Fiscal Control and Internal Auditing Act (FCIAA) Overview

University Accounting and Financial Reporting

What is FCIAA?

- State-mandated program to aid state agencies in conducting reviews of their fiscal and administrative internal controls.

- Requires agencies to report material control weaknesses to the State.

Benefits of FCIAA

Helps ensure efficient/effective use of your unit resources

Protects against misuse of resources, adverse audit findings and negative media coverage

Demonstrates good stewardship to State, granting agencies, donors, and taxpayers

Internal Controls

Checks reliability, accuracy, and timeliness of information

Ensures compliance to policies, procedures, laws, regulations & contracts

Safeguards assets

Promotes efficient use of resources

Fulfills objectives and goals

Who completes FCIAA Certification

Every 3-digit Department Code

Submitted by individual with the knowledge of business processes

Reviewed and approved by individual with fiscal responsibility for the department

Participant Roles

Administrator
- Maintains user tables for respective universities
- Generates email notifications

Submitter
- Department personnel responsible for completing the FCIAA form
- Typically department business manager, or equivalent

Approver
- Responsible for approving the FCIAA form
- Typically department/unit head

www.obfs.uillinois.edu/accounting-financial-reporting/fciaa

Accounting & Financial Reporting

Accounting & Financial Reporting

Banner Account Codes

FCIAA

   Fiscal Control and Internal Auditing Act Certification

Month-End Closing Schedule

My-UI-Financials Resource Page

Reports

UAFR Reference Materials

UFAS to Banner Crosswalks

Year-End Procedures

Job Aids & Training Materials

Fiscal Control and Internal Auditing Act Certification

[Expand All] | [Collapse All]

Asset Management

▸ Item 1: Changes, transfers, and deletions of assets are recorded promptly in unit equipment inventory records.

▸ Item 2: University property control decals are promptly affixed to equipment as required by University guidelines.

▸ Item 3: If scheduled for completion during the past year, the unit has conducted its equipment inventory in accordance with University guidelines and submitted required reports to the Property Control Office.

▸ Item 4: The unit has completed a physical inventory of its *merchandise for resale* and reconciled the results with its financial record in accordance with established University policies and procedures. (Note: This control applies only to units that sell merchandise to customers.)

▸ Item 5: University equipment has not been physically removed from campus for disposal or transfer prior to receiving authorized approval in compliance with University policies and procedures and State regulations.

▸ Item 6: Cash under the control of the unit is managed in accordance with University policies and procedures established for cash controls.

▸ Item 7: Funds, property, and other assets and resources (including the University P-Card and T-Card) are safeguarded against waste, loss, unauthorized use, and misappropriation.

www.obfs.uillinois.edu/accounting-financial-reporting/fciaa/fiscal-control-internal-auditing-act-certification/

Accounting & Financial Reporting

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    Fiscal Control and Internal
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Forms

FAQs

Who To Ask

Fiscal Control and Internal Auditing Act Certification

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Asset Management

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▾ Item 5: University equipment has not been physically removed from campus for disposal or transfer prior to receiving authorized approval in compliance with University policies and procedures and State regulations.

    No one is permitted to remove from the buildings and grounds any property belonging to the University unless all relevant policies and procedures are followed. This includes removal of property designated as recycling and applies to all unneeded equipment regardless of historical cost, tagging status, or inclusion in Banner Fixed Assets.

    Resource: Transfers and Disposals for Property Accounting
    OBFS Policies and Procedures Manual, 12 Property Accounting

▸ Item 6: Cash under the control of the unit is managed in accordance with University policies and procedures established for cash controls.

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Tips for Your Role

Valuable tool

Critically evaluation of fiscal & administrative controls

Be candid

Thorough explanations

Ask for assistance

FCIAA Certification Questions

Asset Management

1.

Yes
No
Partial
N/A

Changes, transfers, and deletion of assets are recorded promptly in unit equipment inventory records.

Learn more about Question 1

Additional Details (Required if answering No or Partial)

How can we test for compliance?

UNIVERSITY OF ILLINOIS SYSTEM

3-How can we test for compliance?

▾Item 3: If scheduled for completion during the past year, the unit has conducted its equipment inventory in accordance with University guidelines and submitted required reports to the Property Control Office.

University and state regulations require each unit to complete and certify a physical inventory of University equipment at least once every two years.

Resource: Complete a Biennial Inventory
OBFS Policies and Procedures Manual, 12.2.1 Complete a Biennial Inventory

8-How can we test for compliance?

▼Item 8: Accounting financial statements are reviewed each month and appropriate actions are initiated to reconcile transactions to unit records.

Reconciliation or verification of financial transactions is a key element of internal control and is fundamental to sound business practices. All transactions should be reviewed for appropriateness, accuracy and completeness. Procedures should be in place to ensure that financial information accurately reflects the unit's activity, identifies inaccuracies through the comparison of actuals to budget, and identifies balance deficits.

Resource: Understanding University Financial Statements and Reconciliation Process (GL 104) Lesson 3: The Reconciliation Process
📄 GL 104 Training Guide

17-How can we test for compliance?

