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Trust but verify

Highlights

- To be skeptical means to have a trust-but-verify approach and a questioning mindset.
- Employees with healthy skepticism are an important element of an effective internal control system.
- Professional skepticism reduces the risk of fraud and other improprieties.

“Take a hike!” “Do I look like I just fell off the turnip truck?” These, or perhaps something less cordial (and printable), would be responses any of us might give a guy on the street offering a “genuine” Rolex watch at a bargain basement price. Certainly, our response would be similar if given a sales pitch for a sweet deal on Florida beachfront property that had to be paid for right now, sight unseen.

Why is that? Why would everyone not line-up to take advantage of such great offers? The reason is skepticism. Skepticism regarding the intentions of the person making the offer or doubts about the validity of what is being offered would (hopefully) prevent any of us from buying the “Rolex” or the land in Florida. Doubt and healthy skepticism are useful tools when contemplating offers seemingly too good to be true or whenever value, authenticity, or legality cannot be easily confirmed.

The word *skepticism* comes from the Greek word, *skeptikos*, meaning “inquiring” or “reflective.” To be skeptical is to have a questioning mindset, a trust-but-verify approach, and an understanding that taking things at face value alone increases the risk of getting ripped-off or taken advantage.

It is essential we apply professional skepticism when performing our state job duties. If we fail to question, doubt, investigate, require proof or supporting documentation before acting or processing, particularly things out of the ordinary, we put the state’s assets and resources at risk.

Many statewide and agency-specific policies and procedures, particularly internal control-related procedures, imply

or specifically require professional skepticism. For example, if assigned responsibility for reviewing a reconciliation, it is not enough to just sign your name “rubber-stamping” your review. Rather, proper reconciliation review requires we question unusual and dated reconciling items, and if necessary, we ask for supporting documentation before signing off. Furthermore, in situations when the explanation and documentation provided does not add up, our skepticism should lead us to elevate the concerns to management.

Professional skepticism means we question even the most trusted and experienced colleague or supervisor requests or instructions to do something that does not seem right or we know is inappropriate. It also means we immediately report any request or directive to circumvent law, policy, or internal control procedure.

Exercising professional skepticism is not promoting a hostile work environment, nor does it imply a lack of trust in colleagues or supervisors. On the contrary, being skeptical is part of doing our job to the best of our abilities. It simply means we understand fraud and improprieties can and do happen. It shows recognition that bad things are more likely to happen if we do not ask follow-up questions; if we do not require supporting documentation; if we do not verify approval; if we do not doubt and say “no” when our gut and intuition suggests something is not right.

Suggested Action Steps: Think for a moment. Can you recall a time(s) when you noted something out of the ordinary but did not ask about it? Perhaps you remember a time you “rubber stamped” an approval, or processed an unusual transaction without asking for supporting documentation? If so, make a commitment to consistently apply professional skepticism before moving forward.

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