



**June 2023 for fiscal year 2022-2023  
Responses to Fraud Risk Assessment Questionnaire**

**Operations Questions: Basic Separation of Duties**

**Question 1 : Does the entity have a board chair, clerk, treasurer who are 3 separate people.**

Response: Yes. Chair Christopher F. Robinson, Budget Officer: Blake Perez, Treasurer: Mayor Jeff Silvestrini from Millcreek

**Question 2: 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 4: 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 5: 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, Chair of the Budget/Finance/Audit committee, and accountant have regular review and approval status. The Budget Director and offsite accountant 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.

**Question 6: 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 7: 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 8: 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 9: 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 purchases/ review by administrator/executive director/budget officer.

**Question 10: 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 3 work together and we order very few items.

**Question 11: Does someone authorize payroll payments who is separate from the person who prepares payroll payments?**

Response: Off site accountant handles all payroll issue

### **Fraud Risk Assessment**

**1. Does the entity have adequate basic separation of duties or mitigating controls as outlined in the attached Basic Separation of Duties Questionnaire?**

a. Response: Yes, see answers and questionnaire

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

b. 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.

**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.

**Credit/Purchasing Cards:** Response: Approved/request re-approval annually. Currently all (2) staff members are issued Zions credit cards with a cumulative max level of \$5,000.

**Personal Use of Entity Assets:** Response: Outlined in CWC Employee Handbook: not to be personally used.

**IT Computer Security:** Response: computers are password encrypted. Banking information is token encrypted.

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

**3. Does the entity have a licensed or certified expert as part of its management team?**

Response: Yes, offsite accountant has bachelor's degree in accounting.

#### **4. 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 during fall/spring 22/23.

#### **5. Have all governing body members completed entity specific (District Board Member Training for local/special service districts & interlocal entities, Introductory Training for Municipal Officials for cities & towns, etc.) online training (training.auditor.utah.gov) within four years of term appointment/election date?**

Response: TBD

#### **6. Does one member of management team receive at least 40 hours of formal training:**

Response: CWC provides comprehensive, but basic training regarding budgeting and financial matters for board and staff; during the budgeting process. Blake Perez, Budget Officer, is experienced and has completed training as outlined in the assessment implementation guide: *“course work totally 40 hours annually in Compliance Basics, Fraud Risk Assessment , Board Training, Budget Basics, and Annual Budgeting”* Training provided through Utah State Auditors training website

#### **7. 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.

#### **8. 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.

#### **9. 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 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.