

# **Segregation of Duties Module**

Audit Analytics Template



Segregation of Duties (SOD) is a basic building block of risk management and internal controls for an organization. For instance, you would not want to allow an employee to both create and approve the same travel and expense claim in your system. Without SOD in place, fraud and error risks are hard to manage. Depending on the number of users with varying roles and permissions in your system, managing appropriate access is even harder. That's where data analytics comes.

## Understand Risks with Audit Analytics

Enterprise Resource Planning systems capture massive amounts of data within your municipality in real time. Automating your ERP data (e.g. data analytics) will allow you to quickly identify and understand risks occurring in your organization and use it to make changes and adjustments for an optimized process and improved performance.

Data analytics are written to track transactions as they move through the ERP workflow. Each analytic is asking a question of transaction. If the transaction meets the criteria, the analytic will flag the transaction. A single transaction could be flagged by multiple analytics.

## Get Started with This Template

We recommend these steps for incorporating analytics in your next audit:

1. Document your process with its existing controls and consider the various risks associated with steps of the process (Page 3).
2. Research existing audit analytics that detect common risks within SOD and then develop those unique to your process (Page 4).
3. **Contact 9b to schedule a demo** of our built-out audit intelligence reports for SOD and 10 other business risk areas (Page 5).



## Sample Modules and Permission Conflicts



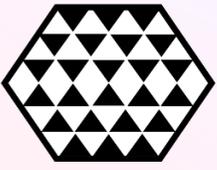


## Sample Audit Analytics

Step	Analytic	Description	Use case
HR	HR Benefits + Process Payroll	Permissions allow the possibility for a user to change employee HR benefits then process payroll without authorization.	Resolve improper user access; define roles.
IT	Terminated Users	Flags if a user's role is not removed 7 days after termination, or if the user is terminated and the role is never removed.	Automate system security and maintenance.
Purchasing	Create Contracts + Approve Own Contracts	Permissions allow the possibility for a user to create and approve their own contracts.	Resolve improper user access; define roles.

## Additional Resources

- [ACL Essentials](#)
  - Audit analytics documentation from Galvanize (ACL)
- [Rich Lanza](#)
  - Books, articles, videos on analytics and automation to improve the effectiveness and efficiency
- [ACFE Report to the Nations](#)
  - 2020 Global Study on Occupational Fraud and Abuse



## About 9b

We do analytics to make organizations awesome and help communities thrive. As a benefit corporation, 9b is legally empowered to pursue positive stakeholder and community impact alongside profit. We are based in Tulsa, Oklahoma.

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