

IACA's Mission

Institute Audit, Compliance & Advisement promotes a strong internal control environment by objectively and independently assessing risks and controls; evaluating business processes for efficiency, effectiveness, and compliance; providing management advisory services; and offering training to the university community. We focus on preserving the resources of the university for use by our students as they prepare for successful careers in a global society.

Inside This Issue	Page
Ask the Auditor	2
Inform RIT	3
Training Opportunities Provided by IACA	4
Word on the Street	5
RIT Ethics Hotline	5
Pop Quiz Challenge	6



“I’ve won the lottery, so I won’t be in today....or ever again.”

(Or alternatively, The Importance of Documented Processes and Procedures from a Departmental Perspective)

Ok, so this perhaps is a long shot (but, not impossible, I hope!); however, employee absence and turnover are not long shots. They happen every day and result in short-term or long-term periods of transition. Departments have often worked long and hard to develop processes that are well controlled, efficient and effective; the processes work great when the key process owners are there to execute them. However, when those individuals are suddenly not able to perform their given duties, chaos can erupt; determining what needs to be done, when it needs to be done, how it should be done, and who should do it can be a daunting task – all at a time when your staffing resources have been reduced. Good controls and efficiencies are often lost during these frantic times.

So what can you do to help mitigate the challenges that accompany employee absence and turnover? Well, the single most effective measure you can take is to have all of your critical operational processes well documented. These are essentially “how to” documents. They need to be adequately detailed to ensure that someone with limited or no knowledge can complete the task satisfactorily. Components of documented procedures should include a calendar or checklist of what needs to be completed and when – daily, weekly, monthly, quarterly, semi-annually and/or annually. Also, if there are specific dates or days when these tasks are to be performed, that information should be included as well. Once the various tasks are identified, the next step is to set about thoroughly documenting how to perform them. These should be step-by-step directions which would also include the computer applications used and the applicable contact information for key contacts involved in the processes.

The best time to create this documentation is when you have an experienced individual performing the tasks; they are best positioned to create a thorough and detailed document. However, that doesn’t mean that this is the only time procedures can be documented. If nothing exists previously, the person

“I’ve won the lottery”...

(continued from p. 1)

learning the job should be tasked with documenting the procedures as they learn them. In both cases, supervisors should review the documents to ensure that the processes are documented accurately and appropriately.

Periodic review (i.e., at least annually) by the key process owners along with their supervisors should occur to ensure the accuracy of the published documents, identify possible gaps between established procedure and practice (either correct the procedure document or amend the practice), and look for efficiencies/redundancies. Upon completion of this exercise, the documents should be amended as necessary and noted as being “updated” as of the review date.

Employee absence and turnover is inevitable and a normal part of business. However, the disruption that accompanies it doesn’t have to be part of the routine. To foster smooth transition periods and to ensure continuity of controls during times of employee vacancies/turnover/absences, document your processes and procedures. Start today – because you never know when you might win the lottery!

~~ Contributed by Wendy Roy
IACA Senior Internal Auditor

Ask the Auditor

Question:

If my department is audited and the auditor finds something wrong, what happens?

Answer:

First of all, don’t feel bad about the auditor identifying an error or a situation of non-compliance. An audit is an opportunity for improvement. An audit verifies things that are being done right as well as areas where improvement will help the department meet its objectives by tightening internal controls.

When the auditor identifies something that requires correction, he/she will write up what is called an audit issue. The issue document will provide the following information: observation (what the auditor identified); risk statement (why the observation is a problem); and a recommendation on how to correct the issue that was observed. Then, department management will create a corrective action plan (which may be the same as the auditors’ recommendation) and provide an implementation date. After corrective action has occurred, the auditor will perform a brief follow-up verification procedure and the issue will be closed.

- Ask the Auditor -

Submit a question
to the IACA webpage
[http://finweb.rit.edu/
iaca/forms/ask/](http://finweb.rit.edu/iaca/forms/ask/)
by January 26, 2012.
If your question is
chosen for publication in
our newsletter, you will
receive a prize
valued at \$15.

Inform RIT is a recurring column provided by the RIT Information Security Office. The column highlights current issues and initiatives that impact the RIT community. In this issue, we'll talk about the status and next steps of the Private Information Management Initiative (PIMI).



INFORMATION
SECURITY

What's PIMI?

The Private Information Management Initiative (PIMI) is a multi-phase program whose intent is to ensure that RIT disposes of unneeded Private Information securely and retains only the Private Information needed to support essential business processes. Because of the rise in Identity Theft, breaches of Private Information have drawn increased public scrutiny and federal and state regulations govern its protection and provide notification requirements in the event of a breach. Our goal is to have no unnecessary private information remaining on personal computers or devices, in email, or in hard copy format. If it is stored anywhere other than servers (i.e., desktops, laptops, mobile devices, email, or portable media), it must be authorized by the divisional VP and encrypted.

What's happened so far?

PIMI kicked off in January 2011 with the initial deployment of Identity Finder software on Windows computers. The Identity Finder software identifies potential matches for Private Information and presents the information in a report that allows you to remediate the information. The deployment has continued through the calendar year by division and college and the software has been deployed on most Windows computers used by faculty and staff.

As of November 21, 2011, Identity Finder software had conducted more than 27,000 searches on almost 3,200 Windows computers. More than 1,600 of those computers contained probable matches for Private Information. Since January 2011, Identity Finder has identified more than 13 million probable matches.

What's next?

Windows:

PIMI will be wrapping up Identity Finder deployment to and remediation of the remaining Windows computers. We're identifying any gaps and working with representatives of the colleges and divisions to eliminate unnecessary Private Information and relocate necessary Private Information to servers.

