



NORTHWESTERN
UNIVERSITY

A Guide to Internal Controls Office for Audit and Advisory Services

Intended Audience:

Staff and faculty that handle functions related to cash, purchasing, payroll, cost monitoring, capital equipment, information systems, sponsored programs, and tax matters.

Summary of Workshop Content:

This session, made up of a speaker presentation and group activities, will increase your knowledge of internal controls by:

- Describing key elements of a strong control environment and their importance
- Identifying how key control concepts can be applied to the administrative processes
- Discussing ways to evaluate if adequate internal controls are in place in your area
- Identifying whom to contact with questions and/or concerns about business operations

Benefits of the Workshop:

You will be provided with a tool to assess the risks in your own control environment. In addition, this course will assist you in understanding the importance of a sound control environment which contributes to reliable financial records and reporting, compliance with laws/regulations, and safeguarding of University assets.

Workshop Length:

The session is three hours long.

Upcoming Sessions:

February 10, 2010: 9:00 am - 12:00 pm, Evanston Campus, Norris Center, Room 202

Registration Information:

To register online for a scheduled course, go to the Human Resources Development website at <http://www.northwestern.edu/hr/training/business.html#operations> or contact the Office for Auditing and Advisory Services, Carmen Tyler at (847) 491-3304 or email her at c-tyler@northwestern.edu



Workshop Focus and Features:

Definition of Internal Controls

Internal controls represent a process, designed by an organization's people, to provide reasonable assurance in the following categories:

- Effectiveness and efficiency of operations
- Reliability of financial records and reporting
- Compliance with laws and regulations

Components of Internal Control

Internal control consists of five interrelated components derived from operations and administrative processes as follows:

- Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring

Business Processes to be Addressed

The components of internal controls are explained for the following business processes, which are part of the operations of most NU departments:

- Cash, Revenues, and Petty Cash
- Purchasing and Disbursements
- Budget Reconciliation
- Information Technology
- Sponsored Program Accounting
- Payroll and Personnel
- Equipment, Safety, and Security
- Information Technology