Internal Controls Checklist by Job Responsibility

1. 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 implemented so the weaknesses (“no” answers) are eliminated and will no longer result in internal control issues.
2. District Business Office Employees

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? ❏ ❏ ❏
  2. Does the district have a comprehensive ASB manual with detailed procedures? ❏ ❏ ❏
  3. Has the FCMAT ASB Manual been adopted   
     as part of the district’s ASB policies and procedures? ❏ ❏ ❏
  4. If the district has a comprehensive manual, handbook, or other list of allowable and   
     prohibited activities, fundraisers, expenditures, etc., is it reviewed and updated, if necessary, at least annually? ❏ ❏ ❏
  5. Does the district’s update of its manual,   
     handbook, or other list of allowable and   
     prohibited activities, fundraisers, expenditures,   
     etc. address areas of concern identified in the previous year’s audit? ❏ ❏ ❏
  6. 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? ❏ ❏ ❏
  7. Do business office staff members periodically   
     (at least annually) visit each school to provide support and to review the ASB procedures   
     used at the school? ❏ ❏ ❏

Yes No N/A Comments

* 1. Has the district ensured that school employees and students know whom to call in the district’s business office if they have questions or   
     concerns about ASB and are unable to get answers at the school? ❏ ❏ ❏
  2. 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 recur? ❏ ❏ ❏
  3. 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? ❏ ❏ ❏
  4. Does the business office’s sales tax report   
     include the sales and use tax for the student   
     store and other purchases? ❏ ❏ ❏
  5. Before any disbursement is issued to any independent contractor, does the business   
     office have on file a valid and signed IRS Form   
     W-9, Request for Taxpayer Identification   
     Number and Certification? ❏ ❏ ❏
  6. Does the business office issue forms 1099s   
     for all independent contractors paid with ASB funds? ❏ ❏ ❏
  7. Has the business office developed and/or   
     adopted standard forms, processes and   
     systems for ASB operations districtwide? ❏ ❏ ❏
  8. Does the business office receive and review periodic financial statements from the ASB organizations and sign and date that they have reviewed these documents? ❏ ❏ ❏
  9. Does the business office review the monthly   
     bank reconciliations from the school ASBs? ❏ ❏ ❏

Yes No N/A Comments

* 1. Does the district have access to an independent third-party fraud reporting whistleblower website and telephone hotline? ❏ ❏ ❏
  2. Are all involved with ASB aware of the whistleblower website and telephone hotline? ❏ ❏ ❏

Signature Date

1. Principal/School Administrator
2. The principal/school administrator is the primary manager and responsible person at a school. This is where the ultimate responsibility lies for all activities on campus, from academic programs and athletic events to parental communication and engagement. Many principals/school administrators delegate the responsibility and authority for ASB coordination and management to another responsible employee, such as a vice principal, activities director, ASB advisor, club advisor, teacher, or other staff. This varies by school level, school size, and other policies and procedures the governing board may have.
3. Some items listed as internal control questions for the principal/school administrator are equally important for the ASB advisor with delegated responsibilities.
4. The questions below that are more relevant to secondary schools or to schools with organized ASBs contain the notation “(Secondary).”

YES NO N/A Comments

* 1. At the beginning of each year, do you spend   
     time at a staff meeting discussing ASB issues, operations, and internal controls at the school (e.g., what is allowed and what are the procedures)? ❏ ❏ ❏
  2. Do you spend time each month discussing ASB activities with the ASB bookkeeper, particularly problems that might be developing? ❏ ❏ ❏
  3. Do you report any questionable or suspicious activities to the district’s business office for possible investigation? ❏ ❏ ❏
  4. Do you verify that only ASB funds are   
     maintained in ASB bank accounts? ASB bank accounts should not include school-connected organization (PTA or booster club) money, donations to non-ASB entities, or charitable   
     funds. ❏ ❏ ❏
  5. Is a formal application required from any   
     students who want to establish a new club   
     at the school? (Secondary) ❏ ❏ ❏
  6. Is each club advisor a certificated employee   
     of the district? ❏ ❏ ❏

YES NO N/A Comments

* 1. Do the student council and all clubs have a constitution and bylaws that establish the   
     policies and rules for student governance   
     of the council or club? (Secondary) ❏ ❏ ❏
  2. Are all clubs required to prepare and maintain minutes of all club meetings, with all necessary items noted? (Secondary) ❏ ❏ ❏
  3. Are the student council and each club required   
     to prepare, adopt and monitor a budget for the fiscal year? (Secondary) ❏ ❏ ❏
  4. Do you ensure that only preapproved, allowable expenses are paid from ASB funds? ❏ ❏ ❏
  5. Do you use a preapproved purchase order form with one required approval signature (unorganized) or three required approval signatures? (Secondary)? ❏ ❏ ❏
  6. Are purchase orders dated and approved   
     before the item is purchased? ❏ ❏ ❏
  7. Do you ensure that students approve   
     expenditures and that adults (teachers,   
     advisors) are not making the decisions? ❏ ❏ ❏
  8. Are students the primary decision makers?   
     (Secondary) ❏ ❏ ❏
  9. If food is sold in the student store, has it been approved by the director of food services? ❏ ❏ ❏
  10. Are all food-related activities (e.g., fundraisers, vendor food services, bake sales) discussed   
      and approved by the director of food services? ❏ ❏ ❏
  11. Do you verify that all ASB bank accounts are reconciled monthly within two weeks of receipt   
      of the bank statement? ❏ ❏ ❏

