



Procedure Title: Procedures for Segregation of Duties

I. Procedure Purpose

The following procedures outline implementing internal controls, segregation of duties, to protect university assets.

II. Procedure Definitions

A. Authorization

“Authorization,” in this procedure, means the process of reviewing and approving transactions or operations.

B. Custody

“Custody,” in this procedure, means having access to or control over institutional assets such as data, inventory, or cash.

C. Recordkeeping

“Recordkeeping,” in this procedure, means the process of creating and maintaining records of revenues, expenditures, inventories, and personnel transactions. These may be manual records or records maintained in an automated system.

D. Reconciliation

“Reconciliation,” in this procedure, means verifying the processing or recording of transactions to ensure that all transactions are valid, properly authorized, and properly recorded on a timely basis. This includes following up on any differences or discrepancies.

E. Segregation of Duties

“Segregation of Duties,” in this procedure, means separating business functions and defining authority and responsibility with a fundamental premise that one individual should not have control over more than one function.

F. Custodian

“Custodian,” in this procedure, means the employee responsible for data, operational processes, or physical inventory with statutory or operational authority for establishing criteria for the asset’s creation, collection, processing, dissemination, or disposal.

G. Unit Administrator

“Unit Administrator,” in this procedure, means an individual with supervisory responsibilities over a unit and custodian(s).

III. Procedure Process

- A. Segregation of duties is equally applicable in all areas of operation, including but not limited to financial transactions and operational processes. Specifically, the Custodian will not assign or define job duties that grant an employee the ability to complete more than one of the following functions:

1. Authorization
2. Custody
3. Recordkeeping
4. Reconciliation

B. The Unit Administrator, the Custodian's supervisor, will review access to system processes for overlapping duties and impermissible access annually.

IV. Revision History

Procedure Contact:	Assoc VP, Budget & Analytics
Date:	09/15/2022
Dept(s) Involved:	Budget & Analytics
Revision(s):	-