This document should be used as a tool to verify that adequate internal controls are in place and operating as intended in your department. For each statement, the goal is to be able to check “YES” because you know that the control exists as stated. If you cannot check “YES” with certainty, this is an area that deserves your extra attention to ensure there is not an opportunity for fraud. If you are not sure or need help determining your status, please contact Management Advisory Services (MAS) at [mevans@af.umaryland.edu](mailto:mevans@af.umaryland.edu) or x6-5584.

| YES | NO |  |
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| **Payroll** | | |
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|  |  | All exempt, non-exempt, and hourly employees complete biweekly timesheets. |
|  |  | Faculty complete monthly timesheets and faculty leave records are maintained and updated regularly. |
|  |  | Employees who initiate time and leave entries do not also approve those entries. |
|  |  | Adjustments to regular pay are documented and approved by authorized personnel on the Payroll Adjustment Form. |
|  |  | The biweekly Payroll Register or Cost Center Report is run and employee pay (e.g., base salary, overtime, differential) and adjustments are verified. |
|  |  | Departmental paychecks are picked up, verified, and distributed by an employee independent of the payroll preparation and approval process. |
|  |  | Employees are removed from payroll in a timely manner after termination – including students/hourly and contingent I employees. |
|  |  | Any overpayments to employees are collected. |
|  |  | Payroll Clearing Accounts (PCAs) are monitored and cleared out in a timely manner. |
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| **Cash Receipts (includes cash, checks, money orders)** | | |
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|  |  | Collections are recorded and restrictively endorsed “for deposit only” immediately upon receipt. Obtain an authorized “for deposit only” stamp from Financial Services, Bursar’s Office. |
|  |  | There is an adequate separation of duties between the receipt, deposit, and verification functions. This **cannot** be completed with only one employee. |
|  |  | All deposits are made within one business day of receipt and deposits are secured until brought to the Cashier. |
|  |  | There is a timely, documented, independent verification of each deposit to ensure all receipts were deposited intact. |
|  |  | Data within eUMB/RAVEN is reviewed at least monthly to ensure deposits are properly reflected in departmental chart strings. |
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| **Accounts Receivable** | | |
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|  |  | Departments utilize SPAC (for contracts/grants) or Financial Services, Central Billing (for non-contracts/grants) to invoice sponsors/vendors and record the accounts receivable whenever possible. |
|  |  | Employees who receive collections do not also send out invoices and update the accounts receivable records. |
|  |  | Accounts receivable are pursued for collection, including dunning letters sent on 30 day intervals and accounts sent to the State Central Collection Unit (CCU) after 180 days unpaid. |
|  |  | Tuition and fees revenue posted is monitored to ensure student bills were set up accurately. |
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| **Procurement cards (P-card)** | | |
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|  |  | P-cards are only used by the cardholder and card numbers are **not** shared. |
|  |  | Only authorized purchases are made on the card. (Follow your normal department procedure for obtaining authorization.) |
|  |  | Gift cards are **not** purchased using the P-card. |
|  |  | Prior to purchasing, ensure the item to be purchased complies with State and University restrictions. (Note: Total purchase amount must be below $5,000, including shipping, handling, postage, freight, etc) |
|  |  | Purchases are not split (by one cardholder or between multiple cardholders) to avoid either the per transaction or monthly limits. |
|  |  | Vendors are advised that the University is tax exempt. (Certificate is available in Procurement Card Program User’s Guide on Procurement website) |
|  |  | The transaction log is properly completed by the cardholder **as purchases are made**. |
|  |  | A detailed receipt and/or packing slip is obtained for each purchase and maintained with the log. The receipt must identify what was purchased, the cost, that it was paid for using the VISA P-card, and it was delivered (if applicable) to UMB. |
|  |  | Cardholders reconcile the VISA memo statement to their transaction log, investigate and resolve any discrepancies, sign and date the log and statement, and provide all documentation to their Authorized Reviewer within 7 days of receipt of the statement. |
|  |  | Authorized Reviewers timely complete a review of all purchases to ensure the appropriateness of goods/services purchased, the completeness of the transaction log and supporting documentation, and the propriety of the chartstring(s) to which the transactions were allocated. Authorized Reviewers sign and date the transaction log and VISA statement. |
|  |  | Authorized Reviewers forward all documentation to the Verification Reviewer in a timely manner for further review. The Verification Reviewer ensures that both the Cardholder and Authorized Reviewer have signed the transaction log and VISA statement, and signs and dates the log. |
|  |  | If unsuccessful in obtaining all documentation from the Cardholder in a timely manner, the Authorized Reviewer or the Verification Reviewer notifies the Assistant Director, Business Development Programs in the Procurement Department. |
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| **Procurement/Accounts Payable** | | |
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|  |  | Purchase orders (PUR01) are obtained prior to purchasing goods or services. |
|  |  | Balances remaining on purchase orders are verified prior to making purchases. |
|  |  | Use of the e-Z Payment Form and PUR02 process is limited to the specific reasons allowed (i.e., honorarium, study participant payment, stipend, individual meal reimbursement, non-standard State procurements). A proper review and approval is conducted prior to submitting to AP. |
|  |  | Monthly, a person uninvolved in the purchasing and approving functions reconciles expenditures recorded in eUMB with supporting documentation. |
|  |  | The requisitioner and approver functions are separate. |
|  |  | Receiving is documented in a timely manner. |
|  |  | Invoices received by departments are immediately forwarded to AP. |
|  |  | Expenses are coded to the proper GL accounts for tax and F&A considerations. |
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| **Equipment** | | |
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|  |  | Department has a designated inventory custodian. |
|  |  | Custodian is knowledgeable with regard to the inventory control guidelines. |
|  |  | Capital Equipment added, transferred, disposed of or relocated is reported to Financial Services - Capital Equipment Inventory. Forms are on Financial Services web site. |
|  |  | Department maintains an up-to-date listing of non-capital/sensitive equipment as required by Administration and Finance Policy No. 2132 *Non-Capital Equipment (Including Sensitive Equipment)*. |
|  |  | Physical inventories are taken at the required intervals and discrepancies are investigated and resolved. Documentation is retained for future audit verification. |
|  |  | There is an adequate separation of duties over the custody, recordkeeping, and inventorying functions. |
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| **Working Fund** | | |
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|  |  | Working fund requests and supporting documentation are properly reviewed and approved by the department fund custodian and department head prior to submitting. |
|  |  | The department fund custodian verifies that funds exist prior to approving a working fund request. |
|  |  | Working fund checks are used for their intended purpose or are returned to the working fund if not needed. |
|  |  | If working fund checks are cashed by a department, the cash is secured within the department until disbursed. Do not open an external bank account without prior approval of Financial Services. |
|  |  | If working fund checks are used to pay study participants, Administration and Finance Policy No. 3706 *Research Study Participant Payments* is followed. |
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| **IT** | | |
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|  |  | Passwords are not shared or posted for others to use. |
|  |  | Administrator access to critical systems is periodically reviewed for propriety. |
|  |  | When employees leave the department/University their system access is terminated. |
|  |  | CITS policies are consulted to ensure compliance (e.g., HIPAA requirements) |