Workshop Presenters

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Please ...

• Turn off cell phones.
• Avoid side conversations.
• Please ask questions as we go along.
• Sign the attendance roster.
• Complete the evaluation at the end of the workshop.
Workshop Objectives

• Learn about:
  • The most common internal control weaknesses.
  • Emerging internal control issues as identified in the most recent internal audits.
• Be able to apply a risk assessment methodology on current internal control activities within your unit.
Components of Internal Controls

• Control Environment
• Control Activities
• Risk Assessment
• Monitoring
• Information and Communication

* Operations * Financial * Compliance *
Most Common Control Weaknesses

• Segregation of duties
• Reconciliations
  – Completeness
  – Adequacy
  – Appropriate and competent staff
• Lack of management review / approval
• Adequate documentation supporting transactions and/or decisions
• Conflicts of Interest are not adequately identified and/or addressed
• Improperly documented or used delegations
• Self supporting activities not appropriately managed
Emerging Internal Control Issues

• Grants
  – Proper expenditures
  – Effort monitoring
  – Terminating appointments
  – Matching commitments

• Information Technology
  – Social Media
  – Governance
  – HR
  – Security

• Publicly disclosed or accreditation information

• Scholarships and admissions
  – Decisions
  – Committees

• P-Cards/T-Cards/I-buy
  – Un-reconciled
  – Validation and inventory of purchases
  – Segregation of duties

• Academic Hourly
What is Risk Assessment?

- Identification of risk factors
  - External factors
  - Internal factors
- Risk Analysis
  - Estimating the significance of the risk.
  - Estimating the likelihood of occurrence.
- Assessing options for controls
  - Differing types of controls
  - Resource availability
  - Cost / Benefit
Types of Controls

- **Preventative** – Stops something from happening.
- **Detective** – Finds out what happened, alerts you as it happens or shortly after.
- **Corrective** – Follow detective controls, recovery from consequences of an error or unexpected event.
- **Directive** – Tells people what should happen.
Risk Assessment

• Case Study Example

• Roles within a unit
  – Business Manager
  – Accountant I
  – Administrative Assistant
Workshop Summary

• Provided ways to be able to assess internal controls against:
  • The most common internal control weaknesses.
  • Emerging internal control issues as identified in the most recent internal audits.
• Presented an overview of the components of Internal Controls.
• Demonstrated a Risk Assessment Methodology Case Study
Questions / Concerns?