

**Wake Forest University  
Internal Control Questionnaire**

Department/Office: \_\_\_\_\_

Business Units/Organization #'s these answers pertain to: \_\_\_\_\_

Employee completing this ICQ: \_\_\_\_\_ Phone \_\_\_\_\_ Date \_\_\_\_\_

Certification signature: VP or Chair \_\_\_\_\_ (Printed)

Signature: \_\_\_\_\_ Phone \_\_\_\_\_ Date \_\_\_\_\_

<b>A. Governance</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>
1	Have you ever assessed the risks in your department?				
2	Do you actively monitor internal controls on a regular basis?				
3	Has your department had a breach of internal controls in the last 12 months? If yes, please elaborate.				
4	Do you think WFU has a strong control environment?				
<b>B. Accounts Receivable</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>
5	Does your area generate or handle funds owed to WFU (Accounts Receivable) even from employees? If no, skip this section. If yes, please explain and give a dollar estimate.				
6	How are the policies and procedures in your area documented? Please attach a current copy.				
7	Describe the Receivable internal controls in your area.				
8	What is the billing process to those who owe funds to WFU?				
9	How are the receipts actually received? (e.g. mail, window, internet, phone)				
10	How do you age your receivables?				
11	How do you notify people that their account is past due?				
12	How do you write-off accounts as uncollectible, if at all? What is the process for this procedure?				
13	Are there any areas of concern that you feel should be specifically reviewed?				
14	Please attach any documented procedures specific to your department for this section.				
15	Comments about this area?				
<b>C. Cash Receipts</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>
16	Does your area receive cash, check or credit card payments? If no, skip this section. If yes, please specify which of the three apply and explain the reasons.				
17	Is each check restrictively endorsed immediately upon receipt with a stamp provided by FAS?				
18	Do staff members responsible for handling cash and checks have the ability to record/post these transactions or reconcile deposits to postings? If yes, please describe these responsibilities.				
19	Are prenumbered receipts used to track collections?				
20	Are all unused prenumbered receipts accounted for and secured?				
21	Are receipts properly coded as revenue, refunds, gifts, etc.?				
22	What type of documentation is forwarded to the individual who reconciles the deposit amounts to Banner?				
23	Are deposits made in accordance to University policy (within 24 hours of receipt)? If no, how often are deposits made?				
24	Are cash receipts stored in a secure location with restricted access?				
25	How and where are deposits made (e.g., Wachovia bank, Cashier's window, etc.)?				

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26	Please describe how checks/cash are transferred between your office and the bank/cashier's window.				
27	Does your department sell goods?				
	Does your department collect sales tax on these goods?				
	If no, why not?				
	If yes, is it coded separately?				
	If yes, is it also collected from employee sales?				
	If yes, how are the amounts collected reported to Accounts Payable?				
28	If your department receives a gift or endowment, what is the process for recording, receipting, etc.?				
29	Please attach any documented procedures specific to your department for this section.				
30	Comments about this area?				
<b>D. Bank Accounts</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>
31	Does your department have its own bank account?				
	If no, skip this section. If yes, at which bank and what is the exact name of the account?				
32	Who has signatory authority over each account?				
33	Who has control over any wire account? What is the wire process?				
34	Is a second person required to approve disbursements over a certain amount?				
	If so, what is the amount?				
35	Is each account reconciled regularly?				
	If so, how often?				
	Who reconciles each account?				
36	Does the person preparing checks also approve them?				
	Does the person preparing checks also reconcile the bank account?				
37	Are unusual reconciling items investigated?				
	If so, who reconciles these items?				
38	Are checks outstanding for a certain amount of time investigated?				
	If so, what is this time frame?				
39	Who is involved in the escheat process?				
40	Please attach any documented procedures specific to your department for this section.				
41	Comments about this area?				
<b>E. Petty Cash</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>
42	Does your department have a petty cash fund or keep cash in the area?				
	If no, skip this section. If yes, was the fund approved by FAS?				
43	How much is normally maintained in the fund?				
44	Is there a specified custodian who is held accountable?				
45	Are contents properly secured (locked up) when not in use?				
46	Are loans to individuals prohibited?				
47	Is cashing of employee checks allowed?				
48	What documents are required to obtain a refund out of petty cash?				
49	Who is responsible for reconciling the petty cash fund?				
50	What is the process for having your petty cash fund replenished?				
51	Does someone other than the custodian review activity and count the funds?				
52	Please attach any documented procedures specific to your department for this section.				
53	Comments about this area?				

