

The University of Iowa

Financial Sub-certification (FSC)

Annual Disclosure of Internal Controls & Financial Results

The Annual Financial Sub-certification process clarifies a business unit's accountability for financial reporting and underlying internal controls and is intended to serve two purposes:

- a) provide reasonable assurance of the underlying numbers in the University's financial statements, and
- b) provide reasonable assurance of a sufficient and effective internal control structure which can identify weaknesses in financial processes and systems.

We certify, to the best of our knowledge, that the information submitted in this financial sub-certification questionnaire is representative of the business practices of our unit for the current fiscal year.

Required Certifiers:

- ① Dean or VP
- ② Senior Fiscal Officer (Primary Business Officer)
- ③ Senior Human Resources Representative
- ④ Directors of central units

#1	Do you have effective processes in place to identify and disclose conflicts of commitment/interest and to communicate the importance of exercising stewardship in the use of University resources?
	Yes, we make diligent efforts to do this through existing processes.
	We try to do this, but need to improve processes and consistently apply them. (Required to add disclosure statement below)
	No, we do <u>not</u> have effective processes in place to do this. (Required to add disclosure statement below)
	<i>Disclosure Statement (exceptions or areas in need of improvement):</i>
	Related Policies & Links https://opsmanual.uiowa.edu/human-resources/ethics-and-responsibilities-university-iowa-staff https://opsmanual.uiowa.edu/community-policies/conflicts-commitment-and-interest https://opsmanual.uiowa.edu/human-resources/conflict-interest-employment-nepotism
#2	Does your unit have effective and compliant practices for determining, reviewing and approving compensation (including extra compensation)?
	Yes, our compensation practices are effective and compliant with University guidelines and requirements.
	We need to improve our compensation practices and apply them consistently. (Required to add disclosure statement below)
	No, our compensation practices require significant improvements in order to be effective and compliant. (Required to add disclosure statement below)
	<i>Disclosure Statement (exceptions or areas in need of improvement):</i>
	Related Policies & Links https://opsmanual.uiowa.edu/human-resources/compensation https://opsmanual.uiowa.edu/human-resources/leaves-absence https://provost.uiowa.edu/overload-teaching

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#3	Does your unit have effective controls in place to comply with all cash & credit card handling policies, including payment card industry standards?
	Yes, we are confident that our controls are effective and compliant with internal policies & industry standards.
	We need to improve our controls to become more compliant with internal and external requirements. (Required to add disclosure statement below)
	No, we do <u>not</u> have effective controls in place to reasonably ensure compliance. (Required to add disclosure statement below)
	<i>Disclosure Statement (exceptions or areas in need of improvement):</i>
	Related Policies & Links
	https://afr.fo.uiowa.edu/cash-handling/cash-handling-deposits-policies-and-procedures
	https://treasury.fo.uiowa.edu/credit-cards-pci-dss
#4	Does your unit report fraud and all material financial risks to the appropriate University officials?
	Yes, we report fraud to the appropriate University officials.
	We are <u>not</u> confident that such information is fully known and reported to University officials. (Required to add disclosure statement below)
	No, we do <u>not</u> have a practice in place to report fraud consistently to University officials. (Required to add disclosure statement below)
	<i>Disclosure Statement (exceptions or areas in need of improvement):</i>
	Related Policies & Links
	https://controller.fo.uiowa.edu/financial-fraud-policy-and-processes-prevent-and-detect-its-occurrence
	https://uiowa.edu/audit/fraud-hotline
#5	Does your unit have effective processes to monitor and manage audit findings?
	Yes, we have effective processes in place to monitor & manage audit findings.
	We have some improvements to make in order to effectively monitor & manage audit findings. (Required to add disclosure statement below)
	No, we do <u>not</u> have effective processes in place to do this. (Required to add disclosure statement below)
	<i>Disclosure Statement (exceptions or areas in need of improvement):</i>
	Related Policies & Links
	https://opsmanual.uiowa.edu/administrative-financial-and-facilities-policies/internal-audits

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#6 Does your unit have an effective control environment which holds individuals accountable for their responsibilities, requires adequate training and timely review of financial activity?

Yes, our control environment is effective with respect to accountability, training & timely review of financial results.

