

# Internal Financial Controls Checklist for Municipalities – Cities and Towns

Document referenced in 24 V.S.A. § 1571(d)

|   | Yes | No | Don't know | By whom  |
|---|-----|----|------------|--|
| Are all town account records currently maintained by one individual?  | X   |    |            | Treasurer  |
| Do you reconcile bank and ledger balances monthly?  | X   |    |            | treasurer reconciles; internal auditors review     |
| Are checks always written to specified payees and not to cash?  | X   |    |            |  |
| Does the same individual open the mail and deposit checks?  |     | X  |            | Munic Asst opens: treasurer deposits               |
| Are pre-numbered checks used for all bank accounts?   | X   |    |            |  |
| Are unopened bank statements delivered directly to the treasurer as received?   | X   |    |            | received on-line by treasurer                      |
| Do you always provide a numbered receipt for any cash payment made to the town?   | X   |    |            |  |
| Have select board members attended financial trainings?   |     |    | X          |  |
| Are bank statements reconciled on a regular basis?  | X   |    |            | treasurer reconciles; internal auditors review     |
| Does someone other than the treasurer review bank reconciliations?  | X   |    |            | available for inspection by internal auditors      |
| Have you deposited town monies anywhere other than a town account?  |     | X  |            |  |
| Have you deposited any non-town monies into a town account?   |     | X  |            |  |
| Is interest in town accounts apportioned to each account?   | X   |    |            |  |
| Have there been any changes in authorized signatures during the fiscal year?  |     | X  |            |  |
| Has a signature stamp ever been used for any town account   |     | X  |            |  |
| Has there ever been a theft, or unauthorized use of town funds or equipment?  |     | X  |            |  |
| Are financial records maintained in a computerized system?  | X   |    |            |  |
| Does the town have written policies and procedures for financial operations?  | X   |    |            |  |
| Does each town official have copies of these policies and procedures?   | X   |    |            |  |
| Have you attended trainings on recordkeeping?   | X   |    |            |  |
| Are checks written by the same individual who approves payments?  |     | X  |            | inv appr by purch; written by Munic Asst; Final SB |
| Are you a participant in any business which does business with the town?  |     | X  |            |  |
| Do you maintain separate pages, columns or running balances for each fund?  | X   |    |            |  |
| Do elected town auditors attend financial trainings?  |     | X  |            |  |
| Are bank accounts and fund balances reconciled on a monthly basis?  | X   |    |            |  |
| Does the town loan money to town employees?   |     | X  |            |  |
| <p><b>As a signer below I certify to the best of my knowledge that the answers provided in this self-assessment questionnaire are an accurate representation of the operation of the Town/City of: <u>East Montpelier</u>, Vermont.</b></p> <p>Preparer: (signature) <u>Donald B. Welch</u> (printed name): <u>Donald B. Welch</u> Title: <u>Treasurer</u></p> <p><b>Received by Select Board (signature): _____ on (date): _____</b></p> |     |    |            |  |