REVIEW OF INTERNAL CONTROLS OVER THE PAYMENT PROCESS AND REQUIRED AREAS

This template should be used to conduct an evaluation of your campus' internal controls over the payment process, including including grant contract payments, for the 2024 certification. For each control objective, perform the related control tests to determine the adequacy of controls at your campus. The review template is divided into the following key control objectives:

REVIEW OF INTERNAL CONTROLS OVER THE PAYMENT PROCESS

I. Voucher Authorizer

II.A. System Access Controls

II.B.Controls over Regular Voucher Payments

II.C. Controls Over Travel Related Payments

REVIEW OF INTERNAL CONTROLS OVER GRANT CONTRACT PAYMENTS

Summarize any identified weaknesses in the last column, as well as the proposed corrective action (implementation, monitoring steps, dates, etc., as determined) or compensating controls (either in existence or need to be implemented) to address these weaknesses. Any material exceptions identified throughout this review should be documented and discussed with campus management.

Upon completion of this evaluation, please document the adequacy of your campus' internal controls on the attached certification form, as well as any noted weaknesses identified and planned corrective actions or compensating controls. We request that the certification be signed by your campus President and submitted to Joseph Carbone at sunyiccert@sysadm.suny.edu in the University Controller's Office on or before March 29, 2024.

REVIEW OF INTERNAL CONTROLS OVER THE PAYMENT PROCESS		
Control Activities	Control Tests	Results of Testing: Include Corrective Action Plan (implementation, monitoring steps, dates, etc., as determined) or Compensating Control for Weakness Identified
I. Voucher Authorizer		
A. Campus (Business Office) ensures voucher payments are properly authorized and has a process for the designation of voucher authorizer(s). At a minimum, documentation that includes the names of current Voucher Authorizer(s) and the Campus President's (or designee, if applicable) signature approval, must be maintained.	Review the Campus process for designating campus voucher authorizer(s). Obtain the most recent documentation and determine that the listed voucher authorizer(s) are current and includes the signature approval of the Campus President (or designee).	
Note: Voucher authorizers are individuals authorized to certify or approve vouchers or expense reports as just, true and correct and, therefore, appropriate to pay. The agency (Campus) head (President) grants this voucher certification authority; however, they may also identify a designee(s) who can grant voucher certification authority.		
Reference Documents:		
OSC GFO: Section XII.4.B Certification of Vouchers		
II.A. System Access Controls		
A. Campus ensures appropriate, secure access (including user access and role/permission assignments) for the procure to pay process in the SUNY Financial Management System (FMS) and/or third-party system (e.g., Jaggaer) are maintained and has a process that includes:	Review any relevant campus policies and/or procedures over user access and role/permission assignments. Discuss with the Campus Security Administrator (CSA) whether any policy and/or procedural changes have occurred over the past year. Obtain a listing of SUNY FMS (**See SUNY BI Reporting TAB**) and/or third-party system users and their role/permission assignments from the CSA and documentation pertaining to the addition or deletion of user assignments for a sample of users within the past year (e.g., e-mail requests from management, user request form, etc.) and assess whether:	

Control Activities	Control Tests	Results of Testing: Include Corrective Action Plan (implementation, monitoring steps, dates, etc., as determined) or Compensating Control for Weakness Identified
(1) Adding, changing and deleting user access privileges in the SUNY FMS and/or third-party system (e.g., Jaggaer) in a timely manner, based on changes in the user employment status, and documented with applicable approvals.	(1) Changes to user access privileges are performed in a timely manner.	
(2) Assigning user roles/permissions based on current job function.	(2) User assigned roles/permissions for the procure to pay process (e.g., Procurement, receiving, and accounts payable) align with their job functions.	
(3) Segregating user roles/permissions (to the extent possible) relating to vendor registration, procurement, receiving, and accounts payable to ensure any single user does not have the ability to perform all processes. Note: Vendor registration is performed by the user within the State Finance System (SFS).	(3) User permissions are (to the extent possible) adequately segregated. NYF_AGY_AP_VENDR_REQUESTOR (Request that new vendors be added. The actual entry of the vendor into the SFS is performed by OSC's Vendor Management Unit.) FIN_REQ (Create/Change a requisition in the FMS) FIN_PO (Create/Change a purchase order in the FMS) FIN_CONTRACT (Create/Change a contract in the FMS) FIN_RECV_ITEM (Create an item receipt in the FMS) FIN_STD_VOUCHER (Create a standard voucher in the FMS) If not, verify compensating control(s) are in place (e.g., A Campus Voucher Authorizer performs an independent review and authorization of created/processed voucher payments).	
(4) Ensuring individual(s) who certify/approve voucher payments (i.e., Voucher Authorizer) do not have the ability to certify/approve a voucher they creator/processor in the FMS and/or a third-party system (e.g., Jaggaer).	(4) Individual(s) who certify and approve voucher payments (Voucher Authorizer) do not have the ability to certify/approve a voucher they creator/processor.	

