Sample Internal Control Assessment Questions

Register of Deeds

***Summary: The following assessment questions are divided into three parts to address the changes in T.C.A. 9-18-102(a): (I) Whether obligations and costs of the operation are in compliance with applicable law; (II) Whether county funds, property and other assets that are designated/assigned to the register of deeds’ office are safeguarded against waste, loss, unauthorized use or misappropriation and (III) Whether revenues and expenditures in the register of deeds’ office fee account and county general fund (as it relates to the register of deeds’ office) are properly recorded and accounted for to permit the preparation of accurate and reliable financial and statistical reports and to maintain accountability over the assets.***

1. Whether obligations and costs of the operation are in compliance with applicable laws

General:

1. Does the office have a written organizational chart?
2. Do the office employees have written job descriptions?
3. Does the office have a written, updated personnel policy and is it provided to the office employees?
4. Does the office have a copy of the adopted county ethics policy available for the official and the office employees?

Physical security of the office:

* 1. Who has a key to the register’s office?
	2. Who has a key to the main door of the courthouse?
	3. How often are the locks changed?
	4. Is the office secured with cameras?
	5. Is there a vault in the office?
	6. When is it locked?
	7. Who has access to the vault?

Purchasing:

1. Does the county have an adopted purchasing policy?
2. Who is responsible for filling out purchase order requisitions with the finance department?
3. Who signs the requisition?
4. Who coordinates with the finance department to ensure there is funding available in the line item for the purchase, and that the vendor is on the approved vendor list?
5. Who authorizes the purchase by issuing the purchase order?
6. Who places the order?
7. Who verifies the goods received are itemized on the invoice?
8. Who signs the invoice and forwards it to the finance department?
9. Are blanket purchase orders utilized? If so, for what purpose are they used?
10. Does the office have an adopted policy which addresses emergency purchases?
11. How are emergency purchases documented?

Store cards:

* 1. Does the office have an assigned store card (e.g. Walmart, Lowes)? If so, which stores? If not, does the office have access to a store card?

Contracts:

* 1. Who signs all county contracts dealing with purchasing?
	2. Are there certain contracts that require county legislative body approval?
	3. Is there a requirement for the county attorney to review proposed contracts?
	4. Who serves as the contract monitor?
	5. How is the contract monitored for vendor compliance?

Payroll:

* 1. If a salary suit is not filed, who prepares the letter of agreement to authorize payroll?
	2. Who signs the letter of agreement?
	3. Who receives a copy of the office’s adopted budget and a monthly year-to-date expenditure vs. budget report from the finance/mayor’s office each month?
	4. Who is responsible for verifying the office is in compliance with maintaining only three months’ worth of salaries in the fee account?
	5. Where does the excess go?
	6. From what account is payroll for the office run?
	7. What fund covers the employer share of FICA, TCRS and health insurance?
	8. Do any employees receive compensatory time? Which ones?
	9. How are payroll payments made to employees?
1. Whether county funds, property and other assets that are designated/assigned to the register of deeds’ office are safeguarded against waste, loss, unauthorized use or misappropriation

Cash with fee account:

* 1. Are manual checks utilized in the office? Who is authorized to sign checks?
	2. How are refunds made in the event of overpayment?
	3. Does the office have a written disaster recovery plan?
	4. How often is the computer system backed up?
	5. Where is the back-up data stored?
	6. Does anyone keep a copy of the back-up data? Is it secure?
	7. Who enters daily receipting of payments into the county office?
	8. Are all individuals that are authorized to receipt and/or have access to county funds covered by the county blanket liability bond/insurance? This would include interns, temporary and seasonal employees, part time workers from a human resource agency.
	9. Do deputies who receipt funds maintain separate cash boxes? How are they secured?
	10. How often are the boxes counted and balanced?
	11. How are the correct amounts in the boxes verified?
	12. Does the office have an adopted overage policy? What is it?
	13. How are shortages in the cash boxes handled?
	14. Who investigates material shortages?
	15. Are all employees aware of these procedures?
	16. Can receipts be voided?
	17. Who is authorized to void receipts?
	18. How often are voids reviewed?
	19. Who posts the daily deposit to the ledger?
	20. Who prepares the deposit slip?
	21. Who verifies the deposit is intact and coincides with the total daily cash/check report?
	22. Who initials the deposit slip?
	23. Who takes the deposit?
	24. How often?
	25. Who takes the deposit in the event of an absence?
	26. How much cash on hand is authorized per box and total?
	27. How are the boxes secured?
	28. Where are the boxes stored at the end of the work day?
	29. Are the checks pre-numbered that are manually entered into the accounting system?

