



List of Financial Internal Controls

1. Account Reconciliations
 - Monthly before financial statements are issued.
 - Account reconciliation report and statements reviewed by another. Reviewer randomly downloads statements independently.
2. Segregation of Duties
 - Examples: Person who cuts the checks cannot sign the checks; one person opens mail and logs payments received, and another person makes the deposit.
3. Accounting System Controls – Limit Access
4. Disbursements
 - Keep checks locked and in a secure area.
 - Invoice/documentation of all expenditures.
 - Require written pre-authorization of all payments by someone other than the one writing the checks.
 - Approval of new vendors or new vendor payment methods/addresses.
 - Independent verification of changes to vendor payment information.
 - If no segregation of duties, check register reviewed by someone other than the person writing the checks to make sure all checks are accounted for.
 - Double signatures on checks greater than a certain amount.
 - Review of debit and credit card activity.
 - Track sequence of check numbers.
 - Mark invoices as “paid” when they’ve been paid.
 - Review of payroll register by someone other than person who administers payroll.
5. Receipts
 - One person logs incoming cash receipts/checks, and another person deposits them.
 - Keep checks and cash received in a locked and secure area.
 - Restrictively endorse checks payable to organization.
 - Deposit checks and cash in a timely fashion.
6. Require annual vacations and have someone else do the work during that time.
7. Conduct audits on a varying (unpredictable) schedule and do not warn staff of the date.
8. Set a control environment (“tone at the top”).