Reference Documents:

Control Activities	Control Tests	Results of Testing: Include Corrective Action Plan (implementation, monitoring steps, dates, etc., as determined) or Compensating Control for Weakness Identified
OSC GFO: Section XI.A.1.A Separation of Duties		
II.B. Controls over Regular Voucher Payments		
B. Campus has adequate controls in place for the purchasing, receiving, and payment of goods or services, including (but not limited to) the following:	Review campus policies and procedures for the purchasing, receiving, and payment of goods or services. Obtain a list of current year voucher payments (**See SUNY BI Reporting TAB**) and select a judgmental sample of vouchers to verify the following:	
(1) Purchases are made for the best possible price in accordance with NYS order of purchasing priority. a. Preferred source b. OGS centralized contracts c. SUNY-wide established contracts d. Open Market	(1) Reasonableness of price and justification of vendor selection were documented.	
(2) Purchase Requisitions and Purchase Orders are completed (when required) and approved prior to receipt of goods or services.	(2) Purchase Requisition and Purchase Order were completed (when required) and approved prior to receipt of goods or services.	
(3) Purchases are received in accordance with the terms and conditions of the purchase agreement.	(3) Vendor's invoice agrees to the purchase order, contract (if applicable) and receiving documentation.	
(4) Purchases are received prior to payment processing.	(4) Acknowledged receipt by the end-user department and/or central receiving was provided prior to payment processing.	
(5) Purchases are supported with sufficient documentation as to the services rendered or goods received, and the business purpose.	(5) Business purpose is evident in nature (e.g., various office supplies) or documented with a business purpose/need for the goods or services.	
(6) Voucher authorizer is not the voucher creator/processor.	(6) Employee who created/processed the voucher was not the voucher authorizer.	

Control Activities	Control Tests	Results of Testing: Include Corrective Action Plan (implementation, monitoring steps, dates, etc., as determined) or Compensating Control for Weakness Identified
(7) Identify and Perform (as deemed necessary) any other control step(s) in your campus review over the payment process to help ensure internal controls are adequate, working as intended, and comply with any applicable State/SUNY/Campus policies.		

Reference Documents:

SUNY Procedure #7553: Purchasing and Contracting (Section II.A-C.)

II.C. Controls Over Travel Related Payments

Please Note: Campuses have the ability to determine whether a Review of Controls Over Travel Related Payments is required or not based upon their own internal risk assessment and professional judgement. Risk factors may include, but are not limited to, the total amount of employee travel compared to previous years (Has there been a significant increase?), prior year reviews of travel and the results of such reviews, changes and/or turnover in travel administration personnel.

C. Campus (Business Office) ensures authorized travel is in the best interest of the State, which includes travel expense payments (travel vouchers) are fully completed and include all required supporting documentation, and has a process that includes verifying:	Review any relevant campus policies, procedures, and training materials (e.g., travel card) over the travel voucher payment process. Discuss whether any policy and/or procedural changes over the campus process have occured within the year. Verify control activities are working as intended by obtaining a listing of current year travel voucher payments (**See SUNY BI Reporting TAB**) and select a judgmental sample to test the following:	
(1) Individual(s) who certify and approve travel voucher payments (Voucher Authorizer) are not the same individual(s) who process/input the payment data into FMS (either directly and/or via a third-party system) for submission to OSC.	(1) The employee who processed the voucher is not the voucher authorizer.	