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<b>F. Procurement</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>
54	Are all purchases over \$1000 made on properly approved Purchase Orders?				
55	If a purchase order is to be utilized, does your department ever make purchases before the Purchasing Dept has been notified and a PO number has been issued?				
56	Who is involved in the following functions?				
	a. Placing orders with vendors?				
	b. Receiving?				
	c. Approving invoices or vouchers for payment?				
	d. Processing approved invoices or vouchers?				
57	Does your department lease any assets? Please explain.				
	If yes, who has responsibility for final purchasing decisions?				
58	Is a system of competitive bidding ever used?				
59	Is there a designated centralized receiving area for all incoming goods?				
60	Are receiving reports compared in detail with purchase orders and vouchers (or invoices)?				
61	Do procedures exist to ensure that all goods received are counted and examined by a person independent of the ordering and accounting functions and to ensure that the person receiving the goods documents the receipt and evidences his review of such?				
62	Is there a policy statement with regard to conflicts of interest, including employee-vendor relationships?				
63	Does the department have vendors that offer WFU discounts?				
64	How do you ensure these vendors are utilized?				
65	Are contracts and leases approved by all parties involved prior to the effective date of the contract?				
66	Does your department order hazardous materials?				
67	Please attach any documented procurement procedures that are specific to your department.				
68	Comments about this area?				
<b>G. Disbursements</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>
69	Do you make any payments that do <b>not</b> go through Accounts Payable (excluding University P-card)? If so, what are they?				
70	Do invoices for payment bear evidence of approval, with the correct organization number, account coding and correct number of signatures, in accordance with University policy?				
71	Are departmental staff submitting invoices to Accounts Payable to allow sufficient processing lead time to meet vendor payment deadlines?				
72	Are Banner reports reviewed for accuracy and coding of payments?				
73	After forwarding your invoices to Accounts Payable, how do you verify that expenses are accurately charged to your organization number?				
74	Who is authorized to approve payments in your department? Who approves the department Chair/VP expenses?				
75	What are the signature authority spending limits for each approver?				
76	Does any one employee authorize payments, record the transaction and also reconcile Banner reports without frequent monitoring by someone else?				
77	Who monitors your Budget versus Actual to ensure overages do not occur?				
78	Do you review/reconcile monthly charges for telephone equipment (cell charges)?				
79	Does your department have record retention guidelines or policies? If so, what are they?				
80	Does your department have a shadow system that somewhat duplicates enterprise systems (e.g. Banner)?				
81	Please attach any documented procedures specific to your department for this section.				

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82	Comments about this area?				
<b>H. Travel &amp; Entertainment</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>
83	Are all expense reimbursements approved by someone other than the individual incurring the expense or someone who reports to him/her?				
84	Do those with approval authority ever delegate use of their name/signature, including use of signature stamps or digitized signatures?				
85	Do those with approval authority review expenses to evaluate both reasonableness and the business purpose and its benefit to Wake Forest?				
86	Do those with approval authority verify that expenses are supported by adequate documentation as required by University policy (original receipts stating the amount, date, place and business purpose of the activity, the names of all individuals present and their business relationship to the University)?				
87	Do those with approval authority ensure that expenses are accurately coded to correct organization codes and account codes so that expenses are accurately reflected in budgetary reports and financial statements?				
88	Have those with approval authority encountered any 'irregular' or excessive expenses in the past 12 months?				
	If so, what actions were taken to address these?				
89	Has department management established any department-specific policies or guidelines relating to travel and entertainment or business meal expense reimbursement (such as spending limits for certain expenses or criteria to differentiate business from personal expense)? If so, please attach a copy or provide a URL link.				
90	Comments about this area?				
<b>I. International Travel</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>
91	Does anyone in the department ever travel internationally on University funds? If no, skip this section.				
92	Do international travelers in the department complete the International Travel Authorization form and obtain advance authorization for these expenses as required by University policy?				
93	Please attach any documented procedures specific to your department for this section.				
94	Comments about this area?				
<b>J. University Purchasing/Procurement Card (P-card)</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>
95	Has your department implemented the University P-Card program (MBNA Credit card)? If no, skip this section.				
96	Does the department manager approve spending limits for new cardholders and approve any permanent increases to those limits?				
97	Do cardholders in the department (or their designated "intermediate program administrators" or IPAs) review billing statements and provide a business purpose for expenses in compliance with the deadlines established?				
98	If cardholders have designated IPAs to help reconcile credit card statements to receipts and other supporting documentation, do cardholders provide clear and complete information on business purpose for each expense?				
99	Have transactions for purchases made using the University Card been approved each month by the authorized unit manager?				
100	Has department management been contacted in the past 12 months concerning problems with cardholder compliance with card program policies and procedures? If yes, generally describe the nature of those problems. If yes, what actions were taken to address these issues promptly?				
101	Please attach any documented procedures specific to your department for this section.				
102	Comments about this area?				
<b>K. Asset Management</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>