▾Item 17: Faculty and Staff responsible for University P-Card and T-Card use and management understand the University policies related to the use of these purchase instruments.

All employees who have a role for P-Card must complete an online tutorial or attend an instructor-led training session on P-Card policies, and pass an online certification quiz prior to being assigned their role(s) in the P-Card software. All University employees who will be issued a T-Card must complete training regarding T-Card policies and pass a certification quiz. Additionally, individuals with a role in the Travel Expense Management (TEM) system are encouraged to complete this T-card training and quiz. All transactions are reviewed and reconciled in a timely manner with the original detailed itemized receipt, including the accounting C-FOAPAL used for each purpose. The unit/department head provides budgetary and compliance oversight for the unit's P-Card and T-Card.

Resource: The University P-Card
OBFS Policies and Procedures Manual, 7.6 The University Purchasing Card (P-Card)

Resource: Travel Card (T-Card)
Travel Card (T-Card)

Resource: Reconcile T-Card Charges in TEM
OBFS Policies and Procedures Manual, 15.2.4 Reconcile T-Card Charges in TEM

22-How can we test for compliance?

Item 22: The unit has reviewed systems access and approval profiles for each employee to determine if they are appropriate. Accordingly, the unit has modified or removed an employee's system access due to responsibility changes, job changes, or employment termination.

Timely removal of access due to changes in responsibilities, change in units, and termination is necessary to the safeguarding University assets and maintaining system integrity. USCs and other relevant unit staff are required to annually review employee job responsibilities in relation to system access.

University units must follow the standard access approval process that includes Unit Security Contacts (USC), Access Manager for My-UI-Financials, PI Portal access, the OBFS Finance Security Team, and Administrative Information Technology Services (AITS).

Resource: Business Systems Access and Security
OBFS Policies and Procedures Manual, 19 Business Systems Access and Security

28-How can we test for compliance?

▼Item 28:

Duties, responsibilities, and system access, within the unit, are properly segregated so there is appropriate review and approval of all transactions. (Adequate segregation of duties translates to no one person performing, having system access, to all the critical elements of initiating, processing, recording, and reconciling.)

Business practices of the unit must promote appropriate use and safeguarding of University resources. Sound practices include a continuous review or internal check of routine transactions. There should be a division of duties, responsibilities, and system access so no person has complete control over all aspects of a financial transaction. For example, a single employee should not initiate purchases, perform the receiving function, and maintain the unit's equipment records.

Resource: Internal Control

OBFS Policies and Procedures Manual, 9 Audits and Internal Control

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31-How can we test for compliance?

▼Item 31:

Lines of authority and responsibility are clearly understood throughout the unit and should promote segregation of duties. Clear lines of authority facilitate operations and provide accountability.

Clear lines of authority are established when the roles and responsibilities of each person in the organization are defined and documented. Lines of authority should be designed to ensure proper checks and balances.

Resource: University Accounting and Financial Reporting

University Accounting & Financial Reporting

Fiscal Control and Internal Auditing Act (FCIAA) Certification

These Web-based courses provide an overview of what FCIAA certification is, why it is important, and how the process occurs.

The FCIAA certification process is role-based; if you are a Submitter or Approver in the FCIAA application, take the online FCIAA Training for Submitter and Approver. If you have another role in the FCIAA application, take the FCIAA Training for Other Roles course.

Job Aids

- 📄 FCIAA Roles [updated: 10/31/19]
- 📄 Managing Users in FCIAA [updated: 10/31/19]
- 📄 Identifying Material Weaknesses [updated: 10/31/19]

NOTE: You will need ⧉ Adobe Flash Player and JavaScript enabled in your browser to watch the training courses below. This training is best viewed using Firefox, Safari, or Chrome web browser.

Online Training

- ▶ FCIAA Training for Submitters and Approvers [updated: 10/23/17]
- ▶ FCIAA Training for Other Roles [updated: 10/23/17]

Webinars

- 📄 FCIAA Overview [updated: 11/9/17]
- 📄 FCIAA - Keeping Your Department Out of the Newspaper Webinar Slides [posted: 12/4/17]

https://www.obfs.uillinois.edu/training/materials/accounting/#fciaa

Timeline

October

- Colleges review roles in FCIAA application

November

- FCIAA application available to complete questionnaire

Mid. December – Mid. January

- Units & Colleges complete questionnaire

Mid. January – Mid. February

- Provosts, Chancellors and Assistant Controller review responses
- Document deficiencies (or lack thereof) in a memo
- Chart: (1) Ginger Velazquez; (2) Gloria Keeley; (4) Janet Ford; (9) Brent Rasmus

Timeline (Continued)

Mid. February – Mid. March
- Chief Financial Office and Controller
- Provide letter to Executive Director of University Audits

April
- Controller and Executive Director of University Audits document the University Systems' actions for compliance in a recommended certification letter to the President
- President certifies University's compliance with FCIAA by signing the certification letter and sending it to the Office of the Auditor General before May 1st

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