

Sample Internal Control Reference Checklist

A “No” response to any of the following questions may indicate an internal control weakness. The district should perform a self-evaluation, investigate all potential weaknesses, and ensure that controls are put into place so the weakness will no longer result in internal control issues.

This checklist is divided by area; another checklist in Chapter 5 of this manual is divided by job position for those with responsibility for ASB organizations.

General Procedures	YES	NO	N/A	Comments
1. Does the district have a comprehensive board policy and administrative regulations that provide rules and regulations for ASB governance and operations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
2. Does the district have a comprehensive ASB manual with detailed procedures?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
3. Has the FCMAT <i>ASB Accounting Manual</i> , <i>Fraud Prevention Guide</i> and <i>Desk Reference</i> been adopted as part of the district’s ASB policies and procedures?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
4. If the district has a comprehensive manual, is it reviewed and updated as needed, at least annually? Does the update address the areas of concern or confusion identified in the previous year’s audit?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
5. Does the business office provide annual ASB training for all school and district employees who work with ASB activities and retain a signed and dated training attendance log as proof that employees received training?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
6. Do members of the business office staff periodically (at least annually) visit each school to provide support and to review the ASB procedures used at the school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
7. Do school employees and students know whom to call in the district business office if they have questions or concerns about ASB and are unable to get answers at the school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
8. Has the business office taken immediate action to correct annual audit findings related to ASB activities? Are the schools involved in developing action plans to ensure that the findings do not reoccur?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
9. Are the forms, processes and systems for ASB operations standardized districtwide?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____

	YES	NO	N/A	Comments
10. Is the ASB recordkeeping computerized? If so, is the accounting software adequate to meet the needs of the district and clubs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
11. Are the financial reports and other items produced by the system user-friendly and informational?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
12. Is the computer on which the ASB accounting software resides user ID- and password-protected?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
13. Is the ASB accounting software access user ID- and password-protected?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
14. Are ASB computer and accounting software passwords safeguarded, not given out, and changed periodically?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
15. Are only ASB funds maintained in ASB bank accounts? (ASB bank accounts should not include PTA or booster club money, or faculty charitable funds).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
16. Is a formal application required from any students who want to establish a new club at the school? [Secondary]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
17. Is each club advisor a certificated staff member of the school district?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
18. Are all ASB bank accounts reconciled within two weeks of receipt of the statement?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
19. If bank account reconciliations are not performed within two weeks of receipt of the bank statement, is a reconciliation completion promise date obtained and followed up on to ensure the bank reconciliation is completed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
20. Are all outstanding deposits and checks identified, and are they clearing the bank within a reasonable time? (Deposits should be outstanding for no more than two or three days.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
21. If any journal entries or transfer entries are made, are those entries authorized?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
22. Is there a clear distinction between the student body's income and expenditures and those of the district?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____

	YES	NO	N/A	Comments
23. Do procedures ensure that trust funds will not be used to finance general student body activities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
24. Is prompt action taken to recover deficits in trust accounts?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
25. Has the governing board established a policy for disposing of inactive student body organizations' trust balances?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
26. Is equipment adequately controlled and recorded?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
27. Is the board's designee an authorized signatory on all student body accounts?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
28. Is a general ledger maintained?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
29. Are all clubs required to prepare and maintain minutes of all meetings, with all necessary items noted? (Secondary)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
30. Are the minutes of each individual club reviewed by the general student council?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
31. Do the minutes contain approval for fundraising activities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
32. Are disbursements of student body funds specifically approved, item-by-item, and in the minutes?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
33. Are the activities of the student body reflected in the minutes?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
34. Does every recognized club and the student council have a constitution on file that establishes the policies and rules for the student governance of the council or club?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
35. Does the general student council have bylaws in place?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
36. Are accounting controls for the clubs the same as those for the general ASB?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
37. Are student store inventories reviewed periodically?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
38. Are financial reports prepared regularly (at least monthly)? Are they reviewed and included in the ASB minutes?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____

	YES	NO	N/A	Comments
39. Do employees and students know to report any questionable or suspicious activities to the district's business office for investigation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
40. Does the district have access to an independent third-party fraud reporting whistleblower website and telephone hotline? Are employees aware of the fraud reporting options?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
41. Is there a safe at each school adequate to hold all cash receipts until deposit as well as cash boxes, check stock and other necessary items? Is access to the safe limited, with a log identifying who has the access?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____

Cash Receipts / Fundraisers

	YES	NO	N/A	Comments
1. Are all proposed fundraising events approved by the governing board or its designee at the beginning of each school year? Is this list updated throughout the year?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
2. Are fundraising activities in accordance with those prescribed by the district and approved by the governing board/designee to help ensure success?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
3. Are fundraising activities approved by the principal/school administrator and by the general student council?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
4. Are revenue potentials prepared for each approved fundraiser and completed once the fundraiser is over?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
5. Do supervisory personnel exercise adequate control over student fundraisers to ensure that the participants are following all district policies and exercising strong internal controls?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
6. Is staff aware of the appropriate internal controls for cash receipts for each type of fundraising event (i.e. prenumbered receipts, tickets, and tally sheets)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
7. Is an adequate stock of supplies for cash receipt control procedures—such as prenumbered tickets and prenumbered receipt books—kept in a safe, locked place?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____

