The Audit Perspective

Departments are required to reconcile their accounts (on a monthly basis). The Responsibilities of Signatory Officers Policy states, *"Each authorized signer is responsible for reviewing on a regular basis all account activity ... for accuracy, completeness, and compliance with University of Mississippi policies... The supporting documentation (preferably original) [should be] sufficient for subsequent audit review."* We understand that many times, departments do not receive invoices from vendors. So what documentation can a department review to adequately reconcile their account and to ensure they are charged correctly?

How to Locate Itemized Invoice Information in SAP

Vendors are instructed to send invoices directly to Procurement Services instead of to the department making the purchase. Therefore, the department may not have access to an itemized receipt/invoice related to the purchase. For example, when Procurement Services receives an invoice from a copier vendor for copier overages, the overage information is added to the purchase order (PO) in SAP as a separate line item. A payment would then be issued to the vendor. The change in the PO will also trigger a Purchase Notification Report (PNR) to be sent to the signatory officer. Once the signatory receives the PNR signaling that the PO has been changed, the signatory should research the changes in SAP by viewing the purchase order.

During the account reconciliation process, departments should review itemized charges placed on the PO by Procurement Services and reconcile this information to the agreement made with the vendor to ensure the department was charged accurately. In order for the department to review the itemized invoice details on the PO, departments can use SAP transaction ME23N (Display Purchase Order). The initial PO that will display will be the last PO reviewed. To change the PO displayed, go to the top of the page under the "Purchase Order" tab and click on the "Other Purchase Order" button. Type in the correct PO number and click on "Other Document" or press enter.

The PO will include all line items from the original PO issued to the vendor. Any additional line items on the PO should be the additions made by Procurement Services based on invoices they have received. Employees can view the item text for each line item and reconcile the

charges on the PO to the charges agreed to by the department. In order to view the text, click on "Texts" and change the line item using the arrows above the ribbon⬆⬇. If charges do not match what the department agreed to, contact the vendor as soon as possible as they may have charged the department incorrectly.

If the department is unsure of the PO number issued, they may utilize the Purchase Order Reports document provided during SAP Reports 1 (Work Order and Purchase Order Reports) SAP Workshop. To sign up for SAP training opportunities, visit the Training Workshops page. For assistance with viewing purchase orders, contact Procurement Services extension 7448.

Training with Internal Audit

Account Reconciliation
The Office of Internal Audit offers training on account reconciliation. A session is currently scheduled for November 4th from 11:00am – 12:00pm at the Law School, Room 1115. In this class, employees will learn how to perform monthly account reconciliations for revenue and expenditures (including payroll) in order to be compliant with the Responsibilities of Signatory Officers Policy. This class is designed for signatory officers as well as other employees who have been delegated the responsibility for reconciling departmental accounts. To register for upcoming sessions, go to our website.

Updated Policies

The UM Policy Directory is a great source of information for a new employee to explore. It is a central location for accessing University policies. The directory can be searched in many ways, such as by: administrative division, responsible office, people affected, keyword, last modified date, and free-form. Internal Audit prefers to use the free-form search because it allows the user to search on broader topics. Since our last newsletter, the below policies have been updated. We have summarized changes to the updated policies for your quick review below.

Supervision of Minors
- The policy clarifies that background checks for Authorized Adults must be *"initiated by the University."*
- Minors age 8 are allowed to participate in residential programs. Previously, the age limit was age 9.
- The minimum ratio of Authorized Adults to Minors was updated to include 8-year olds in the residential program section. University sponsored residential programs for minors requires one authorized adult for every 6 minors age 8 when not engaged in program activities.
- A 3-year record retention period was added to the policy. Program Directors must retain all program records noted in the policy for this period.
- The definition of a Minor was updated to clarify the term "enrolled" (admitted and enrolled in courses).

- Campus tours are not considered a Program.
- A Sample List for UPD and a Policy on Supervision of Minors Checklist was added to the policy.

Visitation and Overnight Guests (Student Housing)
- Guests will receive a visitor badge that must be in the possession of the guest for the duration of the visit and return the badge when the guest leaves.

Alcohol
- The University has authorized the sale of alcohol (beer and light wine) at certain SEC athletics events and other events/performances held at certain Ole Miss Athletics facilities.
- The sale of beer or light wine at any Ole Miss Athletics facility must comply with all applicable laws, regulations, SEC, IHL, and University policy.
- The SEC has imposed mandatory "stop times" for the sale and distribution of alcohol.
- Students, registered student organizations, and University faculty and staff who violate the policy are subject to University disciplinary action.

Breach Notification (HIPAA Policy: Privacy 03)
- The four factor risk assessment includes a) the nature and extent of the PHI involved, including the types of identifiers and the likelihood of re-identification; b) the unauthorized person who used the PHI or to whom the disclosure was made; c) whether the PHI was actually acquired or viewed; and d) The extent to which the risk of PHI has been mitigated.
- The term unsecured PHI means PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of technology or methodology specified by the HIPAA, as amended.
- For questions about the UM Breach Notification Policy or for more information, contact the UM Office of General Counsel.

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. For questions not addressed in the self-assessment, please feel free to contact us at 662-915-7017 or auditing@olemiss.edu.