

INTERNAL CONTROL QUESTIONNAIRE

Yes No

CASH & PAYMENT PROCESSING

- ___ ___ 1. Have individual check signing limits and electronic transaction authority limits been appropriately approved and communicated? AND
- ___ ___ 1a. Are they compliant with General Order No. 1?
- ___ ___ 2. Are all purchases, except petty cash items, made by check or electronic payment?
- ___ ___ 3. Does the officer signing the check review all supporting documents?
- ___ ___ 3a. If payments are made electronically, does the officer (not the same person that created the electronic payment) review the on-line payment against all the supporting documentation?
- ___ ___ 4. Does the Temple maintain any cash? If so, is it counted and locked under dual control?
- ___ ___ 5. If the temple maintains a petty cash account, are disbursements only made upon presentment of original receipts OR a cash request signed by two officers?
- ___ ___ 5a. Are periodic surprise audits conducted by someone other than the person responsible for the cash? AND Is the petty cash balance reconciled to the general ledger?
- ___ ___ 6. Are bank deposits made on a timely basis?
- ___ ___ 6a. Is someone, other than a person with check signing or electronic banking authority, reconciling the deposit to the bank account?
- ___ ___ 7. Are reconciliations of all checking accounts performed on a monthly basis? (HPTF, Life Membership Fund, Building Fund, Holding Corp.etc)
- ___ ___ 7a. Are the reconciliations reviewed by an officer? Are any identified exceptions followed up and resolved in a timely manner?

DUAL CONTROL

- ___ ___ 8. Are any items of value held at the Temple? If so, is a periodic inventory performed under dual control and are the items maintained in a locked environment? (For items belonging to a shrine club or unit, a sign-off sheet should be prepared when items are added or taken out of inventory).

Yes No

___ ___ 9. Are copies of safe/lock combinations and extra keys under dual control?

FINANCIAL REPORTING

___ ___ 10. Does the accounting system provide sufficiently detailed breakdowns of accounts to reflect the analysis of fluctuations?

___ ___ 11. Is the Temple budget periodically reviewed and updated for any changes as required by the Imperial By-Laws? Are adjusted budgets forwarded to Shriners International Headquarters?

___ ___ 12. Are actual results compared to the budget monthly and are explanations of variances reviewed and provided to the Board? Are the explanations notated in the minutes?

___ ___ 13. Are reports of the financial activity of the temple provided to the nobility for their review on a periodic basis or when requested?

REQUIRED TAX REPORTING

___ ___ 14. Has the temple filed the required annual IRS Form 990s?

___ ___ 15. If the temple has paid employees, did the temple file all required federal and state employment tax returns? FUTA, SUTA, etc. AND were they filed on time?

___ ___ 15a. If this is outsourced, does the temple have proof from the payroll vendor that all required reporting has been filed on time?

___ ___ 16. Have all required state reporting requirements been met? And were they filed on time? Including, Sales, Use, Property Tax, etc.

___ ___ 17. If the temple engages in state charitable gaming, have all required reports been filed with the state? AND were they filed on time?

BANKING

___ ___ 18. Is there a current listing of personnel authorized to request wires or initiate electronic transactions on behalf of the Temple?

Yes No

- ___ ___ 19. Does your financial institution have safeguards in place to ensure that only authorized personnel can initiate electronic transactions? (wires, ACH, etc)
- ___ ___ 20. Are financial institutions notified immediately about personnel changes?
- ___ ___ 21. Do you maintain a listing of all authorized signers on all financial accounts; including your investment accounts?
- ___ ___ 21a. If not, have you contacted your bank at least annually to verify who is currently authorized to sign checks and initiate electronic transactions?

INVESTMENTS

- ___ ___ 22. Have appropriate funds management and investment policies been established and reviewed at least annually?
- ___ ___ 23. Has the Board approved an investment policy that encompasses the following areas:
- Permissible types of investments?
 - Diversification guidelines to prevent undue concentrations?
 - Limitation on quality ratings?
- ___ ___ 24. Have limitations been imposed on the investment authority of officers?
- ___ ___ 25. Is it documented as to whom has the authority to initiate sales and purchases on behalf of the temple?
- ___ ___ 25a. If it is not documented, have you contacted your investment institution at least annually to verify who currently has the authority?
- ___ ___ 26. Is your investment institution notified immediately of personnel changes?
- ___ ___ 27. Are security purchases, exchanges and sales ratified by the Board or its Investment Committee and documented in their Minutes?
- ___ ___ 28. Does authorization to withdraw funds from an investment account require the signature of two officers? AND is it documented who those officers are?

Yes No

- ___ ___ 29. Does the Board receive regular reports on investment securities showing such data as current market value, maturity distributions and average yield? Are changes in market value of investments periodically recorded in the general ledger?
- ___ ___ 30. Does the temple have an independent finance committee that oversees budgets or investments?

HUMAN RESOURCES

- ___ ___ 31. Are background checks performed and/or references verified for all new employees?
- ___ ___ 32. Does the Temple take immediate action to safeguard the Temple's physical and financial assets when an employee tenders a resignation or is terminated? (keys, system access, bank accts, software, PC, etc.)
- ___ ___ 33. Are office procedures documented to enable coverage during sickness and vacations?
- ___ ___ 34. Are you compliant with all state and federal employment laws?

FIXED ASSETS

- ___ ___ 35. Are major capital expenditures recommended by the Board and approved by the Nobility?
- ___ ___ 36. Is the physical existence of equipment periodically checked or tested, such as by a physical inventory, AND are any differences from fixed asset records investigated?
- ___ ___ 37. Are adequate numbers of bids received on large purchases?
- ___ ___ 38. Are these bids retained for documentation purposes?
- ___ ___ 39. Does any one supplier receive an excessive amount of temple business?
- ___ ___ 40. Are purchases from related parties prohibited without prior Board approval?
- ___ ___ 41. Are all temple assets adequately insured?
- ___ ___ 42. Is there a list of officers authorized to sign contracts and obligate the temple?