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103	Who in your department has responsibility for management of department assets?				
104	Are noncapitalized assets (below \$5000) inventoried/tracked ?				
105	Are assets properly identified and tagged?				
106	Is the physical location of all department assets, capitalized or not, known?				
107	Is there a subsidiary ledger of capitalized assets?				
	If so, does it agree to the general ledger control account?				
	How often is it reconciled?				
108	Are there periodic counts or physical verification of assets?				
	If so, how often does this occur?				
109	Are fixed assets insured?				
	If so, what is the amount of coverage?				
110	How are assets disposed, physically and accounting-wise?				
111	If assets are sold, is Purchasing or FAS notified?				
	What is the procedure?				
112	Are assets ever given or sold to employees?				
	If yes, please explain procedures.				
113	Are assets ever assigned to employees to take home?				
	If yes, please explain procedures.				
114	Does your department keep a file of asset warranties and service (owners) manuals?				
115	Please attach any documented procedures specific to your department for this section.				
116	Comments about this area?				
<b>L. Human Resources</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>
117	Upon hire of an applicant, are hiring documents completed, reviewed, and approved by HR?				
118	Does the department effectively communicate the University's HR policies and procedures, i.e., ADA, affirmative action, etc. to their employees?				
119	Are all employees current on required training? (e.g., safety training)				
120	Are all employees except Faculty hired through Human Resources?				
121	Can employees also be paid as independent contractors? Has this occurred in 2005 or 2006?				
122	When and how often are annual written performance evaluations completed?				
	Are they performed prior to or in conjunction with the salary review date?				
123	What procedures are in place to ensure that terminated employees return University property and settle obligations prior to departure?				
124	Does your department review export control limitations (info. given to Foreign Nationals) before or during employment?				
125	Do you notify Legal or Compliance when external auditors or regulators request information?				
126	Do you have any employees who seldom if ever take vacation?				
127	Do your employees know about the Compliance Hotline to report fraud, abuse, etc?				
128	Does your department use a type of confidentiality agreement that employees sign?				
129	Please attach any documented procedures specific to your department for this section.				
130	Comments about this area?				
<b>M. Independent Contractors</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>
131	Has your department used an independent contractor or consultant in 2005 or 2006?				
	If no, skip this section. If yes, please identify the nature of the assignment and the product and/or service performed.				

