There are two primary schools of thought in developing an audit approach:

- One viewpoint is to assume that everyone is looking for ways to “beat the system”; therefore, the auditors devise audit steps that focus on finding evidence of wrong-doing.

- The other approach is to assume that most people take pride in their work and want to do the right thing—they just need to know what is expected of them and have the information and tools available to allow them to successfully carry out their responsibilities. In this case, the auditor’s approach is to examine areas of high risk and focus on ways these risks can be most effectively and efficiently mitigated.

I’m pleased to say that the latter is the vision, philosophy, and progressive approach we have adopted in the Department of Internal Auditing at Georgia Institute of Technology.

As we have canvassed the campus conducting audits and collaborated with colleagues throughout higher education, we have compiled perspectives and observations of “best practices” in handling many of the areas of risk that most units (departments, schools, etc.) encounter. This is not a policies and procedures manual – there are already many valuable policies and procedures which outline business rules. Our goal with this document, instead, was to compile our observations and recommendations on best practices in managing business risks and creating effective and efficient systems of internal control.

In establishing solid risk mitigation procedures and strong systems of internal control, faculty and staff are then free to advance their units’ missions towards achieving their strategic goals.

This will be a living document and will be updated frequently so we encourage visits to our web site to check for updates and revisions. We welcome questions and feedback regarding the information contained herein, particularly comments regarding how this may be more useful.

We express our appreciation for the support from the Office of the President, the Executive Staff, and the many subject matter experts around campus who have provided input and feedback on this document. This collaborative approach with senior management demonstrates the Institute’s commitment to ensuring its administrative processes are on par with the high standards of excellence Georgia Tech is known for in its academic and research initiatives.

Robert N. Clark Jr., Director
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Areas of Public Relations Risk

Sections XXXVII-XXXVIII
External Communications/ Media Relations
(Last revised 07/10/03)

Description of Risk: Misinformation can negatively impact the Institute’s image.

Criteria: Good business practice calls for a central voice to represent the Institute in providing information to the public. The Institute Communications and Public Affairs (ICPA) Office Web site at http://www.gatech.edu/icpa provides many services to campus units including media relations.

Auditor’s Overview: The importance of this subject is to ensure that campus units are adequately addressing public relations.

Best Practices:
1. Empower one person with the responsibility and authority to oversee public relations management.
2. Develop internal policies and procedures on public relations management (media, Web, and print venues), and disseminate them to the entire unit to promote compliance in this area.
3. Notify ICPA of all media requests for information. Contact the director of client communications assigned to your unit within ICPA.
4. Periodically update your unit’s list of individuals willing to speak, submit articles, etc., to media (i.e. subject matter experts, etc.) and provide to ICPA.
5. Verify the accuracy and timeliness of information released to external sources by your unit. Internal polices and procedures may require all written communication be reviewed and approved prior to release.

6. Verify the accuracy of information published on your unit’s Web site. The Internet provides the general public with access to information regarding your unit. Care should be taken to ensure the accuracy of information published on this external Web site.
7. Address employees speaking as experts in their areas.

Process
Development of an awareness campaign begins with management’s communication and dissemination of internal policies and procedures.

Management establishes the tone that will affect how the entire unit handles public relations. Management should communicate to faculty and staff the role of ICPA and that good business practice calls for a central voice to represent the Institute in providing information to the public on Institute matters. The department head provides direction and information on how the unit will handle individuals speaking as subject matter experts.
Description of Risk: Mismanagement of the fiscal matters of external organizations by Georgia Tech faculty, staff, or students could subject the Institute to financial loss and adverse publicity.

Criteria: In instances where faculty, staff, or students are involved with the financial management of external organizations (i.e. professional societies, student organizations, etc.), good business practice calls for basic fiscal internal controls.

Auditor’s Overview: The purpose of reviewing this area is to ensure that campus units communicate with faculty, staff, and students the importance of exercising prudent fiscal controls when participating in the financial management of external organizations.

Best Practices:
Awareness of faculty/staff participating in the financial matters of an external organization.

Process

Communication
Communicate with unit employees to ensure that everyone in the unit understands that if they are asked to serve as treasurer, or in some other advisory capacity in an external organization that may be prompted by their being a Georgia Tech employee, that certain fiscal controls need to be exercised to preclude financial liability and adverse publicity to the Institute.

Delegation and Authority
The unit head should designate an individual, i.e., someone in the business office, to serve as a point of contact and advise employees who are asked to serve in some financial management capacity in an organization external to Georgia Tech. The designated person should establish a system to make sure that individuals report instances when they become financially responsible for external organization matters.

When faculty, staff, or students are identified as having financial responsibility for external organizations, designated staff should provide advice on fiscal controls. The Department of Internal Auditing has developed some tips for individuals involved in outside organizations titled “Are You and Your Funds Protected?” It is located at http://www.audit.gatech.edu/emerging_issues.htm. This tool may be useful in your discussions with such employees, who may wish to share this information with their external organization.