YES NO N/A Comments

* 1. 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? ❏ ❏ ❏
  2. Are you one of the individuals authorized to   
     sign ASB checks? Who are the other approved signers? ❏ ❏ ❏
  3. Do you know whom the board has approved   
     to sign contracts? Up to what amount? ❏ ❏ ❏
  4. Do you review the bank reconciliations each month and initial the bank statement as well   
     as the reconciliation as evidence of your review? ❏ ❏ ❏
  5. If you clearly delegated specific responsibilities and authority to an ASB advisor or advisors, do you meet regularly to coordinate and collaborate regarding school needs and activities? ❏ ❏ ❏
  6. Is there a secured fireproof safe at the school   
     with limited access that can hold all cash   
     receipts until deposit? ❏ ❏ ❏
  7. Are bank deposits made within a few days of receipt, or at least weekly? ❏ ❏ ❏
  8. Do you review ASB financial reports monthly? ❏ ❏ ❏
  9. Are you making sure that funds counted at fundraisers and by the bookkeeper are always counted with at least one witness? ❏ ❏ ❏

Signature Date

1. ASB Advisor
2. The ASB advisor is a vital contributor to the success of all ASB operations.
3. In numerous secondary schools, the principal/school administrator has delegated significant responsibility and authority to the ASB advisor. When this is the case, several of the items identified above as internal control questions for the principal/school administrator apply to the ASB advisor.

YES NO N/A Comments

* 1. Have the district staff and/or the principal/school administrator adequately explained your responsibilities? ❏ ❏ ❏
  2. Do you know where to go for help if you have questions about ASB policies or procedures? ❏ ❏ ❏
  3. Are you a certificated employee of the district? ❏ ❏ ❏
  4. Do you ensure that careful minutes are taken   
     at each club meeting, with all necessary items noted? ❏ ❏ ❏
  5. Do you help your club prepare and monitor   
     an annual budget? ❏ ❏ ❏
  6. Do you monitor spending during the year to ensure that the club will not end the year with   
     a large carryover balance or a negative balance? ❏ ❏ ❏
  7. Do you work with clubs to ensure that   
     fundraisers are appropriate and preapproved   
     and that adequate internal controls are in place   
     to make them successful? ❏ ❏ ❏
  8. Do you work with the students to establish and implement control procedures for cash receipts   
     at each fundraising event? ❏ ❏ ❏
  9. Are a fundraiser approval form and a revenue potential form used to document the purpose   
     of each fundraiser and to estimate or project revenue and expenses? ❏ ❏ ❏
  10. Do you ensure that cash receipts are given to   
      the ASB bookkeeper either immediately or as   
      soon as possible after the fundraising event? ❏ ❏ ❏

YES NO N/A Comments

* 1. Do you ensure that those responsible for the fundraising event have had at least two people count all funds raised and that both individuals sign and date the fundraising   
     cash collection form? ❏ ❏ ❏
  2. Do you ensure that a second person is always present to count the cash receipts and do both individuals sign and date the form indicating   
     that the count of funds is accurate? ❏ ❏ ❏
  3. After funds are counted and ready to be transported to the bank, do you ensure that   
     those funds are transported with a witness? ❏ ❏ ❏
  4. Do you keep duplicate copies of forms that are part of the financial process (e.g. cash count   
     form, fundraiser approval form, revenue   
     potential form, ticket control form, budget,   
     and purchase order form)? ❏ ❏ ❏
  5. Do you understand what types of expenses   
     ASB funds are allowed to be used for? ❏ ❏ ❏
  6. Are you one of the individuals who preapproves expenditures (with a student representative and the principal/school administrator) using a purchase order? ❏ ❏ ❏
  7. Do you review ASB financial reports monthly? ❏ ❏ ❏
  8. Are you one of the authorized signers of the   
     ASB checks? Who are the other approved   
     signers? ❏ ❏ ❏
  9. If you are the advisor for the student store, are additional internal controls in place, such as a comparison of sales to inventory, periodic inventory of goods, and review of pricing policy? ❏ ❏ ❏

YES NO N/A Comments

* 1. Does the district provide you with training opportunities on ASB-related topics   
     throughout the year? ❏ ❏ ❏

Signature Date

1. ASB Bookkeeper
2. Many accounting functions need to be performed for ASB operations. Ideally, a person with adequate time, technical skills and knowledge will be assigned to perform these functions. The employee performing the following tasks may not have the official title of ASB bookkeeper, but for purposes of this checklist, that is the title used for the person who performs the ASB accounting functions at the school.