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132	Was there a written contract for each service?				
133	If the contract was greater than \$100,000, did Legal approve the contract?				
134	Were periodic payments made to the consultant or contractor during the course of the contract?				
135	If yes to above, what controls exist in the department to ensure that progress or services rendered was actually made/received as reflected in the invoice? Who is responsible?				
136	Are personnel involved with contracts required to complete an annual conflict of interest certification, including disclosure of financial or ownership interest?				
137	Are there any areas of concern that you feel like should be specifically reviewed?				
138	Please attach any documented procedures specific to your department for this section.				
139	Comments about this area?				
<b>N. Conflicts of Interest</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>
140	Do all faculty/staff in the department have a copy or have access to the University's policies regarding conflict of interest?				
141	Have all faculty completed (and are current on) submission of the Conflict of interest disclosure form?				
142	Do faculty/staff receive approval before undertaking any commitment that may conflict or appear to conflict with their WFU commitment?				
143	Have faculty/staff made purchases with vendors where there is a personal interest or reward?				
144	Have any faculty/staff received gifts or gratuities since 1-1-06?				
145	Is the department free of any situations where a staff or faculty member supervises or has significant control over the work or career of another staff member who is his/her relative or is someone with whom he/she shares a residence?				
146	Does your area have any contracts with external vendors? If yes, how is compliance with the contract terms monitored? Was a bidding process used?				
147	Please attach any documented procedures specific to your department for this section.				
148	Comments about this area?				
<b>O. Payroll</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>
149	Does an appropriate individual approve your area's payroll? Please give name.				
150	Who is the back-up approver?				
151	Are all employees (except Faculty) hired through Human Resources?				
152	Is any employee allowed to approve his/her own payroll?				
153	Are exempt employees' sick and vacation time (Personal Time Off) accurately tracked? What is this process?				
154	Are reconciliations of actual to budgeted payroll expense periodically performed?				
155	Are garnishment notices received by your area forwarded to Payroll timely?				
156	Is the NIH salary cap monitored for employees devoting substantial time to research or paid via grants?				
157	Are any employees not paid entirely from the payroll department? (e.g. gratuities)				
158	Does your department pay comp. time?				
159	Please attach any documented procedures specific to your department for this section.				
160	Comments about this area?				
<b>P. SPONSORED (Grants Awards) ACCOUNTING</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>
161	Does your area have grants from which WFU receives funds or assets? If no, skip this section. If yes, what are they?				
162	EQUIPMENT - Who has authority to approve the purchase of equipment charged to grants?				

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	Are bids sought if necessary? (e.g. major equipment purchases)?				
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163	Is equipment purchased with grant funds periodically inventoried by Financial and Accounting Services or your department? If you have an inventory list, please forward it with this ICQ.				
164	Has equipment purchased with grant funds been sold or given away?				
165	ALLOWABILITY - Are the expenses approved by appropriate personnel and properly documented per the grant requirements? Are all costs actual, not estimated or budgeted, before draw down of Federal funds?				
166	Do any of your grants include provisions for cost sharing, level of effort, earmarking, or any other special restrictions?				
167	Are Time/Effort percentages certified timely by an individual with first hand knowledge?				
168	Are cost transfers adequately explained? Are they properly documented? Are grant budgets reviewed on a regular basis?				
169	Are FSR's, Progress Reports, and invention statements submitted timely (90 days from close date of the award)?				
170	Are grant progress reports prepared by the Principal Investigator timely during the life of the grant?				
171	Are periodic comparisons done for Effort % between payroll, certifications, progress reports, and award documents?				
172	Comments about this area?				
<b>Q. Information Management &amp; Technology</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>
173	Has your department conducted a risk assessment or taken steps to identify confidential, sensitive or critical information used and maintained within the department which might be at risk for inappropriate disclosure, modification, destruction or misuse (accidental or intentional)?				
174	What policies or procedures are in place to ensure that confidential, sensitive or critical information created or maintained by the department (both paper and electronic) is maintained and disposed of in a secure manner?				
175	Has the department established policies to control the release of information about students and/or other University constituents such as parents, alumni, prospects, etc.? If yes, please attach a copy If yes, have all employees in the department been educated about these policies?				
176	Has the department taken steps to reduce and restrict use of social security numbers and related personal information as needed to comply with the NC Identity Theft Protection Act of 2005? If yes, please describe these measures.				
177	Does the department process or maintain credit card information? If yes, describe the steps taken to ensure that access to credit card information is tightly restricted. (Recent credit card industry standards require STRINGENT controls to protect this information.)				
178	Do employees in your department know what to do (whom to notify or report to) if a situation occurs where the security of confidential or sensitive information may have been inadvertently or intentionally compromised (to ensure that a thorough investigation and notification to any affected parties occurs)? If this procedure is documented, please attach a copy. Otherwise, please describe				
179	To your knowledge have any such 'incidents' or potential exposures occurred in the past 12 months? If yes, how were these handled?				
180	Do employees or managers share passwords for University or departmental information resources?				
181	Are all desktop and laptop computers in the department protected by regularly updated virus protection and security updates?				
182	Are contractors or other non-University personnel asked to sign confidentiality agreements if they have access to confidential information?				
183	Has the department identified and prioritized its critical functions and processes and developed contingency plans for maintaining high priority operations in the event of information systems outages, both short and long term?				

