Welcome...

The second edition of Inside Audit focuses on familiarizing the university community with the concept of internal controls. Everyone at the university has some level of responsibility for internal controls. Understanding risks and what controls can be put in place to mitigate them is an integral part of providing reasonable assurance that the university’s mission, vision and core values are met. The Internal Audit Department can assist you by examining the adequacy and effectiveness of controls and making recommendations for areas of improvement.

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Why Controls?????

Controls are simply Good Business Practices.

Preventive Controls...
- Keep undesirable events from occurring; e.g., segregation of duties, supervisory review.

Detective Controls...
- Identify events after they have occurred; e.g., exception reporting.

Corrective Controls...
- Cause corrective action to occur after an undesirable event happens: e.g., revising policies and procedures when weaknesses are identified.

You probably practice good controls everyday without thinking of them as such; e.g.,
- Locking your desk and office when you are not there
- Depositing cash receipts timely
- Keeping computer passwords secret
- Reviewing monthly department financial reports
- Reconciling assets to accounting records

Major Control activities include, but are not limited to the following:
- Separation of duties
- Documented and comprehensive policies and procedures
- Approval and authorization
- Limited access to assets
- Independent monitoring
- Individual accountability
- Periodic reconciliations

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Meet The Auditor

Ken Hubble has been the Director of Internal Audit at George Mason University for the last 13 years. One of Ken’s hobbies is hunting and anyone who visits his office will note that he is quite the marksman. He and his family reside in Fredericksburg, VA

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What Is An Internal Control?

Internal Control is a process designed to help an organization effectively and efficiently meet its objective, ensure assets are accounted for and properly safeguarded, provide reliable financial reports and management data, and ensure compliance with policies, laws, and regulations.

A system of controls reduces business risk, which is the probability that certain exposure will lead to loss or adverse business conditions.

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New University Policies

General Policies
- Policy 1124 University Owned Cellular Equipment
- Policy 1125 Identity Theft Prevention Program

Research Policies
- Policy 4012 Principal Investigators
- Policy 4013 Fixed Price Agreements

Planning an event? Regardless of size, remember to review Policy 1103.

All university policies are available for review at: http://www.gmu.edu/facstaff/policy/newpolicy/

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Ask Audit...

If you have a question about business practices, controls, fraud, computer security, or a related matter, call Ken Hubble, Director of Internal Audit, 703-993-3091 or email him at khubble@gmu.edu.

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The Lighter Side of Audit

If an auditor's wife cannot sleep what does she say? “Darling, tell me about your work.”

How do you drive an auditor completely insane? Tie her to a chair, stand in front of her and fold a road map the wrong way.

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Hotline Reminder

George Mason University employees have several ways to report fraud, waste and abuse: through the university’s own hotline 1-866-GMU-1706 or through the State hotline at 1-800-723-1615. Both numbers are toll free and anonymous. Employees can also contact Internal Audit directly at 703-993-3091.