



**Internal Controls Over Financial Reporting
Self-assessment Tool**



Petty Cash and Change Funds

Legend:

- = Successfully meets standard.
- = Does not meet standard, but making satisfactory progress towards attainment.
- = Does not meet standard; underlying issues have not been addressed
- N/A = Not applicable

Assessment For Period Ending: _____

Reviewer's Signature _____

Date: _____

Control Objectives

As public servants, it is our responsibility to utilize the taxpayer's dollars in the most effective and efficient way possible while adhering to applicable laws and regulations. This document does not address all possible circumstances that need to be considered when establishing internal controls or assessing risk. Each government is responsible for reviewing their business practices and processes to determine where risks exist and where and how controls can be established to mitigate them.

Financial reporting control objectives are as follows:

1. Recorded transactions are valid (existence).
2. All valid transactions are recorded; none are omitted (completeness).
3. Transactions are recorded in the proper fiscal period (cut-off).
4. Transactions are in compliance with applicable laws and policies (rights & obligations).
5. Transaction amounts are accurately valued or calculated (valuation).
6. Transactions are properly classified to the correct fund and account (classification).

| Description of Control | Green | Yellow | Red | N/A | Comments / Responsible Individual |
|---|-------|--------|-----|-----|-----------------------------------|
| 1. Is the custodian of the petty cash and/or change fund prohibited from handling more than one fund or other cash receipts? | | | | | |
| 2. Are the reimbursement vouchers approved by a responsible employee who does not have direct access to the petty cash? | | | | | |
| 3. Is the frequency of petty cash fund replenishments monitored by someone other than the fund custodian? | | | | | |
| 4. Is the depositing, reconciling and recording of the office/department/s receipts/collections done by someone other than the custodian of the petty cash and/or change funds? | | | | | |
| Is the petty cash and/or change fund | | | | | |
| 5. Properly authorized? | | | | | |

| Description of Control | Green | Yellow | Red | N/A | Comments / Responsible Individual |
|--|-------|--------|-----|-----|-----------------------------------|
| 6. The responsibility of only one person? | | | | | |
| 7. Controlled by an imprest system? | | | | | |
| 8. Are petty cash vouchers signed by the person receiving the cash? | | | | | |
| 9. Are petty cash vouchers prepared in ink and required for each disbursement? | | | | | |
| 10. Are petty cash vouchers supported by an invoice with the amounts and purpose spelled out? | | | | | |
| 11. Are the vouchers and attachments properly canceled to prevent their reuse? | | | | | |
| 12. Is the petty cash and/or change fund verified by surprise counts? | | | | | |
| 13. Are IOUs, unauthorized advances, and personal checks prohibited? | | | | | |
| 14. Are petty cash funds restricted to disbursements not exceeding a fixed amount? | | | | | |
| 15. Are reimbursements made payable to the petty cash fund custodian? | | | | | |
| 16. Are petty cash and/or change fund balances for the activity's needs? | | | | | |
| 17. Are deposits reconciled to a control (i.e. cash register tape)? | | | | | |
| Custody | | | | | |
| 18. Is the physical access to the petty cash and/or change funds restricted to only those people who have authority for its use? | | | | | |
| 19. Are petty cash and/or change funds physically kept in a locked container at all times to safeguard the funds against theft? | | | | | |