Audit Name / Department Name
Audit No. XX-XX
Change in Management Audit
(revised 05/12/09)

Questionnaire:

GENERAL PROCEDURES

Goals and Objectives

1. Provide a copy of current departmental organization chart.
2. Does the department have a clearly defined mission statement?
3. Does the department have a well-defined long-range plan? Does the plan include relevant goals and objectives?
4. Is management effectively monitoring progression toward the goals and objectives?   a.   What performance measures have been identified and how are they utilized?
5. What divisions/centers are within the department?
6. What department codes/project id codes fall within the departmental management?

Policies and Procedures

7. Does the department have a policies and procedures manual?
   a. Is the manual periodically reviewed and updated?
   b. How are the procedures and policies distributed and informed to all related parties/employees/students?

8. Does each division have desk manuals for key duties and responsibilities?
9. Is there adequate cross training across certain job functions?

FINANCIAL PROCEDURES
Financial Monitoring/Accounting
10. Are all departmental accounts:
a. Reconciled on a monthly basis to the accounting ledgers?

b. Are the reconciliations current?
c. Are the reconciliations documented?
d. Are the reconciliations reviewed by someone other than the preparer? Preferably the Chair or P/I.
e. Does the Chair/Director periodically review the reconciliations and supporting documentation?
f. If applicable, are the Principal Investigators reviewing the reconciliations?
11. Does the Chair/Director effectively monitor the financial condition of the department?
a. What types of financial reports are prepared for management?
b. Does the department prepare any budgets?
c. How long has the financial staff been in their positions? Are they adequately trained?
12. What are the types and volume of revenue stream for the department?
13. If the department has revenues from services, practice plan or designated funds, are annual revenue projections made and documented in the form of a budget? Review recent budget-to-actual.

Cash Handling Procedures
14. What types of cash receipts does the department receive? What is the volume of cash receipts? [Estimate number of checks processed monthly].
15. Is there adequate segregation of duties over receiving of cash/checks, depositing the monies, and reconciling the departmental accounts?
16. Does the department ensure all monies received are properly deposited and accounted for?
17. Who opens incoming mail? Does the same employee also prepare deposits and/or have access to departmental accounting records?

18. Does the employee assigned to the opening of incoming mail prepare a list of checks received?

   a. If so, is the list compared to the deposit records and/or accounting ledgers?

19. Are checks restrictively endorsed immediately upon receipt?

20. Are checks and cash received properly secured by the use of locked cash boxes, safes, etc.?

   a. Are keys to cash boxes and/or safe combinations restricted to a minimum number of employees? Who are these employees?

22. If cash receipts are issued, are the cash receipts sequentially pre-numbered?

   a. Are all copies of pre-numbered receipts accounted for?

   b. Are cash receipt books compared to actual amounts received and deposited?

   c. Are voided receipts reviewed and approved by a supervisor?

   d. Are there adequate controls over un-issued receipt books?

Expenditures

23. Are expenditures properly authorized and reviewed at the appropriate levels?

24. Review the PeopleSoft approval cycles and determine:

   a. Is the ACE at an appropriate level in accordance with HOP?

   b. Is there an appropriate segregation of duties for requestors and approvers?

   c. Are expenditures approved by someone other than the person responsible for reconciling the accounts?

   d. If not, are the reconciliations reviewed at an appropriate level?

e. Is the Chair, Director or Administrator approving all HCM, transfer of funds, and RTA transactions, and is this the final departmental approval step?

f. How are final approvals for HCM, transfer of funds, and RTA transactions handled if the Chair, Director or Administrator is absent? How is approval delegated?

g. Are transactions approved or reviewed by delegatee upon return?

h. If required, are documents routed to the appropriate Executive Committee offices?

i. If required, are Request for Travel Authorizations (RTA) routed to the appropriate Executive Committee offices?

25. For faculty travel, does the department effectively monitor how often faculty are away?

26. Does the department ensure faculty is completing RTAs as required by HOP policy?

27. Do the faculty complete outside consulting forms? If yes, is the approval process adequate? Does the department adequately monitor outside consulting for significant time away from campus?

28. Does the department pay employees for additional services? If yes, does the department properly approve and adequately monitor these expenditures?

29. Are procedures in place to compare expenditures to budgeted projections?

30. Are routine expenditures (i.e. telephone, office supplies, copy charges, etc.) monitored on a monthly basis for any unusual trends?

31. Are ordering, receiving and payment procedures properly segregated? [Document individuals involved with the process].

32. Are employees prohibited from making personal long distance phone calls using UTHSCSA authorization codes?

33. Are telephone bills:

a. Reviewed on a monthly basis?

b. Is this review documented and long distance calls reviewed by supervision? [Observe recent month].

Billings and Accounts Receivable

34. Does the department prepare invoices for billing? [If so, complete Billing Section of Internal controls Questionnaire.]

35. What types of revenue and volume does the department bill for? What project ids are utilized to record revenues from billings?

36. Is there an adequate segregation of duties over invoice processing, payment processing and reconciliation's functions?

