

Fiscal Stewardship Policy Revision
(Renamed from Internal Controls)
Summary of Changes Effective January 7, 2021

Current [Internal Controls](#) policy.

Summary of Substantive Changes

- Updates the policy statement.
- Adds sections on:
 - Accountability (Policy Details I, p. 1).
 - Leader and manager commitment to stewardship values (Policy Details II, p. 2)
 - Contract/agreement requirements (Procedure III, pp. 3-4).
 - Annual sub-certification (Procedure IV, p. 4).
 - Tracking exceptions to university policies issued by Business and Finance (Procedure IX, p. 5).
 - Policy waivers (Procedure X, p. 5) and policy violations (Procedure XI, p. 5).
- Adds requirements for a financial internal control structure (Policy Details IV.B.2, IV.D-F, p. 2).
- Adds procedural requirements for a financial internal control structure (Procedure I.A.1, I.B.5, I.B.7, p. 3).
- Requires use of the Standard Delegation of Signature Authority Structure (SDSAS) (Procedure II.A., p. 3) and that deviations from the SDSAS be approved through the waiver process (Procedure II.A.1, p. 3).

Individual Substantive Changes

Policy (Page 1)

- Policy statement adds an emphasis on protecting financial resources with wisdom and discipline; inspiring ethical and prudent decision making; displaying courage and speaking out on unethical or illegal behavior; and embracing the highest standards of fiscal stewardship and accountability (Policy, p. 1).

Definitions (Pages 1)

- Adds new definitions: business purpose, exception, requestor, senior fiscal officer, unit, unit leader, waiver (Definitions, p 1).

Policy Details (Pages 1-2)

- Relocates procedural content from Policy Details to Procedure, ensuring consistency with the University Policy [Template](#) (Procedure, pp. 3-5).
- Adds a new section on **Accountability** (Policy Details I, pp. 1-2).
- Adds a new section on **Leader and Manager Commitment to Stewardship Values** (Policy Details II, p. 2).

Decentralization

- Each unit leader and senior fiscal officer must provide leadership in all fiscal areas, encouraging fiscal stewardship at all levels and through all unit functions, and encouraging that all parties comply with all university policies (Policy Details III.C, p. 2).
- Adds that the unit leader and senior fiscal officer must take proactive and corrective steps to ensure that:
 - Requestors are held accountable for transactions requested (Policy Details III.D.1, p. 2).
 - Approvers are held accountable for transactions approved (Policy Details III.D.2, p. 2).
 - Agreements that bind the university to an outside party receive appropriate review (Policy Details III.D.3, p. 2).

Requirements for a Financial Control Structure

- Adds that the unit leader and senior fiscal officer are responsible for the establishment and maintenance of the financial internal control structure (Policy Details IV.A, p. 2), including:
 - Individuals cannot approve financial transactions involving themselves, *their family members*, nor those of individuals to whom they report. (Policy Details IV.B.2, p. 2).
 - Review and assessment of financial statements, reconciliations, adjustments to financials, financial performance, and fiscal stability must occur on a monthly basis (Policy Details IV.C, p. 2).
 - Transactions must be reviewed for Fiscal appropriateness, budgetary concerns, and accounting treatment (Policy Details IV.D.2, p. 2).
- University resources must be protected against theft, loss, unauthorized use and improper disposition (Policy Details IV.E, p. 2).
- Required training is completed (Policy Details IV.F, p. 2).
- Individuals have the requisite knowledge and skill sets to perform assigned functions (Policy Details IV.G, p. 2).

Procedure (Pages 3-5)

Financial Internal Control Structure

- Requires that units use the [Internal Control Structure Template](#) as a guide to establish their internal control structure and that the senior fiscal officer facilitate the annual review and approval process (Procedure I.A.1, p. 3).
- Adds a requirement for a process for follow up/corrective action for intentional and accidental policy violations (Procedure I.B.5, p. 3).
- Adds a requirement for notation of areas in which the unit deviates from standard policies, processes, or systems (Procedure I.B.7, p. 3).

Delegation of Signature Authority

- Adds the requirement that each unit use the [Standard Delegation of Signature Authority Structure](#) (SDSAS) and that deviations from the SDSAS must be approved through the [Business and Finance Policy Waiver Request](#) (Procedure II.A, p. 3).
- Adds a section on ***Contract/Agreement Requirements*** (Procedure III, pp. 3-4).
- Adds a section on ***Annual Sub-Certification*** (Procedure IV, p. 4).

Roles and Responsibilities: Standard Language for Position Descriptions

- Specifies that the senior human resource professional (SHRP) is responsible to ensure that required language is in the specified position descriptions (Procedure V.A, p. 4).
- Updates the language that must be inserted in dean/VP/SFO position descriptions (Procedure V.B-C, p. 4).

Organization Structure Regarding Governance

- States that each senior fiscal officer has a dotted line to the senior vice president of financial operations (Procedure VI.C, p. 4).

Compliance

- Adds that individuals are expected to adhere to the [Ohio Ethics Law](#) (Procedure VII.B, p. 4).

Monitoring and Oversight

- Adds that unit and department management must supervise personnel with fiscal duties and responsibilities and engage in other monitoring activities to ensure the reliability of accounting and/or operational controls, including providing regular feedback on errors, inconsistencies, and omissions in the application of procedures. Such feedback should be given verbally and in written form throughout the year and summarized in the annual performance evaluation (Procedure VIII.A.3, p. 5).

Tracking Exceptions to University Policies Issued by Business and Finance

- Adds requirements for tracking exceptions (violations) to university policies issued by the Office of Business and Finance (Procedure IX, p. 5).
- Adds that the senior fiscal officer must acknowledge, address, and document errors on a monthly basis, with special attention to repetitive errors, and ensure that supervisors are holding individuals accountable (Procedure IX.C, p. 5).
- Adds the [Business and Finance University Policy Waiver Request](#) process for university policies issued by the Office of Business and Finance (Procedure X, p. 5).
- Adds a section on policy violations (Procedure XI, p. 5).

Responsibilities (Pages 5-6)

- Updates the table to reflect the responsibilities of offices or positions as required by the policy.

Resources (Page 6)

- Lists all resources referred to in the policy.

Contacts (Pages 7)

- Lists all offices referred to in the policy and their contact information.