



Office of Internal Audit

Monthly Internal Control Tip

Secure assets within your area, agency, or department by implementing one or more of following asset security controls.

A key element to a sound internal control structure is the use of various security controls to secure assets. Physical security controls are put in place to reduce or eliminate the risk of unauthorized access, use, and theft of assets. Physical security can be as simple as a locked door or as intricate as multiple layers of barriers and armed security guards. The level of security required depends heavily on the vulnerability of items being secured as well as the potential impact should a loss occur. Examples of physical security controls include the following:

- Policies, processes, and procedures that provide guidance regarding access levels, restricted areas, and restricted information (Procedural Access Controls) should be documented and available to staff.
- Key cards or access badges should be considered as a method to identify properly authorized persons.
- Access to equipment, cash, inventory, confidential information, etc. should be secured and restricted to reduce the risk of loss or unauthorized use.
- Ensure physical safeguards are in place where applicable. Safeguards include but are not limited to strong walls, locks, and safes.
- Locks and combinations should be changed when employees, whom had keys and/or the combination to significant amounts of assets, are separated / terminated.
- Unauthorized persons may be detected by way of intruder alarms and/ or security systems.
- Video surveillance allows for continuous monitoring of assets.
- Perform periodic physical inventories to verify existence, quantities, location, condition, and utilization of various assets.
- Perpetual records should be maintained. Periodic physical counts should be compared to the perpetual records and to investigate any differences.

This tip is brought to you by the Office of Internal Audit. Previous Monthly Internal Control Tips can be found on the Office of Internal Audit's webpage, located [here](#).