Best Practices with regard to Financial & Administrative Operations

Management Reports
- While ASRs and monthly roll up are available, executive level financial reports providing status of affairs for the School/Dept from a "total funding" basis are also needed
- Needed for 53 accounts as well on an individual PI level – provided by research administrator

ASR Reconciliation
- Regular reconciliation of key accounts
- Evidence of review and sign-off by account holder (department chair, director, PI, etc)

Segregation of Duties
- Units need to find a way to ensure a segregation of duties with regard to reconciliation and review functions for payroll, purchasing, account reconciliation, etc.
- The person who makes the purchases should not be the person reconciling the ASR, etc.
- All our units have multiple staff and must create processes to ensure activity is reviewed by someone other than the person who initiated the transaction.

Controls over P-cards and Expenditure Cards
- Monthly reconciliation, review and signoff in Viterbi Business Affairs
- Maintaining accurate listing of P-card and Expenditure card holders in Viterbi Business Affairs
- No sharing of P-card and Expenditure cards
- Keeping P-cards and Expenditure cards in a secured location

Expenditure Authorizations
- Maintaining expenditure authorization levels in line with individual roles and responsibilities
- Authorized signer responsibilities: see Expenditure Policies & Procedures 1.2
- Clearly stated written business purpose must be indicated on all types of source documents. i.e. check requests, QE's, requisitions, internal requisitions, PCard receipts, travel card receipts, etc. (Who, What, Where, When & Why)

Cash Controls
- Receiving, logging, safe keeping, timely deposits and reconciliation to ASR

Payroll Reports
- VBA Payroll reviews OTiS payroll edits reports
- VBA Payroll reviews and maintains ais-c user access levels as determined by responsibility
- VBA Payroll does monthly reconciliation and sign-off of labor distribution

Asset Management - also see Supplement Document dated 8/6/09
- Maintaining inventory of assets that are less than $5,000 but important to the School/Dept. (Suggest range between $1K - $5K)
- Maintaining updated list of university property issued to employees in their personnel files.
- Timely completion of asset disposal forms

Information System Controls – also see Supplement Document dated 8/6/09
- Maintaining a list of all applications used to manage School/Dept operations
- Review and maintenance of user access levels in line with roles and responsibilities
- Termination of user access when employees leave university employment
- Password control – Changing passwords periodically; Strength of passwords (minimum number and use of alpha/numeric characters)
- System development – user documentation; system documentation; continuity of system programming when there is turnover in IT personnel; Network configuration management and system administrator rights
- System back up procedures and security of back-up media
- Physical security of servers and hardware containing sensitive information
- Saving business data on file server rather than desktop
- Encrypting sensitive and protected data on mobile devices

Grants Management
- All proposals must be routed and approved by Viterbi and the USC Department of Contracts and Grants prior to submission to the agency.
- Timely salary certification signed by the PI or employee who has a detailed understanding of the research; Review total actual effort at least bi-annually through discussion with PI.
- Role of grant administrator – providing percentage of effort to PI with salary certification reports; ASR reconciliation; Review of allocability and allowability of costs
- Timely processing of budget changes
- OMB A-110 Section 25 requires that a decrease in PI effort by 25% or more requires agency approval
- Timely processing of cost transfers
- Allocation methodology for common costs on multiple research accounts
- Grant file maintenance – making certain that all documents required for grant administration are kept in one file
- Be sure that documents include a business purpose – found missing on many USC internal requisition forms
- Timely meetings and updates with PI on financial status of grants (in-person, not via email or phone conversations)
- Monitoring of submission of progress reports

Employee performance evaluations
- At least annually in writing with face-to-face meeting with employee
- Fiduciary duties discussed as necessary

Policies and Procedures
- Regularly review university and school policies and procedures
- Ask VBA unit if unsure of policy or procedure before activity occurs

Cross training of employees in key positions
- Essential for emergency preparedness/business continuity