



THE UNIVERSITY of
MISSISSIPPI

OFFICE OF INTERNAL AUDIT



August 2016
Newsletter

The Audit Perspective

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Self-Assessment

Self-assessment is a valuable tool to help identify internal control deficiencies and assist in departmental management and audit preparation. The self-assessment consists of a series of “yes” or “no” questions. “Yes” indicates adequate controls in an area, while “no” indicates control deficiencies. Additional control related information is provided below each question to aid in resolving control deficiencies. Links to relevant policies are also included for each section. The self-assessment can be accessed [here](#).

Cash Receipt Books

The Office of Printing and Creative Services is now printing and selling university cash receipt books. To order, please contact them at 662-915-7066 or printing@olemiss.edu.

The new cash receipt books have two-part (rather than three-part) cash receipts. Departments should provide the original cash receipt to the payer and the copy should be retained in the cash receipt book.

| | | | |
|---|--------------------------------|---|----------|
|  | | THE UNIVERSITY of MISSISSIPPI | 1192201 |
| Department _____ | Date _____ 20 _____ | \$ _____ | |
| Received of _____ | | | Dollars |
| For _____ | | | |
| <input type="checkbox"/> Cash | <input type="checkbox"/> Check | <input type="checkbox"/> Other | By _____ |

Documentation to Support Purchases

Backup documentation for all purchases processed through Procurement Services (including procurement card purchases) must include a clear business purpose. The department may retain this information in one of two ways:



1. Indicate a clear business purpose on the original document before sending to Procurement Services (i.e. business purpose will be retained in the permanent files in Procurement Services).
2. Indicate a clear business purpose on the department's copy of the purchase document (i.e. business purpose will be retained within the department). An alternative could also be to document the business purpose of each purchase on a spreadsheet to be maintained within the department.

Additionally, the business purpose for interdepartmental purchases (Aramark, Printing and Graphic Services, Inn at Ole Miss, etc.) should also be documented and maintained within the department. During an audit, we will ***frequently*** ask for documentation to support the business purpose of purchases.

Terminations Policy

It is the responsibility of the department chair or head to initiate papers for terminating employment of those members leaving the department; otherwise, persons leaving the University may receive salary checks after employment is terminated. In the event recovery of overpayment involves expenditures of funds or is impossible to accomplish, the ***department chair or head is financially liable for such overpayment.*** Terminations of all employees are submitted on HR Form 3. Please see the [Terminations Policy](#) for more information.

Terminal Interviews Policy

A number of situations may deem it necessary for an employee to finalize issues with their department or Human Resources. Examples could include returning university equipment, keys, gas cards and/or procurement cards, resolving petty cash custodianships, etc. Therefore, individuals are normally expected to be present at their duty station on their last day of employment. Please see the [Terminal Interviews Policy](#) for more information.



Employee Exit Checklist

The University's Employee Exit Checklist **must** be used consistently within departments. Specifically:



- [The Employee Exit Checklist](#) (located on the Human Resources website) **must** be completed anytime an employee separates employment from the University or transfers departments within the University.
- Completed checklists **must** be forwarded to Human Resources.
- A non-mandatory [Student Exit Checklist](#) is also available on the Human Resources website for departmental use. These should **not** be forwarded to Human Resources; however, should be retained within the department.
- Checklists help ensure that all appropriate actions are taken in a timely manner in the event of employee turnover.

Additionally, if there are items within your department that are not addressed on the Employee Exit Checklist and need to be considered when an employee separates employment, the department could create an “internal” Exit Checklist that could be used. Please see the [Terminal Interviews Policy](#) for more information.

Reminder: Don't forget to notify Accounting when a signatory officer separates employment!

Department Head Change- Inventory

Before a department head leaves the University or steps down as department head, he/she should contact the University Property Office and request a complete physical inventory prior to change in department head status so that discrepancies can be resolved.

When the new department head assumes control of the department, the University Property Office should be notified so a complete and current inventory list can be forwarded to the new department head. A physical audit will be completed and the new department head can accept responsibility for the departmental inventory. Please see the [Department Head Change- Inventory Policy](#) for more information.



Petty Cash Custodian Change



Anytime a petty cash custodian terminates from the University or transfers departments within the University, an audit must be requested by the custodian's supervisor to either change the custodian or close the account. This must be done prior to the employee leaving the University.

To change the custodian of a petty cash fund, the current custodian must notify Internal Audit of the intended change. Internal Audit must perform an audit of the petty cash fund before the custodian can be changed. Both the relinquishing custodian and accepting custodian must sign the change of custodian form at the time of the audit.

Internal Audit will forward a copy of the change form to the Accounting Office so that necessary changes can be made to university records. The Accounting Office may only change custodians with notification from Internal Audit that the fund has been reviewed. Accounting will send a confirmation letter to the accepting custodian detailing the custodian's responsibilities. A copy of the confirmation letter will then be forwarded to Internal Audit. Please see the [Petty Cash Policy](#) for more information.

Equipment Loan Forms

When a temporary loan of property between departments or to individuals is made (i.e. any time a piece of equipment leaves the department or is returned), an [Equipment Loan Form](#) must be completed and the original sent to the Property Office. This even includes when computers are sent to the IT Helpdesk for repair. A copy must be kept with the department since the department head is still held responsible for the item(s).



Loan forms are only valid for **one year** and must be renewed with the Property Office annually. Specifically, Equipment Loan Forms should be renewed one year from the date the loan form was actually signed. For example, if an employee submits an Equipment Loan Form for their work laptop to be taken home periodically for business use, their form is only valid for one year and must be renewed within one year of the date the form was signed by the employee.

When the property is returned to the loaning department by the borrower, a copy must be forwarded to the Property Office stating the location of the item(s) returned. Please see the [Temporary Loan- Inventory Policy](#) for more information.

Record Retention

For questions regarding document retention periods, please refer to the [Records Retention Policy](#); however, you may also find a listing of [commonly asked about retention periods](#) on our website.

Thanks

We hope you find the information in our newsletters useful. If you have any suggestions, questions, or feedback, please contact us at 662-915-7017 or auditing@olemiss.edu. Feel free to share our newsletters with those in your department you feel would benefit. You can also visit our [website](#) for more helpful information.