Monthly bookkeeping procedures:

* 1. Who performs monthly closing entries and prepares month-end general ledger reports?
	2. Who reviews the monthly bank statement to ensure deposits are being made in a timely fashion?
	3. Who reviews the copies of all checks to verify all disbursements were made to legitimate vendors/agencies?
	4. Who receives the bank statement to reconcile to the ledger?
	5. Who prints/prepares monthly reports to other agencies/departments?
	6. Who is responsible for writing month end checks?
	7. Who signs the checks?
	8. Who reviews all checks and month end reports?
	9. Who reviews the bank reconciliation to ensure all items are legitimate?
	10. Who reviews the monthly electronic audit log?

Annual bookkeeping procedures:

* 1. Who prepares the annual financial report after closing for the month of June?
	2. Who signs the report and to whom is it provided?
	3. Are all month-end and year-end general ledger reports placed to be readily available for audit purposes?
	4. Who prepares an end-of-year accrued vacation report?

Inventory of office equipment:

* 1. Who is responsible for maintaining an updated inventory list and coordinating with BIS to conduct an annual physical inventory of all computer equipment assigned to the office?
	2. Is a copy available and secured?
	3. Does the office have any assets assigned to the office that meet the capitalization thresholds for external financial reporting?

Payroll:

* 1. Do all employees have an updated personnel file?
	2. Who maintains the files?
	3. How do employees log hours?
	4. Are employees allowed to work off the clock?
	5. How often are employees paid?
	6. Who is responsible for running timecard totals for each employee and preparing payroll?
	7. How are employees paid?
	8. Who prepares and submits payroll tax reports each pay period and completes quarterly 941 forms and state unemployment returns?
	9. Who reviews and signs these returns prior to them being mailed?
	10. What is the office policy for correspondence from the IRS?
	11. Who writes a check to the finance department for the employee insurance deductions at the end of the month after butch reviews the deductions?
	12. Do all employees review and authorize their payroll deductions each year?

Maintenance agreements:

* 1. Who maintains contracts on file for maintenance/support for the office’s computer system and other electronic equipment?
	2. Who reviews the invoices from the vendors prior to forwarding them to the finance office for payment to ensure the vendors’ charges are incompliance with the contracted prices?
1. Whether revenues and expenditures in the register of deeds’ office fee account and county general fund (as it relates to the register of deeds’ office) are properly recorded and accounted for to permit the preparation of accurate and reliable financial and statistical reports and to maintain accountability over the assets

Revenues and expenditures:

1. Who is responsible for coordinating with the trustee’s office and finance department to ensure all receipted funds are coded to the correct object code and expenditure budget?
2. Who coordinates with the finance department to ensure the end-of-year reserves for unspent, earmarked fees are correct?
3. Who reviews the month-to-date budget expenditure report that county finance sends them to ensure the register’s office expenditures are accurate and in line with the approved budget?
4. Who verifies that the approved original annual budget for the office, along with any approved budget amendments have been posted to the county finance software correctly?
5. Who reviews all expenditures in the fee account monthly during month end close to ensure the expenditures are properly recorded and accounted for in the register’s fee account?