

Internal Control Assessment Accounts Payable Documentation

Purpose

To ensure that FSA's documentation regarding its procurements is proper, complete, accurate, and readily available for examination.

Background

In accordance with the General Accounting Office (GAO), FSA is required to properly maintain sufficient documentation of procurement transactions. Documentation must be purposeful and useful to managers in controlling their operations and to auditors or others involved in analyzing operations. FSA must have written evidence of its internal control objectives, techniques, accountability systems, and all pertinent aspects of transactions including other significant events. Also, the documentation must be available and easily accessible for review and examination.

Documentation of FSA's procurement transactions must be complete and accurate. It must facilitate the tracing of the transaction and related information from the time an acquisition is funded, a purchase or delivery order issued and final payment to a vendor for the goods or services is provided. Documentation is also important for the review by the Defense Contracting Agency for acquisitions over \$ XX. Procurement related documents must be maintained for X number of years, in accordance with the Statute of Limitations.

Internal Control Standard

FSA must ensure proper documentation is maintained for procurement transactions.

Assessment of FSA's Compliance*

We examined FSA's procurement documentation and determined that transactions are properly documented. We also determined that the records were retained for the required X number of years.

* The actual testing phase including interviews and examination of sampled records has not yet occurred. This write-up is only a sample of what may be discovered during the testing phase of the FMFIA process.