This Self-Assessment Questionnaire (SAQ) is a tool to be used by an agency to:

* Develop fiscal and administrative controls.
* Evaluate the adequacy of existing procedures, both as written and actually performed.
* Ensure that written procedures and actual practices are the same.

Each agency should review its procedures **at least biennially** to ensure compliance with the minimal internal control standards as set forth in this SAQ. By completing the SAQ, an agency can identify potential internal weaknesses.

The SAQ is designed so that a “No” response indicates an area of concern, which may require corrective action in written procedures and/or actual practices, such as:

1. Developing new or revised procedures to correct the deficiency found; or
2. Implementing a compensating control.

The Comments/Issues column should be used for agency’s notes.

SAQs should be reviewed and approved by management and the original maintained in the agency’s files for audit purposes.

This document is to be used to help complete the agency’s Biennial Report on Internal Controls, which is due by July 1 of each even-numbered year.

Thank you for your cooperation.

**L. Petty Cash and Outside Bank Accounts**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Petty Cash** | **Yes** | **No** | **N/A** | **Comments/Issues** |
|  | Is the petty cash fund approved by BOE or statutory authority? |  |  |  |  |
|  | Is the purpose of the petty cash fund documented in writing? |  |  |  |  |
|  | Do written procedures describe all processes for use and administration of the petty cash fund? |  |  |  |  |
|  | Are petty cash funds adequately safeguarded in a secure location? |  |  |  |  |
|  | When a receipt is voided, does the individual: |  |  |  |  |
| 1. Clearly mark “void” across the face of the original and all copies?
 |  |  |  |  |
| 1. Provide an adequate explanation for the void?
 |  |  |  |  |
| 1. Receive verification by a person independent of the transaction and ensure verifier initialed receipt?
 |  |  |  |  |
|  | Are all receipt numbers accounted for, and are voided receipts maintained intact and in sequence?  |  |  |  |  |
|  | Are cash receipt books, issued and unissued, safeguarded and are adequate controls employed in their distribution and use?  |  |  |  |  |
|  | Is access to receipt books limited to individuals involved in the receipting/logging and depositing functions?  |  |  |  |  |
|  | Are receipt books adequately secured with limited access until used?  |  |  |  |  |
|  | Are disbursements from petty cash supported by original receipts? |  |  |  |  |
|  | Does a person independent of custody reconcile the petty cash fund monthly?  |  |  |  |  |
| **Outside Bank Accounts** |
|  | Has the outside bank account been approved by the Board of Finance or authorized by statute? |  |  |  |  |
|  | Do the written procedures describe any outside bank accounts administered by the agency? |  |  |  |  |
|  | Has the name of the account and financial institution been submitted to the State Treasurer’s office? |  |  |  |  |
|  | Do all transactions comply with intended use of the bank account? |  |  |  |  |
|  | Are account transactions authorized and supported by receipts, invoices, or other agency determined documentation? |  |  |  |  |
|  | If account is used for trust funds: |  |  |  |  |
| 1. Are subsidiary ledgers maintained for each client?
 |  |  |  |  |
| 1. Are funds from subsidiary ledgers reconciled to bank statements monthly?
 |  |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Yes** | **No** | **N/A** | **Comments/Issues** |
|  | 1. Are changes between client accounts reconciled monthly?
 |  |  |  |  |
|  | Do outside computerized accounting systems require the same degree of controls as Advantage: |  |  |  |  |
| 1. Is user access to the system restricted by use of unique login and passwords?
 |  |  |  |  |
| 1. Are user rights/permissions assigned to ensure adequate segregation of duties?
 |  |  |  |  |
| 1. Do transactions require 2 levels of approval (whether within the system or outside of the system)?
 |  |  |  |  |
| 1. Are user logins removed/disabled when users no longer need access to system?
 |  |  |  |  |
| 1. Are exception reports reviewed by someone limited to read only access within the system?
 |  |  |  |  |
| **Revenues** |
|  | Are the following key duties segregated among individuals: |  |  |  |  |
| 1. Receiving/logging revenue
 |  |  |  |  |
| 1. Preparing deposits
 |  |  |  |  |
| 1. Reconciling bank statements.