Control Activities	Control Tests	Results of Testing: Include Corrective Action Plan (implementation, monitoring steps, dates, etc., as determined) or Compensating Control for Weakness Identified
(2) Travel vouchers are appropriately approved and submitted in a timely manner to the Business Office for payment processing.	(2) Travel vouchers were approved with the appropriate signatures (i.e., employee's supervisor) and submitted within a timely manner.	
(3) The traveler claimed expenses that are actual, reasonable and necessary, and incurred on official state business. Receipts and additional items (e.g., agendas or meeting schedules) are attached as back-up.	(3) Travel vouchers include only those expenses the employee incurred, or is entitled to receive, while conducting official State business. The reason for the travel is documented and additional items, such as agendas or meeting schedules, are attached when necessary to serve as evidence of the business purpose of the trip.	
(4) The traveler used the most economical method of travel.	(4) Transportation expenses (e.g., airline, train, bus, and rental car) are appropriate and the most economical. For instances where the most economical method is not used, a justification is attached.	
(5) Reimbursement for personal car mileage is properly documented, reasonable, has been calculated using the correct federal reimbursement rate, and does not exceed the cost of a rental or fleet vehicle plus gasoline costs.	(5) Mileage reimbursement was calculated using the federal reimbursement rate, cost effective, and appears reasonable based on the locations of travel.	
(6) Per diem meal allowances and lodging rates are appropriate. Travel pre-approvals are obtained when required (e.g., exceed allowable per diem/lodging rates).	(6) Per diem meal allowances and lodging rates are appropriate based on the date, time and destination of travel. Approval to exceed allowable per diem/hotel rates was obtained prior to travel.	
(7) Travel card charges related to the trip have been reconciled. If necessary, the traveler reimbursed any monies owed to the Campus.	(7) Travel card charges related to the trip are listed on the travel voucher and have been reconciled to supporting documentation and the monthly travel card statement. If the traveler inappropriately used the travel card for expenses they were not entitled to receive, ensure those expenses were deducted on the voucher and the traveler reimbursed the Campus in a timely manner.	

Control Activities	Control Tests	Results of Testing: Include Corrective Action Plan (implementation, monitoring steps, dates, etc., as determined) or Compensating Control for Weakness Identified
(8) Any exceptions to OSC/SUNY travel rules are documented and authorized by an appropriate campus official (e.g., reimbursement that exceeds the per diem rates, out of state travel, etc.).	(8) For any exceptions noted, verify there is a documented justification as well as an appropriate approval.	

OSC Travel Manual
OSC Guidance: Travel Expense Documentation

REVIEW OF INTERNAL CONTROLS OVER GRANT CONTRACT PAYMENTS		
Control Activities	Control Tests	Results of Testing: Include Corrective Action Plan (implementation, monitoring steps, dates, etc., as determined) or Compensating Control for Weakness Identified
Campus (Business Office) ensures expenses claimed were in accordance with the terms and conditions of the grant contract and has a process that includes verifying the following (where applicable):	Obtain a list of current campus grant contracts (**See SUNY BI Reporting TAB to identify Campus contracts**) and a subsequent list of any paid grant contract payments. Select a representative sample of grant payments made during the review period and obtain a copy of the grant contract to perform the following controls tests (as determined):	
(1) Expenditures are in accordance with the approved budget.	(1) The aggregate amount of the approved budget (including any amendments), the vouchers, and summaries of expenditures report(s) (as available) reconcile to each other. i. Any category variances are within contractually allowable percentages or have an approved budget modification.	

