**Suggested solution – Accounts Payable**

**Time:** 15 minutes

**Instructions:**

* Map the control to the What Can Go Wrong (WCGW) that the control can mitigate.
* A control can be mapped to more than 1 WCGW.
* Each control properly mapped will earn 1 point.

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| **WCGW** |
| Purchases/payables are not recorded in the proper period. (1) |
| Invoices are incorrect as to prices, quantities and/or date service is performed. (2) |
| Recorded purchases/payables are not evidenced by appropriate documentation or are not in accordance with supporting documentation. (3) |
| Invoice adjustments are not properly authorized and/or recorded. (4) |
| Not all purchases/payables incurred are recorded. (5) |

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| **Control** | **Control Type** |
| Unmatched vendor invoices are reviewed at period-end. (1)(3) | IT-Dependent Manual |
| Exceptions to a 3-way match (purchase order, invoice and receiving report) are investigated daily. (2)(5) | IT-Dependent Manual |
| Purchase agreements are analyzed to identify when ownership passes. (1)(3) | Manual Prevent |
| Formal approval of vendor invoices by appropriate personnel evidences services were performed. (4)(2)(3) | Manual Prevent |
| Goods and services are promptly entered into the subledger when received and the receipt date is the current date. (1)(5) | Application |