*Note:* *If your agency has limited staff, describe compensating controls that are in place to safeguard revenues received.* |  |  |  |  |
|  | Are checks and money orders: |  |  |  |  |
| 1. Restrictively endorsed immediately upon receipt?
 |  |  |  |  |
| 1. Recorded directly on a check log or other revenue tracking system when received or as soon as practicable?
 |  |  |  |  |
|  | Is cash (coin/currency) received recorded on pre-numbered, multi-part receipt forms (or computer generated receipt forms, if applicable)? |  |  |  |  |
|  | When a receipt is voided, does the individual: |  |  |  |  |
| 1. Clearly mark “void” across the face of the original and all copies?
 |  |  |  |  |
| 1. Provide an adequate explanation for the void?
 |  |  |  |  |
| 1. Receive verification by a person independent of the transaction and ensures verifier initials the receipt?
 |  |  |  |  |
|  | Are all receipt numbers accounted for, and are voided receipts maintained intact and in sequence?  |  |  |  |  |
|  | Are receipt books, issued and unissued, safeguarded and are adequate controls employed in their distribution and use?  |  |  |  |  |
|  | Is access to cash, checks, and money orders limited to individuals involved in the receipting/logging and depositing functions? |  |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Yes** | **No** | **N/A** | **Comments/Issues** |
|  | Are cash, checks, and money orders not immediately deposited adequately secured with limited access until deposited? |  |  |  |  |
|  | Are deposit books, issued and unissued, safeguarded and are adequate controls employed in their distribution and use?  |  |  |  |  |
|  | Is access to deposit slips limited to individuals involved in the receipting/logging and depositing functions? |  |  |  |  |
|  | When a deposit slip is voided, does the individual: |  |  |  |  |
| 1. Clearly mark “void” across the face of the original and all copies?
 |  |  |  |  |
| 1. Provide an adequate explanation for the void?
 |  |  |  |  |
| 1. Receive verification by a person independent of the transaction?
 |  |  |  |  |
|  | Are all deposit slips accounted for, and are voided slips maintained intact and in sequence?  |  |  |  |  |
| **Expenditures** |
|  | Are the following key duties segregated among fiscal individuals? |  |  |  |  |
| 1. Processing checks,
 |  |  |  |  |
| 1. Approving check payments, and
 |  |  |  |  |
| 1. Reconciling bank statements.

*Note: If your agency has limited staff, describe compensating controls that are in place to safeguard payments made.* |  |  |  |  |
|  | Is access to check stock limited to individuals involved in the payment processing functions? |  |  |  |  |
|  | Is check stock, issued and unissued, safeguarded and are adequate controls employed in their distribution and use?  |  |  |  |  |
|  | Are all check numbers and check stock serial numbers accounted for, and are voided check maintained less the signature and in sequence? |  |  |  |  |
|  | When a check or check stock is voided, does the individual: |  |  |  |  |
| 1. Clearly mark “void” across the face of the original and all copies?
 |  |  |  |  |
| 1. Provide an adequate explanation for the void?
 |  |  |  |  |
| 1. Receive verification by a person independent of the transaction?
 |  |  |  |  |
| **Bank Reconciliation** |
|  | Does a person independent of the depositing and check writing functions reconcile the account records and bank statement monthly?  |  |  |  |  |
|  | Does a supervisor review and sign the bank reconciliation noting approval? |  |  |  |  |
|  | Is the reconciliation of the account forwarded to the State Controller’s office annually? |  |  |  |  |

If any discrepancies are noted above, describe corrective action plan and resolution date below:

|  |  |  |
| --- | --- | --- |
| SAQ Number | Corrective Action Plan | Resolution Date |
|  |  |  |
|  |  |  |
|  |  |  |
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