

Bank Account Internal Control Questionnaire

(To be used in support of an application to open a bank account)

Name of Proposed Account:

Ministry:

Deposits

1. What are the sources of the deposits and the nature of the receipts (e.g., sales of goods or services, transfers from other jurisdictions, fees)?
2. Choose a statement below that best describes the expected value of receipts for this bank account and provide an explanation to support your response.
 - All receipts will be of a low dollar value.
 - Receipts may occasionally include a few high dollar value items.
 - Receipts will regularly include a few high value items.
 - Receipts will regularly include a large number of high value items.
3. In what form are monies received (e.g., cash, cheques, credit card, debit card, direct deposits from third parties, pre-authorized debits/pre-authorized payments, or a combination)?
4. What is the expected dollar value of manual deposits (e.g., cheques, cash)?
5. How frequently will manual deposits (e.g., cheques, cash) be made to the bank (daily, weekly, monthly)?
6. What controls are in place to ensure monies received by direct deposit from third parties or pre-authorized debits/pre-authorized payments are transmitted to the appropriate bank account (e.g., control over bank account setup and changes)?

7. How does the system ensure that the source of all moneys deposited can be determined (i.e., email from payors agreed to deposit for electronic receipts, detailed on deposit slip or balances to cash mail record which provides details, etc.)?

8. Outline the procedures to ensure all monies received by the ministry/agency are deposited in the bank account and recorded in the accounting records on a timely basis (e.g., segregation between receipt, deposit, and recording functions; independent match of deposit to cash mail record and accounting records).

Payments

9. What are the expected types of payments that will be made from the bank account (e.g., purchase of goods or services, transfer payments)?

10. If monies from this bank account will be transferred to another bank account, name the institution(s) to which funds will be transferred.

How are transfers to be made (e.g., cheque, automatically by the bank, other)?

11. Choose a statement below that best describes the expected dollar value of payments from this bank account and provide an explanation to support your response.

All transactions will be of a low dollar value.

Transactions may occasionally include a few high dollar value items.

Transactions will regularly include a few high value items.

Transactions will regularly include a large number of high value items.

12. Choose a statement below that best describes the expected volume and nature of payments from this bank account.

Transactions will be processed daily and are very repetitive in nature.

Transactions will be processed at short regular intervals (e.g., weekly) and are fairly repetitive in nature.

Transactions will be processed sporadically or at long intervals (e.g., monthly or annually) or vary greatly in nature.

Transactions will be processed sporadically or at long intervals (e.g., monthly or annually) and vary greatly in nature

13. If cheques are written on this account, are they to be signed by two officials of the organization? If no, explain in detail why arrangements cannot be made for two officials to sign the cheques or what compensating controls exist.

Yes No

14. Are all signers independent of bank reconciliation and custodial duties, such as cash receipt, cash handling and deposit, cheque preparation and cheque mailing? If no, what are the compensating controls?

Yes No

15. Are electronic signatures or signature plates used? If yes, what are the controls?

Yes No

16. Will all cheques have a preprinted consecutive form number affixed by the printer or system?

Yes No

17. Is a detailed record of cheques maintained (i.e., cheque register, cheque stub, cheque copy, other) containing at least the cheque date, cheque number, payee and amount?

Yes No

18. Will payments be made by electronic funds transfer (e.g., direct deposit)? If yes, please provide explanation.

Yes No

19. For electronic funds transfers, what controls will be in place to ensure third parties' bank information is complete, valid, and accurate (e.g., forms to set up clients and change bank account information, confirmation letters to third parties, segregation between input and approver, review of reports of bank account information changes)?

20. Will employees who set up third party bank account information be able to initiate or authorize payments, handle cash, record transactions in the financial records or prepare the bank reconciliation? If yes, what are the compensating controls?

Yes No

Reconciliation

21. Will a daily review of bank transactions (e.g., cheques, other debits, transfers, deposits), including a daily matching of cheques (number and dollar amount) processed by the bank to ministry accounting records of cheques issued be performed? If not, why not?

Yes No

22. Will a bank reconciliation be prepared at least monthly?

Yes No

Will an employee independent of the depositing and payment functions reconcile the bank account? If no, describe the compensating controls.

Yes No

Who is responsible for preparation of this reconciliation?

23. Are persons performing reconciliations aware of the deadlines for returning cheques (e.g., counterfeit, stop payment, stale dated) through the clearing?

Yes No

24. Will the ministry's senior official or delegate review and approve the reconciliations?

If no, explain any compensating controls.

Yes No

Who will be doing this review?

How often will the review be done?

What evidence will be available to ensure that this review has been done (e.g., initialing of certain documents, etc.)?