

UNIVERSITY OF TOLEDO INTERNAL AUDIT DEPARTMENT

MANAGE FACILITIES

Control practices

The following control objectives provide a basis for strengthening your control environment for the process of managing facilities. When you select an objective, you will access a list of the associated business risks and control practices. That information can serve as a checklist when you begin reviewing the strength of your current process controls.

This business risk and control information can help you assess your internal control environment and assist with the design and implementation of internal controls. Please note that this information is at the generic business process level and many companies will need to go beyond generic models to address the specific business processes that support the financial and nonfinancial disclosures being made. You can combine the insight of this business risk and control information with your industry-specific knowledge and understanding of your company's environment when conducting internal control assessments and designing and implementing recommendations.

Effectiveness and efficiency of operations

- A. Quality support services are provided to operations.
- B. Employees and management are provided the information they need to control the facilities management process.

Effectiveness and efficiency of operations

A. Quality support services are provided to operations.

Business risks

- Inefficient operations will result from operations performing their own support functions.

Control practices

1. Require that facilities managers maintain appropriate staffing and resource levels with the help of employee overtime and seasonal and temporary workers.
2. Evaluate outsourcing facilities management from a cost/benefit perspective to understand if the risk of this operation can be transferred to a qualified and monitored service provider.
3. Review support operations for efficiency, determining, for example, if mail distribution and schedules are appropriate or the secretarial staff has the appropriate technology and training to perform tasks efficiently.
4. Obtain internal customer feedback continually to improve support services.
5. Use customer and supplier service agreements to facilitate cross-functional communications that optimize the critical processes leading to customer satisfaction.
6. Use budgets and cost centers to monitor the cost of support services.

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B. Employees and management are provided the information they need to control the facilities management process.

Business risks

- Employees will be injured.
- Plants and equipment will be damaged.
- Production will decline.
- Employee morale will decline. Employee actions will be brought against the company.

Control practices

1. Establish relevant performance measures to verify that facilities management is aligned with company objectives.
2. Use a combination of cost, quality, time, and productivity performance metrics to ensure the facilities management process is well balanced and measuring its progress appropriately.
3. Quantify performance measures and compare them against prior results to identify improvement and spur action when performance deteriorates.