APPENDIX 7

COMMUNITY DEVELOPMENT COMMISSION

ACCOUNTING SYSTEM REVIEW (ASR) CHECKLIST
(FOR <u>NEW AGENCY</u> TO COMPLETE)

(A SITE VISIT MAY BE CONDUCTED LATER)

AGENCY NAME _____

AGENCY ADDRESS _____

AGENCY PHONE _____

PREPARED BY: _____ Email _____

TITLE: _____

AGENCY GENERAL INFORMATION

EXECUTIVE DIRECTOR: _____

DIRECTOR OF FINANCE: _____

IDENTIFY THE PROGRAMMATIC AND FINANCIAL STAFF THAT WILL BE RESPONSIBLE FOR THE PROGRAM:

    NAME   TITLE AND RESPONSIBILITIES

_____   _____

_____   _____

_____   _____

DESCRIBE YOUR FISCAL ORGANIZATIONAL STRUCTURE: (Add extra lines if needed)

NAME   TITLE AND RESPONSIBILITIES

_____   _____

_____   _____

_____   _____

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WHO WILL BE SUBMITTING PAYMENT REQUESTS? _____

	YES	NO	COMMENTS (Include all narratives here)
1. GENERAL			
a) Is your Agency currently using computers or has computer capabilities for the following applications:			
1. Microsoft Office			
2. Adobe Acrobat Professional -Version 8.0 or higher (Note: It is <u>not</u> the same as Adobe Reader)			
3. High speed Internet access and email			
4. General Ledger system			
5. Scanning and document uploading/downloading capabilities			
Name of General Ledger system and version _____ System in place since: _____			
b) General Ledger is maintained by internal staff Name and title			
c) If General Ledger is maintained by outside accountant: Describe the tasks performed by the outside accountant and frequency. Would your accountant be able to prepare the payment requests every month and provide all necessary supporting documentation for this program?			
d) If maintained by outside accountant, is internal staff able to use the computer and have access to the General Ledger and other computer applications?			

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	YES	NO	COMMENTS (Include all narratives here)
e) Is there a chart of accounts?			
1) By cost centers or project/program			
2) By funding sources			
3) By revenue and expenditures			
3. CASH RECEIPTS			
a) Are procedures documented in written Policies and Procedures Manual? Provide copy if requested later.			
b) Maintains cash receipts log at time of receipt - Indicate staff responsible for this task.			
c) System has Cash Receipts Journal with adequate information (date, payor or funding source, description, G/L accounts)			
d) Proper endorsement and timely deposits. Indicate staff responsible for this task.			
e) Proper review of daily cash receipts. Indicate staff responsible for this task.			
f) Are there internal controls and segregation of duties over cash receipts process? Explain in comments and provide copy of procedures if requested later.			
g) Proper coding by funding source and cost center/project. Indicate staff responsible for this task.			
h) Proper posting to the General Ledger. Indicate staff responsible for this task.			
i) Are there miscellaneous cash receipts transactions? Identify possible sources of program income in comments.			
• Program income is properly recorded and accounted for			

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	YES	NO	COMMENTS (Include all narratives here)
• Sale of fixed assets is properly accounted for			
4. CASH DISBURSEMENTS AND PURCHASING			
a) Are procedures documented in written Policies ad Procedures Manual? Provide copy if requested later.			
b) Is there a purchasing system? Are Purchase Orders used?			
c) Proper authorization for purchase orders – Explain in comments and provide copy of procedures if requested later.			
d) Procurement standards - Are these in compliance with federal or county requirements? CDC requires procurement of all purchases of goods and services. Explain in comments and provide copy of procedures if requested later.			
e) Are all purchases and disbursements made through the organization's checking accounts and with proper approvals? Are individual credit cards used for any purchases? Describe process and controls over use of cash.			
f) Maintains Journal with adequate information (date, check No. Payee, description, G/L accounts)			
g) Invoices are properly coded and approved – Provide examples if requested later.			
h) Invoices are properly canceled or marked "Paid" – Provide examples if requested later.			
i) Accounts Payable system allows for allocation to multiple cost centers/funding sources. Provide examples if requested later.			
j) Proper supporting documentation, including contracts, invoices, and receipts – Provide examples if requested later.			
k) f) Vendor files are properly maintained - Provide sample vendor file if requested later.			
5. PAYROLL			
a) Are procedures documented in written Policies and			

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	YES	NO	COMMENTS (Include all narratives here)
Procedures Manual? Provide copy if requested later.			
b) Personnel file maintained for all employees – Provide sample if requested later.			
c) Timecards completed for all employees for each pay period			
d) Timecards signed and approved by employee and supervisor			
e) Timecards reflect hours on a daily basis on each program.			
f) Maintains payroll register with adequate information (name, position, SS#, salary or hourly rate, withholding deductions, check number and net amount) – Provide sample register if requested later.			

g) Uses outside payroll services.
    Name _____
    Since when? _____			

h) Timely deposit and payment of payroll taxes
    Paid by Agency _____
    Paid by payroll service _____			

i) Timely filing of payroll tax returns
    Filed by Agency _____
    Filed by payroll service _____			

6. GENERAL LEDGER AND JOURNAL ENTRIES (Provide current General Ledger if requested later)			
a) Reflects Chart of Accounts with Assets, Liabilities, Fund Balances, Revenues and Expenditures.			
b) Does system automatically post from the Cash Receipts, Cash Disbursements and Payroll Registers?			
c) Are there internal controls over posting of Journal Entries? Explain in comments and provide copy of procedures if requested later.			
7. PROPERTY AND EQUIPMENT			
a) Are there procedures for authorization and approval of capital expenditures? Explain in comments and provide			

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	YES	NO	COMMENTS (Include all narratives here)
copy of procedures if requested later.			
b) Capitalization policy set up - Explain in comments and provide copy of procedures if requested later.			
c) Detail fixed assets ledger set-up and reconciled to General Ledger			
d) Periodic physical inventory performed and reconciled to records. Most recent physical inventory conducted: _____			
8. OTHER INTERNAL CONTROL PROCEDURES			
a) Timely reconciliation of bank statements. Indicate staff responsible for this task.			
b) Who approves bank reconciliations?			
c) Petty Cash Account - Amount of fund ___·_____			
• Petty cash to be used for program expenditures			
• Adequate procedures and internal controls over its use. Explain in comments.			
d) Two signatures required on checks?			
e) Are any costs allocated to programs? If yes, explain in comments. Copy of Cost Allocation Plan may be requested later.			
f) Is there a travel reimbursement policy?			
• Does policy include purpose for which mileage may be reimbursed?			
• Which positions are eligible for reimbursement? Explain in comments.			
• Mileage rate of reimbursement. Explain in comments.			
• Employee claim forms have adequate information (date of trip, destination, purpose of trip, total miles, and employee signature and supervisor approval).			

DOCUMENTS TO BE SUBMITTED WITH APPLICATION

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- COPY OF 501 (C) (3) DETERMINATION APPROVED BY THE INTERNAL REVENUE SERVICE

- COPY OF MOST RECENT AUDITED ANNUAL FINANCIAL STATEMENTS, INCLUDING THE

  SINGLE AUDIT REPORT, IF APPLICABLE