

### So, What's Your Job? Nell, I receipt and record deposits, write checks, reconcile all the bank accounts, run payroll, handle purchasing, and...

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## The Problems We Face Not enough staff Time for training Cost of implementation Cost of failing to implement Mitigating opportunity for misappropriation





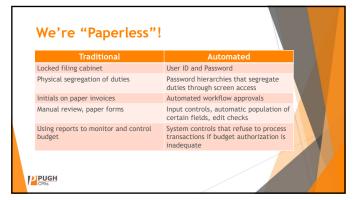
# Types of Controls Approvals and Authorizations Verifications Reconciliation Reviews of Performance Security of Assets Segregation of Duties Controls Over Information Systems

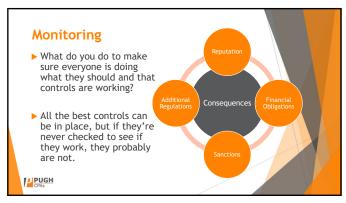




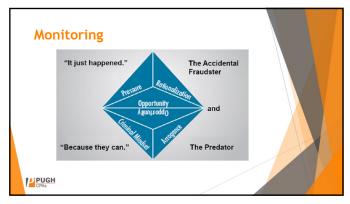


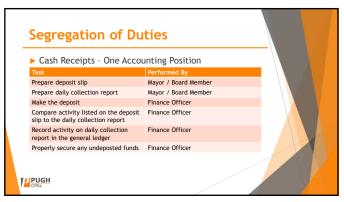


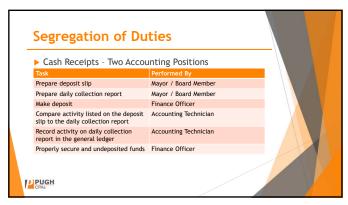


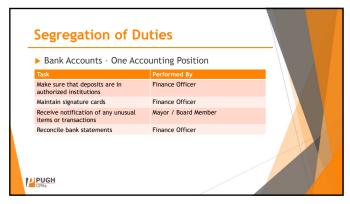


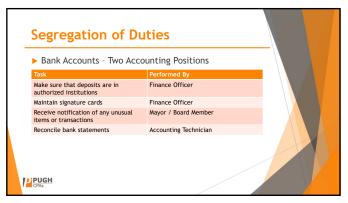


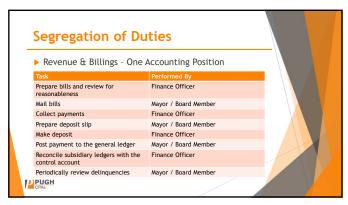


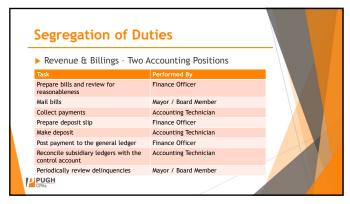


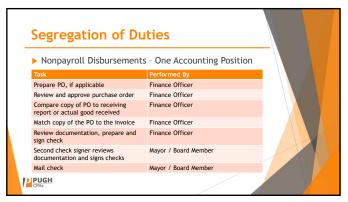


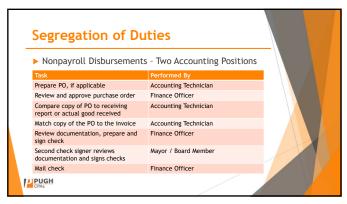


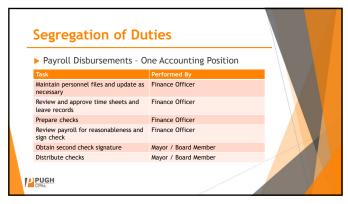


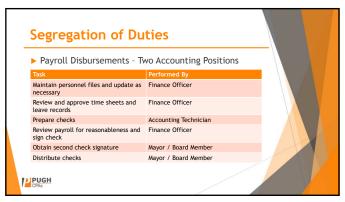
















## Best Practices ➤ Segregation of duties ➤ No one should control any process start to finish ➤ No one should approve their own expenditures ➤ Two people involved: an initiator and an approver ➤ Separate people should approve and record transaction ➤ Compensating controls







#### **Some Takeaways**

- ▶ Everyone is responsible for internal control.
- ▶ Protect employees and resources.
- ▶ Not everything suspicious is fraud, but every fraud is suspicious.
- ▶ Never accept "that's how we've always done it".
- ▶ Encourage employees to challenge the status quo.
- ▶ It's not just manuals and forms but people at every level.
- ▶ Don't manage risk in silos.

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#### **Sometimes We Forget**

- ► Systems change
- ► Technology changes
- ► People leave
- ▶ People retire
- ▶ New people need to be told
- ► Threats are real
- ► Criminals are real

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