



Policy Title: Internal Control Policy	Effective Date: 2/22/2018
Policy Number: GEN-PO-1006	Date of Last Review: 2/1/2022
Oversight Department: Office of the President	Next Review Date: 2/1/2025

1. PURPOSE

The Internal Control Policy for Radford University (University) provides for the implementation of a system of internal control for the University.

2. APPLICABILITY

The Internal Control Policy applies to all University employees.

3. DEFINITIONS

Business Affairs and Audit Committee: Per the Radford University Board of Visitors Bylaws, a standing committee of the Board of Visitors that is generally responsible for reviewing and recommending action to the Board regarding the financial and business affairs of the University, including but not limited to, capital projects, grants, contracts, and the naming of facilities. This committee also oversees the internal audit function of the University, receives the annual financial audit report of the Auditor of Public Accounts, and performs studies of financial matters as directed by the Board.

Division Head: President, Provost, or applicable Vice President.

Internal Control: Based on the Internal Control – Integrated Framework (2013), published by the Committee of Sponsoring Organizations of the Treadway Commission, internal control is an ongoing process, effected by the Board of Visitors, management, and other University personnel designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting, and compliance. Internal control consists of five integrated components: control environment, risk assessment, control activities, information and communication, and monitoring.

Management: The collective body of those who have the authority and responsibility to make decisions in order to manage or direct the various operations and business processes of the University. Management encompasses various levels of the organization including division heads, deans, directors, managers, and supervisors.

Significant Fiscal Process: A component or unit of financial operations that has been identified by the University as significant to the overall institution based on one or more of the following characteristics:

- Consumes a proportionally large share of University resources
- Has a high degree of public visibility
- Represents an area of concern and high risk to a mission-critical business process for University managers and stakeholders
- Has a significant effect on a general ledger account balance or the financial reporting process

University Employee: Any person employed as a teaching faculty, administrative or professional faculty, classified employee, part-time or wage employee, student employee, work/study employee, or any other person paid through the University's payroll process.

4. POLICY

- A. The University's Board of Visitors and the President are dedicated to maintaining an effective ethical culture through their commitment to competence, integrity, and ethical values as communicated in the Radford University [Code of Ethics](#). This same commitment is an

B.

8. REFERENCES

[Code of Virginia, § 2.2-800](#), "Department of Accounts created; appointment of Comptroller; oath."

[Code of Virginia, § 2.2-803](#), "Financial accounting and control."

[Commonwealth of Virginia Accounting Policies and Procedures \(CAPP\) Manual, Topic 10305, "Internal Control Guidance"](#)

[Agency Risk Management and Internal Control Standards \(ARMICS\)](#)

[Internal Control – Integrated Framework \(2013\)](#), Committee of Sponsoring Organizations of the Treadway Commission

9. INTERPRETATION

The authority to interpret this policy rests with the President of the University and the President's Cabinet.

10. APPROVAL AND REVISIONS

The **Internal Control Policy** replaces and expands upon the Policy Statement on Internal Control adopted by the Business Affairs Committee of the Board of Visitors on February 17, 1999. The newly developed **Internal Control Policy** was developed in the University Policy Template, and was submitted to and approved by the President's Cabinet at the meeting held on January 8, 2018. The policy was then submitted to and approved by the Radford University Board of Visitors at the meeting held on February 16, 2018. The President signed the new policy on February 22, 2018.

Reviewed February 1, 2022. Only minor revisions.

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