Mac:

PIMI will deploy the Identity Finder software to Mac computers by division and college beginning in winter quarter. The Mac software will have the same basic functionality as the Windows software, allowing users to shred, scrub, or ignore matches. However, the software will not scan email on Macs, so each user will need to remediate Private Information found there manually.

"I believe in evidence. I believe in observation, measurement, and reasoning, confirmed by independent observers.

I'll believe anything, no matter how wild and ridiculous, if there is evidence for it.

The wilder and more ridiculous something is, however, the firmer and more solid the evidence will have to be."

- Isaac Asimov,
scientist and writer
(1920-1992)

(continued on p. 4)

Document Destruction Days:

Although we usually think of Private Information as being stored digitally, Private Information in other formats can also be used to facilitate identity theft. Non-digital information is also subject to federal and state regulations. Document Destruction Days will be designated by each college and division for employees to ensure that they're not retaining unneeded Private Information in formats not located on computers and the network. These formats could include "hard-copy" materials, disks, CD/DVDs, video tapes, and any other type of storage media.

For more information about the Private Information Management Initiative or if you have any other questions about Information Security at RIT, visit the RIT Information Security Webpage at <http://security.rit.edu>, contact us at infosec@rit.edu, or call 585-475-4123.

~~ Contributed by Ben Woelk
Policy and Awareness Analyst
Information Security Office

Training Opportunities Provided by IACA

IACA's Internal Controls and Fraud in the Workplace class is two and one half hours in length and is required to receive the RIT Accounting Practices, Procedures and Protocol Certificate of Completion. However, anyone interested in learning about internal controls and fraud prevention is welcome to attend.

To learn more about these important topics, sign up for IACA's Internal Controls and Fraud in the Workplace class at the CPD website:

<http://finweb.rit.edu/cpd/leadership/internalcontrolsandfraud.html>

Upcoming Sessions:

January 17, 2012 1:30 - 4:00 pm 2140 Louise Slaughter Hall	April 4, 2012 9:00 - 11:30 am 2140 Louise Slaughter Hall	July 17, 2012 9:00 - 11:30 am 2140 Louise Slaughter Hall
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During the week of March 7th, 2011 we had the pleasure to welcome Steve Morse and Nancy Nasca from the Institute Audit, Compliance and Advisement group to ACMT in Dubrovnik. The purpose of their visit was an internal audit of the operations of the college. Although any internal review process has the potential to cause some anxiety, I can honestly say that it was a most enjoyable experience for all of us who were involved with the audit. From all of our contacts prior to the visit, as well as during and after the audit, it was very pleasant to work with Steve and Nancy.

Both Steve and Nancy very much embrace a partnership approach when conducting the review. The staff at the college felt very comfortable with them right from the first day of their visit, and an open and easy flowing dialogue was established. It was also appreciated by everyone involved that they didn't hesitate to recommend changes in operating procedures on the spot, versus waiting for the final report, which allowed us to implement better practices while they were here. The other thing that I was particularly impressed with was their understanding of the uniqueness of ACMT, this being that the college is a wholly-owned American non-profit through the RIT Global Delivery Corp, and that it is also a Croatian non-profit institute of higher education. This dual structure creates unique operating procedures and reporting requirements, and Steve and Nancy recognized these differences and came up with excellent recommendations which addressed the two sets of parameters.

In my prior corporate life in both the food industry and financial services, I underwent numerous internal reviews. I can truly say that the recent experience with the RIT Institute Audit, Compliance and Advisement team was one of the most professional and helpful. I truly look forward to welcoming them back to Croatia, and I look forward to our continued working relationship.

~~ Contributed by Donald Hudspeth
President & Dean
RIT's American College of Management and Technology, Croatia

What about ethics in the workplace?

**To learn more about
RIT's Code of Conduct and the RIT Ethics Hotline,
check out <http://finweb.rit.edu/svp/ethics/>**

Pop Quiz Challenge

Take the Pop Quiz Challenge! Correctly answer the question below and you will be entered in a drawing to win a prize valued at \$15. One lucky winner will be chosen randomly and notified by email.



Institute Audit, Compliance & Advisement
Achieving Excellence Through Collaboration

IACA TEAM:

Steven M. Morse '86, CPA
assistant vice president
475-7943

Patrick M. Didas '90, CPA, CFE, CCA
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475-6826

Wendy J. Roy, CPA
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Nancy A. Nasca, CPA, CIA
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475-5293

Elisa M. Cockburn, CPA, CISA
senior internal auditor
475-7849

Christine M. VanHemel
staff & audit assistant
475-7647

Grace G. Denny
co-op student internal auditor
475-4318

Question:

How often do employees of RIT need to complete an RIT Individual Conflict of Interest and Commitment questionnaire?

- A. Upon hire
- B. Annually
- C. Whenever circumstances change that might give rise to an actual or potential conflict
- D. All of the above

Post your answer to our Quiz webpage at:

<https://finweb.rit.edu/iaca/forms/quiz/>

The winner's name and answer will be included in the Winter '12 Quaestor Quarterly Newsletter.

Congratulations to Tracey Melville from the Wallace Library for correctly answering the Summer issue's Pop Quiz question.

The question and the correct answer was:

Which internal control term listed below is defined as: *The development of policies and the performance of procedures designed to ensure that the steps necessary to address risks which may prevent the organization from reaching its objectives are carried out.*

- A. Control Environment
- B. Risk Assessment
- C. Control Activities
- D. Information and Communication
- E. Monitoring