We have some improvements to make in order to be confident that our control environment is strong & effective. (Required to add disclosure statement below)

No, we do not have an effective control environment with respect to these items. (Required to add disclosure statement below)

Disclosure Statement (exceptions or areas in need of improvement):

Related Policies & Links

<https://afr.fo.uiowa.edu/policies-procedures-resources/monthly-review-transactions-and-accounts>

<https://afr.fo.uiowa.edu/policies-procedures-resources/quarterly-reconciliation-balance-sheet-accounts>

<https://controller.fo.uiowa.edu/business-processes-series>

#7 Does your unit have effective procedures for managing, reviewing and valuing non-cash assets & liabilities (A/R, Inventory, etc.) and approving valuation adjustments such as write-offs?

Yes, we have effective procedures for oversight of non-cash assets & liabilities, including approval of valuation adjustments.

We have some improvements to make in our procedures for effectively managing non-cash assets & liabilities. (Required to add disclosure statement below)

No, we do not have effective procedures to managing non-cash assets & liabilities. (Required to add disclosure statement below)

Disclosure Statement (exceptions or areas in need of improvement):

Related Policies & Links

<https://afr.fo.uiowa.edu/policies-procedures-resources/quarterly-reconciliation-balance-sheet-accounts>

<https://controller.fo.uiowa.edu/computer-inventory-and-internal-control-policy>

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#8

Does the unit acknowledge their responsibility for verifying that costs incurred are reasonable, have a valid University business purpose, comply with institutional policies and are approved by the appropriate individuals?

Yes, we acknowledge our responsibility for verifying that costs are reasonable, have a business purpose, comply with policies and are approved by appropriate individuals.

No, we do not acknowledge our responsibility for verifying that costs are reasonable, have a business purpose, comply with policies and are approved by appropriate individuals. (Required to add disclosure statement below)

Disclosure Statement (exceptions or areas in need of improvement):

Related Policies & Links

<https://opsmanual.uiowa.edu/administrative-financial-and-facilities-policies/travel-regulations>

<https://opsmanual.uiowa.edu/administrative-financial-and-facilities-policies/purchasing#11.22>

<https://uiowa.edu/ap-purchasing/responsibility-approver>

<https://opsmanual.uiowa.edu/administrative-financial-and-facilities-policies/purchasing/procurement-credit-card>

<https://opsmanual.uiowa.edu/administrative-financial-and-facilities-policies/contracting>

#9

Does your unit effectively monitor compliance with spending restrictions from all funding sources (including but not limited to donor intent, sponsor cost principles & restrictions)?

Yes, we are confident that we effectively monitor compliance with spending restrictions from all funding sources.

We need to make improvements in order to effectively & fully monitor compliance with spending restrictions from all funding sources. (Required to add disclosure statement below)

No, we are not effectively monitoring compliance with spending restrictions from all funding sources. (Required to add disclosure statement below)

Disclosure Statement (exceptions or areas in need of improvement):

Related Policies & Links

<https://www.foriowa.org/accountability/donor-intent.php>

<https://gao.fo.uiowa.edu/dhhs-salary-cap-university-guidelines-and-procedures>

<https://gao.fo.uiowa.edu/guidelines-budgeting-and-charging-costs-federally-sponsored-projects>

<https://gao.fo.uiowa.edu/grant-and-contract-management/cost-sharing/policy-and-procedure>

<https://gao.fo.uiowa.edu/grant-and-contract-management/cost-transfers/cost-transfer-policies-and-guidelines>

<https://gao.fo.uiowa.edu/grant-and-contract-management/general-administration/charging-graduate-student-tuition-scholarships>

<https://gao.fo.uiowa.edu/grant-and-contract-management/general-administration/research-subject-compensation-policy-procedures>

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#10

Does your unit formally route externally sponsored applications, proposals and awards through the Division of Sponsored Programs?

Yes, we consistently route externally sponsored applications, proposals and awards through the Division of Sponsored Programs as required

We need to improve our practice of consistently routing externally sponsored applications, proposals and awards through the Division of Sponsored Programs as required (Required to add disclosure statement below)

No, we are not consistently routing externally sponsored applications, proposals and awards through the Division of Sponsored Programs as required (Required to add disclosure statement below)

Disclosure Statement (exceptions or areas in need of improvement):

Related Policies & Links

<https://dsp.research.uiowa.edu/ui-routing-policy-procedure>

<https://dsp.research.uiowa.edu/checklists-flowcharts-contracts>

<https://opsmanual.uiowa.edu/administrative-financial-and-facilities-policies/policy-and-procedures-gifts-grants-and-contracts#5.2>