Control Activities	Control Tests	Results of Testing: Include Corrective Action Plan (implementation, monitoring steps, dates, etc., as determined) or Compensating Control for Weakness Identified
(2) Goods or services purchased are supported with sufficient documentation as to the business purpose and were received or provided in accordance with the terms and conditions of the grant contract (e.g., invoice, work orders, time sheets, reports, agreements, sign in sheets, certifications, etc.).	(2) Verify that sufficient, appropriate documentation supports each expense claimed.	
(3) Staff claimed is in accordance with grant requirements.	(3) Determine if the titles paid for and the number of staff working on the program is in line with the titles and number of positions approved in the contract.	
(4) Use of subcontractors or consultants complies with grant requirements.	(4) If subcontractors or consultants are included in the contract, obtain copies of agreements between the grantee and the subcontractor/consultant to identify any specific requirements and determine if the subcontract is compliant with contract specifications. For example, an agency may require prior approval for a transaction over a certain limit or require the grantee to obtain three or more bids for the procurement record.	
(5) Grantee complies with lease/rental agreements, if any.	(5) If a lease/rental agreement exists, obtain copies of the lease/rental agreement and determine if the grantee is compliant with contract specifications.	
(6) Expenses claimed for reimbursement are charged at actual cost, net of applicable credits.	(6) Review the vendor invoices by recalculating unit cost and quantities. Check any quotes to ensure the quoted prices were billed.	

Control Activities	Control Tests	Results of Testing: Include Corrective Action Plan (implementation, monitoring steps, dates, etc., as determined) or Compensating Control for Weakness Identified
(7) If the grantee has multiple programs, ensure expenses for the program in review are accurately charged to the correct program.	(7) If the grantee has multiple programs, obtain and review the grantee's allocation methodology to ensure expenses for the program in review are accurately charged to the correct program. i. Ask the grantee how multiple programs are distinguished from one another in the accounting records. Often there is a unique code associated with each program. ii. In reviewing documents, ensure that the proper program code is being used consistently throughout the claim's supporting documents. Agencies should question all exceptions.	
(8) Ensure travel costs are appropriate.	(8) Review the grant contract to determine what costs are allowable for travel reimbursement. Some grants may require grantees to abide by the allowable rates posted by OSC, while others may use other guidelines. i. For grant contracts that require travel reimbursement consistent with New York State policy, review documentation to determine if claimed travel costs are within the maximum allowable rates for mileage, lodging, meals, etc. and specifically relate to the purpose and objectives of the grant program. Also, ensure that costs claimed were actually incurred and paid. ii. For transportation costs related to event participants or clients, obtain corroborating evidence (e.g., transportation invoices, attendance sign-in sheets) to ensure actual costs are reimbursed and the target population was served.	

Control Activities	Control Tests	Results of Testing: Include Corrective Action Plan (implementation, monitoring steps, dates, etc., as determined) or Compensating Control for Weakness Identified
(7) Identify and Perform (as deemed necessary) any other control step(s) in your campus review over the grant contract payment process. OSC Assessment Program: OSC Assessment Program.docx		

Campuses should use the various SUNY Business Intelligence (BI) Dashboard reports (and applicable State resources) to assist with testing and sampling. Individuals should contact their Campus Security Administrators (CSA) to request access to the following Dashboards.

SUNY Business Intelligence (BI)

For data to identify SUNY Campus FMS users and role/permission assignments:
  o Select **Identity Access Management** in Dashboard dropdown.
  o Select **User Permissions by Campus** Dashboard.
      The user may select a campus to view all of the permissions assigned to users on the selected campus. Campus Users may only view permissions on their own Campus.
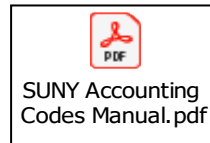
For data to identify Campus contracts:
  o Select **Procurement** in Dashboard dropdown.
  o Select **Contract Summary** Dashboard.