37. Are all fees charged for services supported by proper documentation?

38. Are the accounts receivable account promptly updated as payments are received?

39. Are accounts receivable aging reports prepared and reviewed on a periodic basis?

40. Is there a written policy for the write-off of bad debts and determining the allowance for doubtful accounts?

41. Is there an established follow-up and collection procedure for delinquent accounts?

42. Are the write-offs of uncollectible accounts approved at an appropriate level?

43. Are refunds approved at an appropriate level? Is documentation maintained to support all refunds?

Petty Cash/Gift Cards

44. Does the department have a petty cash fund/gift cards? Is this fund/gift cards used to reimburse research testing recipients?
45. Does the amount of cash on hand plus purchase receipts equal the authorized petty cash fund amount?
46. Are overages and shortages reported? Have there been any problems with the petty cash fund?
47. Is there appropriate physical security of the petty cash fund/gift cards (locked, limited access, etc.)?
48. Are reimbursements properly authorized and reviewed at the appropriate level?

EQUIPMENT PROCEDURES
Equipment Inventory
49. Has any department experienced any unresolved disappearances of assets, theft or employee dishonesty during the last three years?
50. Who is in charge of performing a physical inventory of equipment?
51. Do departmental procedures ensure that all equipment taken off campus by departmental staff is authorized and properly signed out?
52. Does the department have an adequate process to update records when property is moved from one location to another?
53. How do departments report equipment that has been lost, missing or stolen?
54. Does the department have an adequate process to delete surplus or obsolete equipment from the department's inventory?
55. Does the department own or lease vehicles?

56. If so, does the department maintain a log of usage for each vehicle?

DATA\COMPUTER SECURITY

57. How are employees trained on computer policies and security?

58. How is access to departmental computers determined? Is approval at the appropriate level?

59. Is an employee's computer access terminated in a timely manner when an employee leaves the department?

60. Are passwords used to protect against unauthorized access to data maintained on departmental computers?

   a. Are passwords shared or otherwise known by other individuals?
   b. Are passwords periodically changed on PeopleSoft Financials?

61. Are critical computerized records backed-up routinely?
   a. Are backed-up records stored away from the original files in a secure location?

62. Are network servers physically secured from unauthorized access? Is the department administering their own server?

63. Does the department ensure data on hard drives is deleted prior to disposal of obsolete equipment?

64. Do campuses have computer labs for students? How are these computers physically secured?

PERSONNEL and PAYROLL PROCEDURES

Leave Administration\Payroll

65. Does the department have a mechanism or use a separate form to request, approve and record vacation leave, sick leave and other absences? [Observe].

66. Is the approval of time and attendance reports at the appropriate level?

67. Does the department adequately track leave taken to ensure all leave is properly recorded?

68. Is compensatory or equivalent time granted? If so,

    a. Has the time been approved in advance by an appropriate level?
    b. Is there a formal accounting of the time?
    c. Are employees required to use the time in a timely manner?

69. Does the department pay for Additional Services? If yes, what for and explain approval procedure.

70. Are any employees receiving paper paychecks rather than direct deposit?
    a. Who distributes/stores these paychecks?
    b. What other job duties does that person have?

71. What is the method of paying overtime or supplemental payments? Is the initiating, approving and distribution of payments/checks properly segregated (off-cycle payroll checks for example)?

72. Do payroll (including unclaimed payroll checks) and leave records have limited access and they are properly controlled?

Personnel File Maintenance

73. Is a personnel file maintained on each employee Is access to personnel records adequately restricted?

74. Are performance evaluations completed for all classified employees and faculty as required by institutional policy?
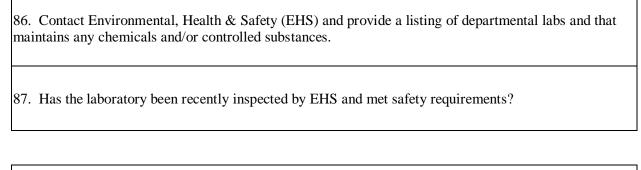
GRANTS

75. Does the department have any federal or state grants? [Make a list of grants and project ids where appropriate].

76. Are Principal Investigators (PI) responsible for determining allowability of expenditures in accordance with grant provisions?
77. Does the PI review the detailed grant account reconciliations?
78. Does the Chair or Administrator review the account reconciliations? Does the Chair monitor for any unusual spending trends at the end of the grant?
79. How does the department monitor salaries paid with federal grant funds to ensure compliance with federal salary caps?
80. Are time and effort reports are being completed in accordance with federal requirements?
81. Does the department have any procedures to ensure technical reports are prepared by P/Is in accordance with grant terms and conditions?

GRADE PROCESSING
82. Is information related to student courses (such as exams, grading keys, etc.) restricted from unauthorized access and kept adequately secured?
83. Is access to grade information safeguarded from unauthorized access? [Explain controls over automated data and hard copies.]
84. Is the release of grade information (posting or over telephone) appropriately controlled?
85. Are grades entered by the appropriate faculty in the Registrar's website?

CHEMICALS AND CONTROLLED
SUBSTANCES

86. Contact Environmental, Health & Safety (EHS) and provide a listing of departmental labs and that maintains any chemicals and/or controlled substances.

87. Has the laboratory been recently inspected by EHS and met safety requirements?

INVENTORIES

Inventories for Resale

88. Does the department have any inventories for resale? If yes, please describe.

89. Are inventories adequately protected from theft and unauthorized use?

90. Is a physical inventory of goods periodically performed and reconciled to the perpetual inventory records?

91. Are employees taking the inventory adequately trained for the task?

92. Are the duties of the employees taking the inventory separate from the custodial and record keeping functions?