RESOLUTION 20-10
EMMET COUNTY SEGREGATION OF DUTIES POLICY

\ RESOLUTION of Emmet County, Iowa adopting a Segregation of Duties for Officers, Employees and Agents Policy.

INTRODUCTION

State and Federal policies require that accounting transactions be authorized according to sound management practices. One of the most basic, yet most important principles of sound management is that of segregation of duties.

Segregation of duties is critical because it insures separation of different functions and defines authority and responsibility over transactions. Segregation of duties is critical to effective internal control; it reduces the risk of both erroneous and inappropriate actions.

The fundamental premise of segregated duties is that an individual should not be in a position to initiate, approve and review the same action. In addition, the accounting/reconciling function, and the asset (e.g., money, inventory) custody function should be separated among employees. These are called incompatible duties when performed by the same individual.

POLICY STATEMENT

Responsible administrators must consider the principle of segregation of duties when designing and defining job duties. They must implement processes and control procedures that, to the extent feasible, segregate duties among employees and that include effective oversight of activities and transactions.

Maintaining segregation of duties is especially challenging for units with small numbers of employees. When .hese functions cannot be separated, more reliance must be placed on administrative oversight. A detailed supervisory review of activities involving finances, inventory, and other assets is required as a compensating control activity.

Adopted this 28th day of April 2020.

EMMET COUNTY BOARD OF SUPERVISORS   ATTEST:

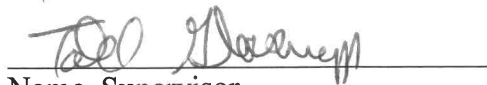_____   _____
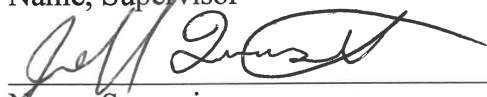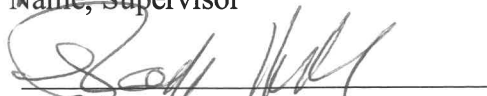John Pluth, Chairperson   Amy M. Sathoff, Auditor

AYE: NAY:

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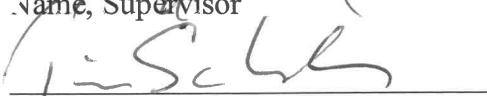Name, Supervisor   Name, Supervisor

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