      This page displays summary data of Contracts, with the ability to drill into the Contract Number to detailed Version information. Selections are provided by Campus, Account, Cost Center, Fiscal Year, Contract Number, SFS PO Number, Created By, Document Status, Vendor Name, SFS Vendor ID, PSP Method, Created Date Range, Begin Date Range, End Date Range, Subobject Range, Object, Detailed Object, Sub Fund Group and Reporting Levels.

      o Specific to identifying **Grant Contracts**, upon running your campus contract summary listing, perform a search within the listing by Batch Type Code: EGG.
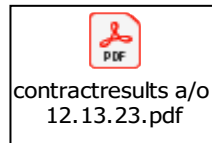
          EGG   EDSS - Grant Contracts (Grants) - Grant contracts and amendments related to grant contracts submitted for OSC approval

          Reference: Pg. 4 of the following manual.

SUNY Accounting Codes Manual.pdf

      o SUNY/Campus Grant Contracts can also be identified by using State Resouces as well:
          Open Book New York

contractresults a/o 12.13.23.pdf

For data to identify paid vouchers:
  o Select **Voucher Inquiry** in Dashboard dropdown.
  o Select **Standard Voucher** Dashboard.

This page allows the user to view Standard Vouchers by various selections. Selections are provided by Campus, Account, Cost Center, Fiscal Year, Cost Center Month Desc, Document Status, Payment Type, Document Type, Voucher Number, SFS Voucher Number, Contract Number, Purchase Order Number, SUNY Only Req Number, Invoice Number, Payee Name 1, SFS Vendor ID, Discretionary Indicator, Create Date, Check Date, Check Number, Created By, IRS Code, OSC Route Code, Subobject, Object, Detailed Object, Sub Fund Group, Expenditure Fund Code, Voucher Amount Range and Reporting Levels.

- o Specific to identifying any **Grant Payments tied to applicable Grant Contracts**, perform a search using the applicable Contract Number.

For data to identify paid travel vouchers:
- o Select **Voucher Inquiry** in Dashboard dropdown.
- o Select **Employee Reimbursement** Dashboard.

This page allows the user to view Employee Reimbursement vouchers by various selections. Selections are provided by Campus, Account, Cost Center, Fiscal Year, Cost Center Month Desc, Voucher Number, SFS Voucher Number, Document Status, Payment Type, Payee Print Name, NYS Employee ID, Destination State, Business Purpose, Expense Description, Create Date, Check Date, Check Number, Created By, IRS Code, Subobject, Object, Detailed Object, Sub Fund Group, Expenditure Fund Code, Voucher Amount Range and Reporting Levels.

INTERNAL CONTROLS OVER THE PAYMENT PROCESS
ANNUAL CERTIFICATION FORM

Campus Name

Campus Contact   **Title**

Email Address   **Telephone #**

In accordance with Title 2, Chapter I, Part 6.6 of the New York Codes, Rules and Regulations, I hereby certify that the campus' internal controls over the payment process to support the validity of campus claim certification for processing payments is:

☐

    Satisfactory (i.e., the campus has established controls and has determined controls are working as intended).

☐ Satisfactory with weaknesses (i.e., the campus established controls; however, the campus has identified some weaknesses).

☐

    Unsatisfactory (i.e., the campus has not established controls or has identified significant control weaknesses).

The campus identified how it will address control weaknesses as follows:

Control Area/Objective	Control Weaknesses Identified	Corrective Action Plan (implementation, monitoring steps, dates, etc., as determined) or Compensating Control for Weakness Identified

☐ By checking this box, I certify the campus assessed the adequacy of controls over the Voucher Authorizer Designation process. In addition, the campus verified the individuals having the ability to approve vouchers and expense reports for submission to the Comptroller's Office on my behalf (i.e., Voucher Authorizers) have been appropriately authorized in a manner consistent with the following statement:

In accordance with Section 110 of the State Finance Law, vouchers are certified or approved by myself or my designee(s) for submission to the Comptroller for audit. I may authorize one or more officers or employees to make such designations. I hereby authorize the _____ (Include Designee(s) Title if applicable, if not leave blank or include No Change) to designate other agency personnel who may certify or approve vouchers on my behalf (i.e., Voucher Authorizers). I authorize the Campus Security Administrator (or equivalent) to assign the appropriate role in the Statewide Financial System or our financial management system, where applicable, to those designated as Voucher Authorizers.

Signature of Campus President   **Date**