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184	Is a process in place to manage the purchase and installation of computer software (other than software provided and supported by Information Systems) to ensure that software packages are licensed for each current user?				
185	Are system 'timeouts', password-protected screensavers or some other protective measure in place to prevent access to computer resources by unauthorized persons when someone is away from his desk for a while?				
186	Have staff and management been alerted to the risks (theft or loss) associated with mobile devices such as laptops, PDA's, USB drives, etc. and educated on how better to secure these resources?				
187	Has the department taken steps to restrict storage of confidential information on portable devices, or to protect stored data through encryption or other means?				
188	Do you have any comments or concerns about the department's responsibilities relating to information management and security?				
189	Comments about this area?				
<b>Complete this section if the department has data 'ownership' for some part of the University's Banner system and its associated reporting databases, or other central University information resources. If you do NOT, skip this section.</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>
190	Has the department established security rules to govern access to 'owned' functions and data, and associate access levels with different job roles?				
191	Is access to information and data restricted to what a person requires to do his job function?				
192	Is a standard authorization process in place for granting access to functions and data 'owned' by the department? If documented, please provide a copy. Otherwise, describe the process.				
193	Is a procedure in place to periodically (at least annually) review accounts and roles which have access to department-owned functions or data in the system? If yes, when did this last occur?				
194	Do you have comments or concerns about your department's responsibilities relating to shared University information systems?				
195	Comments about this area?				
<b>Complete this section if your department (either internally or through a contracted vendor) maintains its own central computer systems or multi-user 'servers'. If you do NOT, skip this</b>		<b>YES</b>	<b>NO</b>	<b>N/A</b>	<b>Comments Separate page</b>
196	Is a person with an appropriate level of expertise in system information technologies assigned responsibility for technical support of the system(s), including system maintenance and security? If yes, please identify the responsible party.				
197	Does this person have a trained 'backup' to manage the system in his/her absence?				
198	Is access to systems restricted based on the functional needs of the system user?				
199	Describe the procedure for authorizing access to the system(s), including how that authorization is documented.				
200	Is a process for creation, modification and termination (disabling or deletion) of user accounts defined, documented and adhered to?				
201	Is each system configured to provide accountability for user activity in the system? A yes answer requires that 1) each user is assigned a unique user account and password <b>and</b> 2) the system maintains logs or audit trails of user activity in the system.				
202	Is each system configured to require passwords which are not easily guessed, require periodic password changes, and lock out accounts after several failed login attempts?				
203	Are safeguards in place to protect each system from malicious software such as viruses, worms, 'root kits' or similar unauthorized modifications which could compromise the confidentiality, integrity and availability of the system and its data? If yes, describe.				
204	Have backup and recovery plans been implemented, documented and <u>tested</u> to ensure that systems and data are backed up regularly and can be restored timely in the event of system failure or damage from a disaster?				
205	Where are backups stored?				
	Is this a secure location remote from the system, to reduce the risk they are damaged by the same disaster?				

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206	Describe how systems are physically secured and protected from environmental hazards such as excessive heat, cold, moisture and electrical disruptions				
207	Does the system manager (or responsible vendor) ensure that system updates, security patches, virus protection, etc are installed and <b>regularly</b> updated to reduce system vulnerabilities?				
208	If the system contains confidential or sensitive information, does someone monitor the system and its logs to detect actual and attempted attacks or intrusions?				
209	Have procedures been implemented to control programmatic changes to the system to ensure that significant changes are planned, tested and approved prior to implementation, and that changes are documented. Is implementation of changes controlled by segregation of duties or supervisory oversight to reduce the likelihood of unauthorized changes?				
210	If outside vendors or contractors support and maintain your information systems, does someone in the department have responsibility for actively managing that vendor relationship?				
211	Is a current contract in place which specifically addresses vendor responsibility for maintaining the confidentiality and security of University information?				
212	Do you have any questions or concerns about your department's responsibilities for security and control for its systems?				
213	Comments about this area?				