

Maintaining Financial Compliance in a Remote Environment

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Today's Conversation

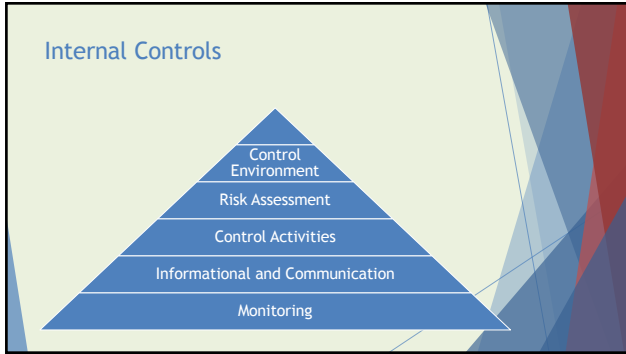
- ▶ What are internal controls and why are they important?
- ▶ Has the pandemic impacted the various components of internal controls on your campus?
- ▶ What should you anticipate for internal or external audits?

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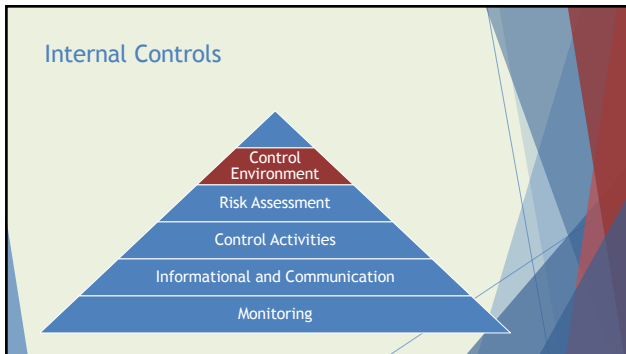
2 CFR § 200.303 - Internal controls

- ▶ The non-Federal entity must:
 - ▶ (a) Establish and maintain effective internal control
 - ▶ "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
 - ▶ (b) Comply with Federal statutes, regulations, and the terms and conditions
 - ▶ (c) Evaluate and monitor the non-Federal entity's compliance
 - ▶ (d) Take prompt action when instances of noncompliance are identified
 - ▶ (e) Take reasonable measures to safeguard PII and other information

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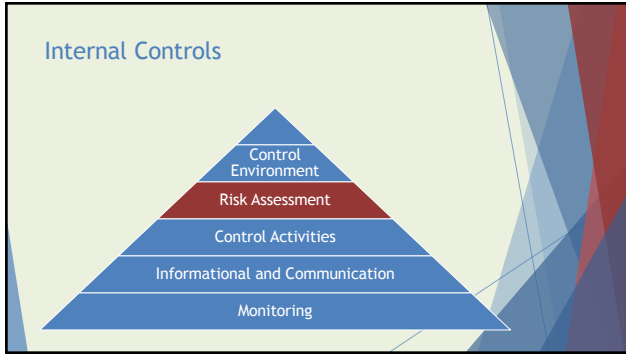
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Control Environment

► How has working remotely changed your control environment?



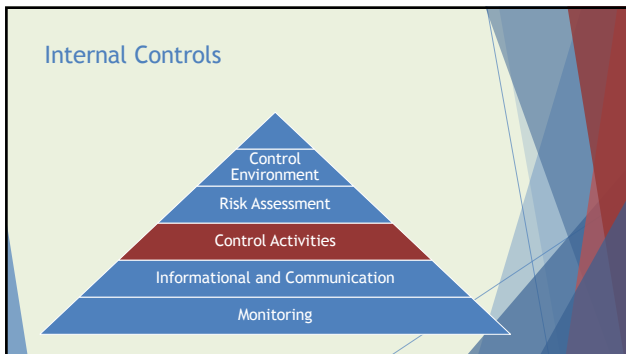
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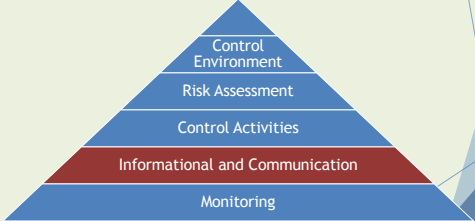
Control Activities

- ▶ Understanding a Process vs. Controls
 - ▶ Control activities may be preventative or detective



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Internal Controls



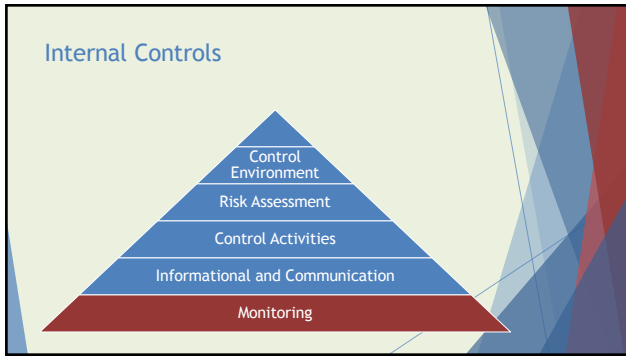
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Informational and Communication

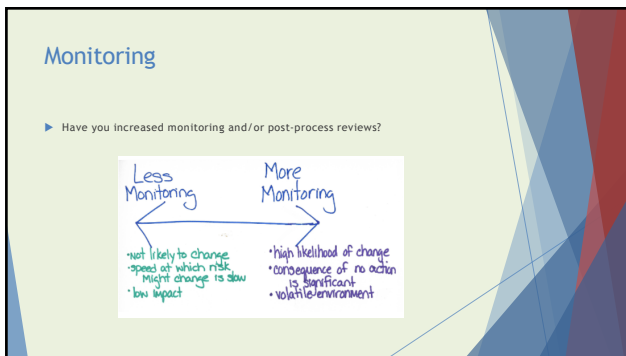
- ▶ How have changes been communicated across campus?



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Process Example: Cash Management

COSO Element	List of Controls
Control Environment	
Risk Assessment	
Control Activities	
Information and Communication	
Monitoring Activities	

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Preparing for Audits


- ▶ Remember audits will happen in the future
 - ▶ Proper documentation
 - ▶ Policy revisions
 - ▶ PI interviews
- ▶ Discuss with your Internal Auditors
- ▶ Seek guidance from 2 CFR Part 200, Appendix XI
 - ▶ Annual Compliance Supplement
 - ▶ Future Addendum for COVID-19 Provisions

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THANK YOU!

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