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Who's got your back?

- **Having competent, well-trained backup personnel for critical business functions is essential to an effective internal control system.**
- **Up-to-date policies and procedures are vital resources for employees' assigned backup responsibilities.**
- **Risk assessments provide an excellent opportunity to evaluate contingency plans and coverage for key business processes.**

All of our armed forces, police units, and fire departments rely on specific command chains, which include formally defined reserves for each critical position. Reserves are needed in order to protect national security and to reduce crime, property damage, and loss of life.

Our nation's founding fathers believed that having backups for all key governing positions was so important they designated legal successors for each critical position in the federal constitution. For example, if the President leaves office or becomes incapacitated, the Vice-President steps in to do the job; if the VP also goes down, the Speaker of the House takes over, and so on. The Minnesota state constitution also identifies successors for the state's top governing positions.

And, every sports team from the little leagues to the major leagues has designated backups for each position and every player on the field.

Now, if reserves are important for game situations at every level, certainly they are important within your organization as well. Without adequate backup for critical staff members and business functions, your agency might not be able to carry out its objectives during times when the "first-string" job incumbents are away from the office, expectedly or unexpectedly.

Business continuity, uninterrupted delivery of services, and unceasing transaction processing are the primary reasons internal control experts, management consultants, and business textbooks suggest that having competent, well-trained substitutes for the organization's most critical business processes is vital to an effective internal control system.

Failing to plan is the same as planning to fail when it comes to having alternates ready to fill

in to execute your key business processes when needed. An effective contingency plan for any function demands the following:

Pre-assigning substitute roles and formally delegating those responsibilities to experienced and competent individuals long before backup services are needed. Making hasty, last second, or not well-thought-out decisions regarding fill-in assignments increases the chances of delayed or inaccurate transaction processing. Also, fraud risk is increased if backup roles are assigned without consideration given to maintaining proper segregation of duties.

Maintaining current, up-to-date policies and procedures is essential for training substitute personnel and for referencing when the reserves are required to execute unfamiliar tasks.

Training backup staff to complete the duties and responsibilities they may be called upon to perform, often with little or no advanced notice.

Reviewing and evaluating contingency assignments, plans, and training on a periodic basis is important to ensure adequate coverage is available and prepared when needed. Risk assessment projects offer a good opportunity to conduct these analyses.

Suggested action steps: Determine who's got your back when you are out of the office. If you don't know or no one is assigned, talk to your supervisor about this internal control weakness. If someone has been assigned to fill in for you, make sure you maintain the requisite tools and documentation for them so it is ready and available when they perform the job duties in your absence.

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