	YES	NO	N/A	Comments
8. Is control maintained over tickets, numbered forms and receipt books when not in use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
9. Are details about the number of items receipted and the unit price recorded on the receipt or other documentation used for cash receipts?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
10. Are all cash receipts from student fundraising activities turned in to the ASB bookkeeper immediately, or as soon as possible after the fundraising event? Is the correct documentation turned in with the collected cash, such as reports on tickets issued and other items?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
11. Do two people count the funds raised at the end of a fundraising event, with both individuals signing and dating the fundraising cash collection form?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
12. When individuals turn in cash to the ASB bookkeeper, does the bookkeeper count the cash in the presence of at least one other person? Is an acknowledgment of receipt of the money and accuracy of amount signed and dated?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
13. Are duplicates of cash count forms kept, as well as all other forms that are part of the financial process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
14. If a startup cash change box is issued, does the person(s) receiving the change count the startup cash in front of the ASB bookkeeper and do they sign indicating that the startup change is accurate?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
15. Are undeposited cash receipts kept in a safe?				
16. Does the ASB bookkeeper record cash receipts promptly when received?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
17. Are bank deposits made within a few days of receipt, but at least weekly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
18. Is a summary or detail of amounts making up the deposits retained for a sufficient audit trail?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
19. Are shortages/overages handled as prescribed by established district policy?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____

	YES	NO	N/A	Comments
20. Is control of associated student body card sales maintained, including the number of cards issued and the beginning and ending numbers of the cards sold?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
21. Are commissions from vending machine sales received promptly when due?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
22. Are the profit and loss statements for the student store reviewed periodically? Are prices adjusted when necessary based on analysis of sales?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
23. Are personal checks prohibited from being cashed from ASB funds?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
24. If food is sold in the student store, has it been approved by the director of food services? [Secondary only. Primary grades cannot sell food daily.]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
25. Are only ASB receipts deposited into the ASB account?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____

Cash Disbursements / Expenditures

	YES	NO	N/A	Comments
1. Does the business office report the sales and use tax for the student store and other purchases on its sales tax report?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
2. Does the business office issue 1099s for all independent contractors paid with ASB funds?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
3. Are cash balances reconciled with bank balances monthly, and are detailed items listed on bank statements recorded in the ASB's books?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
4. Are prenumbered checks used for cash disbursements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
5. Are voided checks retained?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
6. Are controls established to ensure that expenditures do not exceed budgeted funds?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
7. Are all expenses approved in advance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
8. Are purchase orders used to show the proper preapproval of all expenditures (prior to purchase)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____

	YES	NO	N/A	Comments
9. Do purchase orders have the required one approval signature (unorganized) or three approval signatures? [Secondary]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
10. Are approved purchase orders, whether voided or not, retained in a file?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
11. Are contractual obligations properly authorized by board-designated signers? Are they kept within established limits?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
12. Are students approving expenditures rather than adults (teachers, advisors or coaches) making the decisions? [Secondary]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
13. Do checks require double signatures? Are there backup signers on the account?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
14. Are all disbursements supported by an original invoice and adequate receiving documents?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
15. Are all checks written to a specific payee (vendor or employee), with no checks written to cash?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
16. Is a record maintained of all equipment purchased with ASB funds?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
17. Are only allowable expenses paid from ASB funds?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
18. Are ASB funds spent to enhance the general welfare, morale and educational experience of the entire student body rather than just one or two students, individuals or a specific group?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
19. Are disbursements from petty cash properly supported by vouchers or receipts?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
20. Are the checkbook and the check stock stored in a locked file cabinet or safe?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
21. Is there a process in place to determine whether a worker is an employee or an independent contractor?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
22. Are all employees who perform work for the ASB paid through the district's payroll and then invoiced to ASB?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____

	YES	NO	N/A	Comments
23. Is an IRS Form W-9, Request for Taxpayer Identification Number and Certification, obtained from all independent contractors before any disbursements are issued to them?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
24. Are only board-approved staff signing contracts up to the allowed amount?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____

Financial Reporting

	YES	NO	N/A	Comments
1. Are all bank accounts reconciled monthly? Are they shared and reviewed by the ASB advisor, principal/school administrator and district's business office?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
2. Are bank reconciliations initialed/signed and dated as evidence of being reviewed after they are prepared?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
3. Are profit and loss statements for the student store prepared and reviewed periodically by the general student council, principal/school administrator and district office?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
4. Are monthly reports on the financial transactions of various trust and club accounts prepared and submitted to the advisors, principal/school administrator, general student council and district office?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
5. Are periodic financial statements prepared and submitted to the district's business office? Are these reports included in the student council minutes?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
6. Does the business office receive and review periodic financial statements from the ASB organizations and sign and date that they have reviewed the documents?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
7. Does the student council and each club prepare, adopt and monitor an annual budget?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
8. Does the general student council approve each club's budget?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
9. Is every club and the student council required to prepare a budget for the fiscal year?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
10. Is there a policy in place that dictates how much carryover is allowed for individual clubs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____

	YES	NO	N/A	Comments
11. Is spending monitored during the year to ensure that the club will not end the year with a large carryover balance or a negative balance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
12. Is a balance sheet and statement of revenues and expenditures prepared at least at the end of the year?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
13. Are all of the student organization's funds and annual financial reports audited annually by the district's independent auditor?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____