

**Alameda County
Control Self-Assessment (CSA) Program
Control Evaluation Worksheet**

	OBJECTIVES	RISKS	RISK ASSESSMENT	CONTROL ACTIVITIES	EVALUATION	TEST PROCEDURE	RESULTS/EXCEPTIONS	IMPROVEMENT PLAN
Instructions:	Describe the objectives of the activity. These objectives may be in the following categories: 1. Effectiveness and efficiency of operations. 2. Reliability of financial reporting. 3. Compliance with applicable laws and regulations.	For each objective, list potential risks which threaten the achievement of objective.	Estimate the likelihood (low, medium, or high) and impact (significant or insignificant) of the risks.	Describe existing control activities that reduce the risks to a reasonable level.	Evaluate each control: 1. Is it valid: does it reduce the risk? 2. Is it in place: is it a formally established by management? 3. Is it efficient: does the benefit outweigh the cost?	Develop and perform test procedures to determine the effectiveness of the control activity. Keep electronic records of all samples tested and forward them to Internal Audit.	Document results of each test procedure and any exceptions noted.	1. Investigate the cause of the deficiency. 2. Design a valid control. 3. Implement the control. 4. Make the control more effective and efficient.
Example:	<i>Objective A: To verify employees who deal with purchasing cards have an indepth understanding of protocols that must be followed.</i> <i>Objective B: To eliminate the need to reimburse employees for certain transactions by allowing use of purchasing cards.</i>	<i>Examples of risks for Objective A: 1. Transactions conducted were not authorized. 2. Proper documentation was not retained to support a transaction. 3. Limits were not adhered to when completing a purchase.</i> <i>Objective B: 4. Reimbursing employees for unapproved categories 5. Reimbursement requests not submitted in a timely manner. 6. Backlog of all owed reimbursements</i>	<i>Likelihood and impact of each risk: 1. Medium likelihood and significant impact if restricted transactions are processed. 2. High likelihood and significant impact due to lack of training and understanding of required documentation. 3. Medium likelihood and significant risk if employees attempt to structure their transactions and use more funds than allowed. 4. Medium likelihood and significant impact if employees are reimbursed for transactions that should be restricted. 5. Low likelihood and insignificant impact if paperwork if employees do not submit requests on time. 6. High likelihood and significant risk if there is a delay in paying employees for their submitted expenses.</i>	<i>Existing controls to mitigate each risk: 1. Management must authorize every transaction before the purchasing card is used. Management will sign an authorization form, which will be scanned to department internal file drive. 2. Employees are required to submit receipts to management the day of transaction and initial a supporting documentation checklist. 3. Before a purchasing card is approved and issued, the employee must sign an agreement form acknowledging their understanding of limits and prohibited actions. 4. Manager or supervisor must sign off on all claims forms and review allowed and prohibited categories. 5. Employees must sign a contract that states the deadlines for submitting claims and acceptance of possibly not being reimbursed if forms are not turned in before listed deadlines. 6. Supervisors are required to review all forms and submit the completed documents to the claims department.</i>	<i>Evaluation of controls a. All controls are valid and reduces the risk. b. All controls are in place and formally established by management. c. All controls are efficient and the benefits outweigh the cost.</i>	<i>a. Review completed transaction authorization forms. b. Review completed supporting documentation checklists. c. Review purchasing card agreement forms. d. Review transactions that have been conducted during period under review.</i>	<i>1. Management did not review/sign transaction authorization form on 4 out of 25 documents tested. 2. Supporting document checklists have not been completed for the last 2 months. 3. Two transactions found that exceeded the monthly set limit. In order to circumvent set limits, the transactions were structured.</i>	<i>1. Begin the process to have all employees who will require to make purchases assigned a purchasing card. 2. Require weekly reviews of all transactions and their applicable documentation. 3. Allow electronic submission of receipts and supporting document checklist if employee does not return to the office the same day.</i>