YES NO N/A Comments

* 1. Do you have enough time to devote to   
     ASB recordkeeping? ❏ ❏ ❏
  2. Do you provide each club with information on   
     the revenues and expenses to date each   
     month? Is this also provided to the ASB advisor, principal/school administrator and ASB   
     treasurer? (Secondary) ❏ ❏ ❏
  3. Do you understand the internal controls   
     needed for cash receipts from each type of   
     fundraising event? ❏ ❏ ❏
  4. Do you ensure that students and staff establish cash receipt control procedures for each fundraising   
     event? ❏ ❏ ❏
  5. Do you maintain an adequate stock of supplies   
     for cash receipt control procedures, such as prenumbered tickets, prenumbered receipt   
     books, and duplicate cash count forms? ❏ ❏ ❏
  6. Do you ensure that the advisors submit the documents for each fundraising event in   
     addition to the cash collected? These   
     documents include reports on tickets issued   
     and other items. ❏ ❏ ❏
  7. Do you ensure that all cash count forms for fundraising and for all events where funds are collected are completed and signed before   
     you take custody of the deposit? ❏ ❏ ❏

YES NO N/A Comments

* 1. 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 sign indicating that the startup amount   
     is accurate? ❏ ❏ ❏
  2. Is cash deposited into the bank account within   
     a few days, but at least weekly, after it is   
     collected and received? ❏ ❏ ❏
  3. Are all expenses approved in advance? ❏ ❏ ❏
  4. Do you have copies of the signed purchase orders? ❏ ❏ ❏
  5. Is the purchase order dated and approved   
     before the purchase? ❏ ❏ ❏
  6. Are the checkbook and the check stock stored   
     in a locked file cabinet or in a securely installed fireproof   
     safe? ❏ ❏ ❏
  7. Is there a log that identifies the individuals who have access to the ASB safe? ❏ ❏ ❏
  8. Are expenses paid only with an original invoice and a document that verifies that the goods   
     were received? ❏ ❏ ❏
  9. Are two signatures required on all checks?   
     Are there backup signers? ❏ ❏ ❏
  10. Are you excluded from signing checks?   
      (this helps ensure segregation of duties   
      and proper internal controls). ❏ ❏ ❏
  11. Are checks written to vendors and employees   
      and never to cash? ❏ ❏ ❏
  12. Is a record maintained of all equipment   
      purchased with ASB funds? ❏ ❏ ❏

YES NO N/A Comments

* 1. Is there a process to determine whether a   
     worker is an employee or an independent contractor? ❏ ❏ ❏
  2. Are all employees who perform work for the   
     ASB paid using the district’s payroll system   
     and then invoiced to ASB? ❏ ❏ ❏
  3. Is an IRS Form W-9, Request for Taxpayer Identification Number and Certification,   
     obtained from all independent contractors   
     before they are paid? ❏ ❏ ❏
  4. Do you reconcile all bank accounts monthly   
     within two weeks of receipt of the bank   
     statement? ❏ ❏ ❏
  5. Are all outstanding deposits and checks   
     identified and do they clear the bank within   
     two or three days? ❏ ❏ ❏
  6. If any journal entries or transfer entries are   
     part of the bank reconciliation, are those   
     entries authorized? ❏ ❏ ❏
  7. Does the district provide ASB-related training opportunities for you throughout the year? ❏ ❏ ❏
  8. Is there a knowledgeable contact person in   
     the business office to answer your questions   
     and help you? ❏ ❏ ❏
  9. Is the ASB recordkeeping computerized? If so,   
     is the accounting software adequate to meet   
     the needs of the district and clubs? ❏ ❏ ❏
  10. Is the computer on which the ASB accounting software resides user ID and password   
      protected? ❏ ❏ ❏
  11. Is the ASB accounting software protected by requiring a user ID and password for access? ❏ ❏ ❏

YES NO N/A Comments

* 1. Are ASB computer and accounting software passwords safeguarded, not given out, and   
     changed periodically? ❏ ❏ ❏
  2. Are only ASB receipts deposited into the ASB account (e.g., not library fines or   
     principal’s/school administrator’s discretionary accounts)? ❏ ❏ ❏
  3. Do people listen to you when you express concerns about expenditures or other items? ❏ ❏ ❏
  4. When money is brought to you from fundraisers, are you given time to count it in the person’s presence, and do both you and the other person sign and date the cash count form indicating that both counts are the same? ❏ ❏ ❏
  5. After funds are counted and ready to be transported to the bank, do you transport the funds with a witness? ❏ ❏ ❏

Signature Date