



Purchase College

STATE UNIVERSITY OF NEW YORK

Internal Control Program

~ Intro to Internal Controls ~

What they are, what they do, and why we need them...

2023 ~ 2024

Internal Control Program

Internal Controls Defined

As communicated by the State of New York, Internal Controls are the processes effected by an entity's board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting, and compliance.

Simply put, Internal Controls are the checks and balances that support the mission of the College.

The Purpose of Internal Controls

- 1) Promote effective and efficient operations consistent with the mission of the College.
- 2) Safeguard assets and resources against loss due to waste, mismanagement, errors, abuse, theft, and fraud.
- 3) Ensure accuracy and reliability of financial and operating data.
- 4) Ensure compliance with the policies and procedures of Purchase College as well as all SUNY, New York State, and Federal Laws and Regulations.
- 5) Establish standards of performance detailing the expectations of employees.

Examples of Internal Controls

- Segregation of duties within key units and between functions (e.g., purchasing and accounts payable)
- Authorizations and approvals of activities and/or transactions (e.g., food service, travel, purchasing)
- Reconciliations of monthly statements, such as bank and procurement card statements
- Inventory management to track assets owned by the College
- Maintaining documentation to verify a decision or transaction (e.g., time and attendance records, vendor invoices/receipts)
- Building access controls, such as an access control system, ID access cards, and locked doors

Internal Control Program

Who is responsible for the Internal Control Program?

We are all responsible for the Internal Control Program here at Purchase College. From the senior administration and division heads to department managers, staff, and outside vendors, every member of the College has a role in maintaining an effective system of internal control.

College senior leadership is responsible for a positive internal control environment that supports strong governance, ethical values, integrity, competence, morale, and structure. They set expectations for internal controls and monitor the activities of major divisions with an emphasis on achieving goals.

Division heads and department managers ensure employees have the necessary skills, knowledge, and training. They establish and update policies and procedures that relate to their functional area as well as develop and maintain policies and procedures that are to be followed in performing job functions to ensure accuracy and efficiency.

Staff and even outside vendors play an equally vital role in the Internal Control Program. The staff and outside vendors must successfully fulfill the duties and responsibilities established in their job description. They need to monitor their work to ensure it is done properly and that errors, if any, are corrected promptly. They are required to adhere to all applicable policies and procedures. Most importantly, the staff must report breakdowns in internal control systems to their supervisor, manager, or directly to the College Internal Control Officer.

What can you do?

- Look for opportunities to reduce waste and improve efficiencies.
- Secure offices or workspaces and any valuable assets when not in use.
- Do not share or post user IDs and passwords.
- Keep documents containing confidential or sensitive data in secure files.
- Maintain a risk aware perspective.



Internal Control Program

The Role of the Internal Control Officer

The Internal Control Program provides for a formal process of evaluating the effectiveness of our major functional areas and systems as well as their control mechanisms. Where gaps or non-effective controls exist, they are identified and addressed within a reasonable time frame. The Internal Control Officer (ICO) at Purchase College is responsible for the administration of our Internal Control Program. The role of the ICO consists of the following:

- Coordinating internal control activities with management and staff
- Ensuring compliance with the NY State Internal Control Act
- Providing education and training on Internal Controls to all staff
- Evaluating the adequacy of internal controls over key areas of operation through risk assessments and internal control reviews
- Managing the Purchase College Fraud Hotline

Questions or Concerns...

We are all responsible for creating and maintaining a strong, effective control environment and a culture of risk awareness. **This includes asking questions if you're not sure what to do and raising concerns if you see something you don't think is right.** Timely communication of your question or concern can prevent something small from becoming more problematic.

Please raise your question or concern to one of the following:

- Your Supervisor
- The Internal Control Officer
Darrell Perkins (914-251-6016 or internal.control@purchase.edu)
- Purchase College Fraud Hotline
Voicemail: 914-251-6060
Email: compliance.reportfraud@purchase.edu
- SUNY System Fraud Hotline
Voicemail: 518-320-1539
Email: University.audit@sysadm.suny.edu