



SMUSA Internal Operations Audit on CBd

Persons Involved

SMUSA Operations Department shall oversee the **entire internal audit**, under the supervision of FACT, SMU's appointed auditor, from the administrative paperwork to inspection onsite.

Number of Auditees (WHO)

The total number of auditees shall amount to **half of the total number of CBds, both school and CCA**, that are managed under SMUSA Operations.

Composition of Auditees

Each CBd is to undertake this audit **bi-annually**, i.e. **every 2 years**. There should be a total of **5 CBds** in one batch, consisting of **3 Schools and 2 CCAs CBds**. This is subjected to future changes.

It should be made known to the **upcoming successor on the CBds** that have been **audited in that year** to prevent the replication of a certain CBd on being assessed.

Basis Period (WHEN)

The auditee is audited on transactions starting from the **1st of August in the previous year** to the **31st of July in the current year**; or the previous academic year. The audit period takes **approximately 3 weeks** to complete, excluding the preparation phase.

Standards of Audit (WHAT)

The audit comprises 3 different segments: **Purchase, Disposal and Onsite auditing**. Audit items are defined as asset or asset transactions above **\$300**. The passing threshold of this audit is to achieve a total **compliance score of not lower than 80%**.

Audit Objectives

1. **PURCHASE:** Verification on the **occurrence** of purchase

SMUSA Operations Department shall:

- Approach the SMUSA Finance Secretary for the full list of each CBd's SAP records.
- For each of the audited CBd, filter all purchase transactions from the list given, and further filter on assets related purchases.
- Select transactions which are **above \$300**. SMUSA Operations team is to select **20% of items (Minimum of 2)** in the list, at random, to check and the CBds are to **send over the supporting documents** for the purchase(s).
- Match the actual invoice document(s) against the SAP records in terms of the **item name, date of purchase, quantity and total amount incurred**.

2. **DISPOSAL:** Verification on the **occurrence** of disposal

- As with approval(s) for each CBd disposal, SMUSA Operations Department should **download disposal form(s)** that have been emailed to them for their own record to be used in the audit.
- Match the **actual disposal proof document** against both the **CBd's and SMUSA Operations Department's records**.
- Check that the details match in terms of the **item name, date of disposal, quantity, and total amount (If a service vendor has been engaged)** incurred.

Auditees are to submit **relevant documents** that support the item in audit. **Not all documentation medium types*** are required to be shown. However, a **minimum of 1 medium type*** is to be shown.

**Medium type refers to documentation including but are not limited to any form of verification such as email threads, text messages, disposal documents etc.*

3. **ONSITE CHECK:** Ensure **completeness** of records in the asset register

All asset registers should include **all owned items** (available and on loan) and are to be sorted into the various categories as seen in the excel template named Purchase, Disposal and Asset Template, found on the SMUSA website.

The condition for categories in the asset register should be based on the item's primary nature. The common categories for the asset register are as follows: **Furniture** (Tables, Chairs, Fans) and **Electronics** (Walkie Talkies, Microphones, Loudhailer etc.). All other categories are to be **identified and defined** by each **CBD in their own terms**. **New tabs** should be created for each of the **new categories**.

- SMUSA Operations shall pick out **at least 30% (Minimum of 5 items), at random**, of the **total inventory** owned by CBDs on hand.
- SMUSA Operations Department is to **check the asset register and ensure that it matches to that of the item being audited during the onsite check**. The numbers should match unless there are loans, if applicable.
- The CBD shall produce **loan documents** should there be existing loans made during the audit period.
- SMUSA Operations Department shall deem the CBD to have met the passing mark after meeting the criteria of **less than 5 mismatches/mistakes**.

4. **ONSITE CHECK:** Assurance in the **condition** of physical assets

- SMUSA Operations Department shall refer to this checklist for determining the condition of their CBD's assets.

- Is the item still in **working condition**? (Y/N)

*This question must be **met/pre-requisite** before one can move on to the scoring criteria below. Otherwise, there is no need for further examination.*

- How well is the item still **functioning**?
- How well **maintained** is the item?
- Are there any **visible/known damages**?
- How likely is the item to pose a **safety hazard**?
- How **satisfactory** is the item?

- Each checkpoint is to be **rated on a scale of 10**, first conducted by the SMUSA Operations Secretary and **cross-checked** by the SMUSA Operations Deputies.

- Remarks are to be given and the **justifications/reasons** need to be valid for an item to be deemed as dangerous.
- The **average** of all **raters** shall be the **final score** considered. A minimum of 60% is needed to pass this section.

GUIDELINES

- A. All CBds are to have an **asset register, purchase and disposal form** at the least for audit checks. This standardisation is **mandatory** for all CBds. Thus, there should be **regular updates** on each of these documents to **ensure consistency** and accuracy of the audit.
- B. All documents transacting from the **starting date of 1st August** in the **previous year** to **31st July** in the following year should be **recorded**.

PROCEDURES

1. SMUSA Operations is to send out an **email notification at least 3 weeks** prior to audit, informing the CBds involved in this audit. CBds are to **propose their available dates and timings** for onsite auditing **within that same week**.
2. The administrative documentation check (Purchase and Disposal) documents should be completed within **the first 2 weeks** of audit. The date for the onsite audit should ideally fall **within the last week of** audit. SMUSA Operations **shall confirm the exact date and time** for each CBd via **email** correspondence.
3. **2 weeks** prior to audit, all CBds are to submit the **Purchase List, Disposal List and Asset Register** List over to SMUSA Operations at **operations@sa.smu.edu.sg** and cc **a.operations@sa.smu.edu.sg**.
4. SMUSA Operations is to **inform CBds of the items that are to be audited** in both the **Purchase and Disposal List within 3 days** of the CBd's submission email.
5. **1 week** prior to audit, selected CBds are then required to **submit relevant softcopies** of both **purchase documents** for transactions above \$300, as well as relevant **disposal document(s)**.

6. Items audited **on-site** are to be made known **on the day** of inspection. CBds should prepare a **hardcopy** of their **asset register** for verification purposes conducted by SMUSA Operations Department at **storage venue** itself.

7. At the end of the entire audit period, SMUSA Operations shall **send out the individual results**. The announcement of results shall consist of a **checklist of what has been done well** and **areas of improvement**. The email is expected to arrive **within 7 working days** of the CBd's completion date.