  |  |
| 1. The change fund and money collected are secured at all times.
 |  |  |
| 1. Easily conveyable items with cash value (tickets, stamps) are secured and inventoried.
 |  |  |
| 1. Locks and safe combinations are changed when personnel changes.
 |  |  |
| 1. Documentation exists for composition of deposits (e.g., cash receipt forms, customer receipts, copies of invoices).
 |  |  |
| 1. Deposits are made in a timely manner ($200 cash or $750 checks must be deposited daily, all else must be deposited weekly).
 |  |  |
| 1. Deposits are transported securely (over $500 cash in a locked bag, over $1000 cash police escort).
 |  |  |
| 1. Cash deposits are reconciled to Banner monthly.
 |  |  |
| 1. CatBooks, or any other subsidiary system, is reconciled to Banner monthly.
 |  |  |
| 1. Supervisory monitoring of controls over cash is adequate (e.g., compare revenue expected and deposited over time).
 |  |  |

| **Accounts Receivable** | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| Billing policies and procedures are documented internally (payment terms, timing of bill issuance) if unit sends invoices or other billing documents to customers. |  |  |
| Billing system and accounts receivable system are integrated. |  |  |
| 1. Invoices or other billing documents used are used in numerical sequence.
 |  |  |
| 1. Billing support documentation is retained.
 |  |  |
| An aging schedule of accounts receivable is prepared and reviewed by a manager or supervisor. |  |  |
| Any accounts receivable recorded are valid, complete, recorded in the proper period, followed up on, adjusted only with proper approval, and reconciled. |  |  |

| **Credit Cards**([MSU Business Procedures Manual,](http://www2.montana.edu/policy/business_manual/bus300.html%22%20%5Cl%20%22370.00http%3A//www2.montana.edu/policy/business_manual/bus300.html) [Section 370 MSU Credit Card Merchant Policy](http://www2.montana.edu/policy/business_manual/bus300.html%22%20%5Cl%20%22370.00http%3A//www2.montana.edu/policy/business_manual/bus300.html)) | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| Unit credit card processing policies and procedures are documented. |  |  |
| 1. A supervisor approval/review is required for all credit card adjustments, voids or credits.
 |  |  |
| 1. A receipt is issued to the payer for all credit card transactions.
 |  |  |
| The terminal is closed, batched and balanced each day it is in use. |  |  |
| 1. Credit card deposits are made to UBS by 11:00 am daily.
 |  |  |
| 1. Credit card activity is reconciled to the amounts reported in Banner.
 |  |  |
| 1. Customer financial information is properly secured and disposed of.
 |  |  |
| 1. Access to the credit card terminal is secured and restricted to trained personnel only.
 |  |  |

| **Petty Cash**([MSU Business Procedures Manual, Section 300 Cashier Activity](http://www2.montana.edu/policy/business_manual/bus300.html))([MOM 326 Non-Treasury Cash Accounts](http://mom.mt.gov/default.mcpx)) | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| An official fund custodian is named and record of this responsible party is filed in University Business Services (UBS) (Permanent Petty Cash Change of Custodian form). |  |  |
| 1. The amount of the fund is appropriate to support daily operations.
 |  |  |
| 1. The fund is replenished at least monthly.
 |  |  |
| 1. The cash balance is verified on a periodic basis (cash plus unreimbursed paid-out slips and invoices equals the authorized amount).
 |  |  |
| 1. The fund is kept secure at all times.
 |  |  |

| **Donations and other Gifts**([MSU Acceptance and Processing of Gifts policy](http://www2.montana.edu/policy/acceptance_and%20processing_of_gifts_policy.htm)) | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| Gifts are directed to MSU Foundation as required by MSU Acceptance of Gifts policy.  |  |  |

# Safety & Risk Management Control Assessment

|  |  |  |  |
| --- | --- | --- | --- |
| **Unit:** |  | **Unit head:** |  |
| **Assessor(s):** |  | **Date:** |  |

| **Workers’ Compensation**([MSU Workers’ Compensation website](http://www.montana.edu/wwwsrm/Insurance/workerscomp.htm)) | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| Workers’ compensation issues are reported.  |  |  |

| **International and Student Travel**([MSU Faculty-Led Study Abroad Programs Policy](http://www2.montana.edu/policy/FacultyLedStudyAbroadProgramsPolicy.htm)) | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| International travel is approved and reported. |  |  |
| Student travel is conducted in accordance with student travel policy (<http://www2.montana.edu/policy/student_trips/>) |  |  |

# Sponsored Programs Administration Control Assessment

|  |  |  |  |
| --- | --- | --- | --- |
| **Unit:** |  | **Unit head:** |  |
| **Assessor(s):** |  | **Date:** |  |

| **General**([Sponsored Programs – Principal Investigator GUIDE](http://www.montana.edu/research/osp/grants/piman.html)) | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| Sponsored programs administration authority and responsibility are clearly assigned. |  |  |
| 1. Record retention requirements for sponsored programs are met (MSU expects faculty members to retain research data for a period of three years).
 |  |  |

| **Pre-Award** | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| Sponsored programs proposals are properly approved. |  |  |
| 1. Commitments of effort are reasonable (e.g., not over 100%, joint contracts between universities) and are met within the flexibility allowed by the sponsor.
 |  |  |

| **Post-Award** | **Yes****No****NA** | **Process Description (who, when, how)** |
| --- | --- | --- |
| Compensation for personal services is set and changed in compliance with applicable requirements (e.g., amount limitations). |  |  |
| 1. Time and effort reporting is accurate, complete, timely and properly certified.
 |  |  |
| 1. Cost transfers are minimized, properly approved, completed in a timely manner and reasonable in amount and frequency.
 |  |  |
| 1. Cost sharing and matching funds are provided, tracked and timely reported in compliance with applicable agreements and requirements.
 |  |  |
| 1. Subaward monitoring system is in place (e.g., performance, budget).
 |  |  |
| 1. Budget compliance monitoring system is in place.
 |  |  |
| 1. Costs charged to sponsored programs are incurred during the program period.
 |  |  |
| 1. Costs charged to sponsored programs are allowable.
 |  |  |
| 1. Program income is correctly determined, recorded and used in accordance with program requirements.
 |  |  |
| 1. Financial reports are complete, accurate (e.g., reconciled to accounting records) and reviewed, approved and submitted in a proper and timely manner.
 |  |  |
| 1. Program technical performance and reporting monitoring systems are in place.
 |  |  |
| 1. Equipment and property management and reporting systems are in place.
 |  |  |
| 1. Research misconduct allegations are addressed in compliance with applicable requirements.
 |  |  |