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**May/June 2021 for fiscal year 2020-2021**

**Responses to Fraud Risk Assessment Questionnaire**

**Operations Questions: Basic Separation of Duties**

**Question:**

**Separate duties over cash accounts:**

Response: Central Wasatch Commission has no cash accounts

**Does the entity have a board chair, clerk, treasurer who are 3 separate**

**Question: people.**

Response:

Yes: Chair Christopher F. Robinson

Budget Officer Deputy Director Blake Perez

Treasurer: Mayor Jeff Silvestrini: Millcreek

**Question: Are all people who are able to receive cash or check payments different from all the people who are able to make general ledger entries.**

Response: CWC has no cash accounts; has a checking account.

(per BFAC. 9.16.2020)

Checks are received*/*deposited same day*/*notification of receipt sent to payer - copy to Board Chair, Chair of Budget/Finance/Audit committee*/*Executive Director/Budget Officer*/*Accountant. Off site accountant handles journal entries.

**Question: Are all the people who have access to blank checks different from those who are authorized signers?**

Response: Yes - the off site accountant has all blank checks.

**Question: Does someone other than the clerk and treasurer reconcile all bank accounts OR are original bank statements reviewed by a person other than the clerk to detect unauthorized disbursements?**

Response: Bank account is established electronically so that the Chair, Executive Director and Chair of the Budget/Finance/Audit committee have regular review and approval status. The Budget Director and Administrator serve as transactors. Off site accountant also has transaction capability established and all transactions require secondary approval. Bank Statements are checked on a weekly basis.

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**Question: Does someone other than the clerk review periodic reports of all general accounts to identify unauthorized payments recorded in those accounts?**

Response: CWC receives monthly reports on all account transactions: Balance Sheet/P & L Budget to Actual year to date/P & L for the month/ Zions Check Register for the month. This information is used to create a staff report: all documents plus the staff report are then sent to the members of the Budget/Finance*/*Audit Committee.

**Question: Are original credit/purchase card statements received directly from the card company by someone other than the card holder?**

Response: Yes; credit card use is monitored electronically on a weekly basis; at the end of the cycle; copies of each account and spreadsheet indicating the correct account for charging is reviewed by the Executive Director/Budget Officer/Chair: Budget/Finance*/*Audit Committee and forwarded to the accountant for payment. Payment is in the form of a direct transfer electronically.

(per BFAC: 9.16.2020)

**Question: Does someone other than the credit*/*purchase card holder ensure that all card purchases are supported with receipts or other supporting documentation?**

Response: Yes; spreadsheet contains receipts for items other than software contractual autopay. These are reviewed by staff prior to request for approval.

**Question: Does someone who is not a subordinate of the credit*/*purchase card holder review all card purchases for appropriateness?**

Response: Yes: approval is requested prior to credit card purchase*s*/ review by administrator*/*executive director/budget officer.

**Question: Does the person who authorizes payment for goods or services, who is not the clerk, verify the receipt of goods or services?**

Response: Yes: team of 4 work together and we order very few items.

**Question: Does someone authorize payroll payments who is separate from the person who prepares payroll payments?**

Response: Off site accountant handles all payroll issue

**Require a Commitment of Ethical Behavior:'**

Operations: Annually Central Wasatch Commission Board and staff will discuss and complete Ethical Behavior form as provided. Occurring in conjunction with Fraud Risk Assessment tools this June 2021.

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**D. Adopt and Put Into Practice Written Policies:**

Operations: Central Wasatch Commission Board review policies as written below: **Conflict of Interest:** Response: Form to be completed annually: September/October **Procurement Policy:** Response: (Chapter 7: CWC Bylaws Updated 7.2020) Review/Discuss annually.

**Ethical Behavior:** Response: Form to be completed annually.

**Reporting Fraud and Abuse:**

Response: adopt structure for reporting : since CWC works within the values of consensus and collaboration there is an environment of openness and access to board, attorney, accountant and staff. This openness is a value leading to ability to address, confront and report.

**5. Travel:**

Response: As outlined in CWC Bylaws, CWC Employment Agreements and CWC Employee Handbook, all travel is approved prior to travel by the Chair of the Board for the Executive Director and by the Executive Director for all other staff members. Bylaws state board members are not compensated for travel expenses.

**6. Credit*/*Purchasing Cards:**

Response: Approved*/*request re-approval annually. Currently all 4 staff members are issued Zions credit cards with a cumulative max level of $5,000. **Personal Use of Entity As**sets: Response: Outlined in CWC Employee Handbook: not to be personally used. **IT Computer Security:** Response: computers are password encrypted. Banking information is token encrypted.

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**Cash Receipting and Deposits:** Response: CWC checks received deposited date of receipt. No cash transactions.

**E. Hire and Train Qualified Staff:**

Response: Off site accountant has Bachelor degree in accounting. Office Administrator has 3.5 academic years of accounting, is a certified federal compliance officer*/*dual Master degrees plus in excess of 45 years financial oversight in health care/ Stanford Certified Financial Management for Non-Financial Managers.

Other staff are attorney (J.D.) and Masters degrees. Contracted auditor is CPA. State Auditor Board Training is encouraged of all board members: Chair of the Budget/Finance/Audit Committee*/*Mayor Jeff Silvestrini has completed.

**F. Provide Effective Training:**

Response: CWC provides comprehensive, but basic training regarding budgeting and financial matters for board and staff; during the budgeting process.

G. Provide Hotline for reporting Fraud and Abuse:

Response: Email and phone information of attorney, board members and staff are available so that any concerns may be reported to any of these individuals. CWC has developed a strong and honest relationship between staff, board and counsel.

**H. Internal Audit Function:**

Response: Internal audit function is a team effort of reviewing financials as presented by an off site accountant and occurs monthly. Chair and members of the budget*/*finance/audit committee also actively participate.

**I. Audit Committee:**

Response: Central Wasatch Commission has a strong budget/finance/audit committee composed of three commissioners, all experienced with financial matters - one has an ongoing history with the finances of the corporation having served as budget officer from the beginning of CWC in 2017. The Chair of the Board is also a member of this committee along with the Executive Director and Budget Officer. This committee reviews the auditor scope of work and meets with the auditor at completion of work prior to presentation to the full board. This committee also reviews and approves ongoing financial work plans to keep operational policies current.