

INTERNAL CONTROL NEWS

SEPTEMBER 2013

The purpose of this quarterly newsletter is to provide departments with articles on good business practices, internal controls, and responsibilities. Through articles intended to promote educational and professional development opportunities for employees, this newsletter seeks to raise awareness across state government on the importance of internal controls. We hope that by providing this array of information, we can keep you informed of internal control related activities, and help you implement and maintain effective controls in your areas of operation.

When Dreams Become Reality – Update on the Expense Module



Since the launch of the Expense Module, the State has paid almost 12,000 expense reimbursements. Anticipated benefits quickly became reality. Several reports have been paid the day after they were entered. For many, the mystery of knowing the status of a completed expense report is solved. Email notification is a blessing the majority of the time but also a curse in the case of overdue cash advances and expense reports that are returned only to be deleted for month end close. (We are cursed too when testing environments send production-looking emails.)

Many thanks to all of you for your cooperation, patience, and flexibility during go-live and ramp up. Given that the expense process is radically different today than it was in April, we are so pleased with how smoothly things are going. We've learned a lot and continue to learn each day. Luckily, there are very few surprises these days. The system features that need improvement are becoming clear and progress is starting. For example, within the next few weeks we should have a solution for those transactions that incorrectly remain on the work list. A single click to the work list is much better than navigating the long way. We will get there.

We've come a long way. Now that we all have some experience behind us it is a good time to revisit the system, processes and procedures. Below are just a few items to consider:

- Do employees know the key things to verify when having trouble logging in?
 1. Have cache, cookies, and temporary files been deleted?

2. Is the login page correct – VISION is for expenses?
 3. Is the User ID correct – capital letters, numbers where required?
 4. Remember that passwords are case sensitive?
- Have employees verified their email addresses in My System Profile? What about set up forgotten password help?
 - Are supervisors meeting expectations? Are approvals being done timely?
 - Are expense reports completed timely? (The number of expense reports over 60 days is trending down!)
 - Do cash advances meet the \$200 minimum threshold? Are they being issued close to the time of need and not too long before the trip? Are they being applied timely?
 - Are locations (originating and destination) being used consistently throughout the department?
 - In the case of delegates, are the delegates saving for later and the employees finishing and submitting?

It's a good time to review Bulletin 3.4. There's an entire section on Roles and Responsibilities that could be the basis for evaluating expense users. There are tools available to help, http://finance.vermont.gov/training_ref/VISION_Manuals#T&E, more will be available shortly.

Grants Reminder

When new systems or processes are implemented, it is often necessary to expend a lot of time and effort on them and it is easy to let existing systems and processes slip. Since there have been many changes affecting business offices during the past year or so, this is a good time to remind you that the requirements related to grant issuance and monitoring still exist and are as important as ever.

All grants, regardless of funding source, are required to be entered into the Grant Tracking module within 10 days of grant execution. This includes grants to other State agencies/departments and Federal grants that were previously excluded from the old Subrecipient module. In addition, subrecipient grants of Federal funds have additional monitoring requirements including monitoring single audit reports and contacting those subrecipients who are delinquent in submitting the Subrecipient Annual Report to Finance & Management.



It is important that departments adhere to the requirements related to grants for a variety of reasons, including the following:

- Statutory requirement to report all grants awarded
- Federal regulations to monitor subrecipients
- Comprehensive Annual Financial Report (CAFR) requirements
- Administration Bulletins 5 and 5.5

Please make every effort to keep your department's grants in full compliance with all bulletins and other regulations. The Department of Finance & Management is currently reviewing grant data and will be contacting departments with specific issues in the near future. Feel free to contact Finance & Management if you have any questions about grant requirements.

Staff Happenings



- **Heather M. Campbell** has joined the Budget and Management Division as a Budget & Management Analyst. Previously, Heather worked at Choice Strategies in Waterbury Center.
- **Toni Hartrich**, former Senior Budget & Management Analyst, retired from State service on June 30th.
- **Katie Authier**, former Payroll Specialist, left State service on August 30th.

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Please contact [Kevin Gilman](#) with comments or suggestions.