

## Appendix 11: Control List - Expense Cycle

Purchases, payables, and payments	Yes / Done	To Do	No
Written controls exist to establish who can authorize purchases and the dollar limits.			
Expense/purchase amounts are established via annual budgets.			
The person who orders and receives the merchandise does not have the responsibility for bookkeeping.			
Expense account allocation is indicated on invoices by operational staff and is reviewed by the person responsible for the bookkeeping.			
Quantities and details are verified and errors are noted on the invoice for follow-up. Requests for credit are sent to accounting in a timely manner.			
A follow-up is done to ensure that purchase credits are received once merchandise is returned or in the event of errors.			
Prices on invoices are verified by comparing to price lists and purchase orders.			
Purchase orders are reconciled to receipts of merchandise and to the invoice.			
Invoice totals and tax amounts are recalculated.			
An authorized person indicates their approval (initials) on the invoice before remitting it to accounting.			
Supervisor authorization is obtained when invoices are over authorized monetary limits and before the invoice is given to accounting.			
The inventory system prevents the entering of the same invoice number to eliminate invoices being entered twice.			
The date of payment and the cheque number are noted on the invoice.			
Cheque signers verify and review the documents accompanying the cheques prior to signature.			
All cheques are always made out to the vendor name indicated on the invoice and are never made out to Cash.			
Access to blank cheques are limited to authorized staff and are kept in a locked cabinet.			
A bank reconciliation is done monthly by a staff person who is not responsible for cash disbursements, custody of cash, or record-keeping.			
The COO/CFO reviews the bank reconciliations and the list of outstanding cheques.			
Cheques are prenumbered and the sequence is controlled. Cheque numbers used match the accounting system cheque number.			
Voided cheques are marked as "void" and are retained. If the cheque is still in circulation, a stop payment is placed with the bank. In both cases, the voided cheque is reversed in the accounting system.			
Reconciliations are done between the balance on vendor statements and the book balance.			
End of the year procedures exist to ensure payments are recorded in the correct period.			
The COO/CFO reviews and authorizes the yearend accrual entries.			
Procedures exist to ensure that all bank accounts and all cheque signers are authorized by Council.			
All bank transactions require two authorized signatures (Mayor and CAO).			

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Purchases, payables, and payments	Yes / Done	To Do	No
Purchases and invoices are reviewed to identify amounts that should be recorded as fixed assets as per accounting policy.			
The fixed asset policies are well documented and communicated to accounting staff.			
Fixed assets are only recorded in the accounting system when all the risks and benefits of ownership have transferred to the municipality.			
The COO/CFO reviews fixed asset purchases compared to budget and follows up on variances.			
The COO/CFO follows up on questions from suppliers in a timely manner.			
The COO/CFO receives and reviews the accounts payable list monthly and ensures that the total agrees with the general ledger.			
The COO/CFO follows up on debit balances in the accounts payable list and determines the reason in a timely manner.			
All purchases and reimbursements are done by cheque with the exception of Petty Cash as per the policies and procedures. .			
Petty Cash is subject to the established written policies and procedures for Petty Cash.			
Usage of Petty Cash is limited to small amounts.			
Council authorizes the amount and type of expenses used for Petty Cash.			
Petty Cash access is limited to one person.			
A Petty Cash limit for expenses is established and the policy is followed.			
All Petty Cash disbursements have supporting documents (receipts).			
The Petty Cash is reconciled regularly and is locked and kept in a secure location.			
The COO/CFO takes action in a timely manner for shortfalls in the above control procedures.			

**Action Plan for To Do / No items:**

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**Responsible :**

**Deadline:**

**Signature :**