

Best Business Practices for Your Department

General

Risks

- Noncompliance with federal and state laws and regulations
- Noncompliance with University policies and procedures
- Personal responsibility for contracts
- Processes completed inefficiently or incorrectly
- Misappropriation of funds

Be familiar with the *CWU Policies and Procedures Manual*.

<http://www.cwu.edu/~pres/policies/index.html>

Only Enter into contracts authorized by the University's policy 7-2.1.1.

Document written procedures for processes that are important to the operations of the department.

Use only original signatures to approve documents.

Departmental Reports

Risks

- Lack of budgetary control
- Unauthorized transactions
- Undetected errors
- Misappropriation of funds

Reconcile monthly departmental reports to transaction documents.

Review the monthly departmental report and reconciliation.

Budget the best annual estimate of the department's earnings and expenditures.

Compare actual results to the budget and follow up significant variances.

Cash Receipts

Risks

- Lost or stolen cash and checks
- Budget shortfall
- Noncompliance with state regulations
- Tax liabilities and penalties

Process textbooks, class materials, or student supplies through the University Store.

Utilize a cash receipts journal or issue a pre-numbered receipt or cash register receipt for all cash transactions.

Collect sales tax when taxable goods are sold (See Carol Hill in the Department of Accounting or the Department of Internal Audit for regulations).

Restrictively endorse checks when received with the appropriate bank account number and the phrase “For Deposit Only” to the account of Central Washington University.

Safeguard cash and checks against theft or loss.

Deposit cash and checks at least weekly or whenever more than \$100 has accumulated.

Deposit all cash and checks intact (expect for an authorized change fund).

Payroll

Risks

- Fraud
- Overpayments
- Retroactive transactions
- Personal and employer tax liabilities and penalties
- Unreported Leave
- Lawsuits

Collect from faculty (from Fair Labor Standards Act) a signed Report of Absence due to Illness form for each pay period in which sick leave is used.

Collect from nonexempt and exempt staff a signed Request For or Report of Absence form for each pay period.

Collect from hourly classified and student employees a signed positive timesheet for each pay period.

Have supervisors with direct knowledge of the actual time worked sign leave reports and positive timesheets.

Review the monthly departmental labor distribution report and reconciliation.

Budget the best annual estimate of the department’s labor expenses.

Personal Computers

Risks

- Unauthorized access to computers
- Computer viruses
- Destruction of critical data
- Violation of software licensee agreements and possible fines
- Loss of educational discounts on software
- Lawsuits

Follow Information Technology Services (ITS) password access requirements for computers and systems.

Use backup storage for key computer files. Follow (ITS) and University backup procedures as necessary.

Install surge protectors on each computer workstation to protect it from power spikes or outages.

Install anti-virus software on the department's computers per ITS guidelines.

Keep virus definitions up-to-date.

Install software only in compliance with its license requirements.

Keep a record of software purchased.

Purchases

Risks

- Unauthorized purchases
- Invalid documentation
- Compliance violation
- Budget shortfall

Follow Purchasing Department's guidelines for purchase requisitions.

<http://www.cwu.edu/~bsc/>

Purchasing Card

Risks

- Not in compliance with purchasing guidelines
- Duplicate charges
- Inappropriate Purchases

Establish procedures to identify cardholders that are not complying with Purchasing Card guidelines.

Communication procedures should be developed to cooperate with purchasing staff to ensure that cardholders follow the handbook guidelines.

Verify monthly reports to assure of all transactions exist.