



Segregation of Duties Checklist

Where does your business sit?

By regularly reflecting on these questions, business owners can identify potential gaps in their segregation of duties practices and take necessary steps to strengthen their internal controls, ultimately reducing the risk of financial fraud.



- ☐ **Are key financial responsibilities clearly defined?**
Do I have a documented outline of roles and responsibilities related to financial transactions?
- ☐ **Is there a separation of roles?**
Are the functions of initiating, authorising, and recording transactions assigned to different individuals?
- ☐ **Are payment processes secure?**
Who is responsible for inputting creditor invoices and employee pay runs, and do they have the ability to upload and process payments?
- ☐ **How are financial reconciliations handled?**
Is there an independent review of reconciliations, and are they performed by someone who isn't involved in the transaction process?
- ☐ **Do you know whether your existing SOD processes are being followed?**
How frequently do you check whether the segregation of duties policies are actually being complied with?
- ☐ **Are there checks for unusual transactions?**
Do I have procedures in place to flag unusual transactions for further review, and who is responsible for this oversight?
- ☐ **What happens during employee absences?**
Is there a contingency plan to ensure that duties remain segregated when an employee is on leave or absent?



How can we help?

We often help businesses by reviewing internal processes and offering practical solutions to fix any issues we find. Our team can help identify where processes are slipping and provide straightforward steps to get back on track, reinforcing your defences against fraud and errors.



Contact us

If you need guidance on establishing SOD or improving existing processes, contact **Dean Strati** at dstrati@pilotpartners.com.au, **Cameron Woodcroft** at cwoodcroft@pilotpartners.com.au or your Pilot advisor on (07) 3023 1300.

DISCLAIMER: This publication contains general information only and is not intended to constitute financial advice. Any information provided or conclusions made, whether expressed or implied, do not take into account individual circumstances. It should not be relied upon as a substitute for professional advice. Pilot is a trade mark of Pilot Partners Pty Ltd ACN 105 267 061 ABN 58 144 064 946 Liability limited by a scheme approved under Professional Standards Legislation.