

**Safeguarding Cash
 Special Controls Checklist**

- To detect errors, **checks and balances** should be built into the standard operating procedures of the accounting system. One person should verify or review the work of another person.
- The **comparison** of invoices (and/or purchase orders) and checks, receipts and deposits are recommended practices for all extension offices.
- To **exercise tight financial control**, all pre-numbered documents (receipts and checks) should be accounted for.
- A **Bank Reconciliation** is a method of comparing the bank’s record of deposits and charges against the Checking or Savings Register in the accounting system.
- Another important factor in error detection is the tracking of a transaction in the accounting system by examining documents, reports, and data entries. This is referred to as the Audit Trail. Changes to accounting transactions are recorded in the accounting system in an **Audit Trail Report**.

Documentation	Reports from QuickBooks
Required documents provided by Bookkeeper	Typed reports are not recommended
Payroll Time Sheet (or Employee Payroll Report)	Validation Reports:
Receipt book	Bank Reconciliation Report
Handwritten or Printed Checks	Checks – Summary List (or Checks Detailed list)
Invoices and/or Purchase Orders	Deposit Detail
Bank Statement	Checking (and Savings) Register
Deposit slips	Missing Checks
Petty Cash Box, if used	Voided Checks (if necessary)
	Audit Trail (if necessary)
	Decision-making Report:
	Monthly (or YTD) Income & Expense Funds
	Budget vs. Actual Report
	Funds (Classes) Balances

Checklist for Month of _____

Step Numbers are referenced in sample illustrations. See End-of-Month Checklist

For the County Program Director:

Did you.....

- Open the bank statement and examine the check numbers? Any check numbers out of range?
- Verify Payroll Time sheet for correct hours, rate and deductions?
- Verify each Invoice or bill (and Purchase Order, if used) to Payees on Checks-Summary List? **Step 1**
- Verify each Receipt in receipt book to the Deposit Detail Report? **Step 2**
- Review the Missing Checks Report? (see **Step 6** if check #s are missing or duplicated)
- Review the Monthly (or YTD) Income & Expense Funds Summary Report. **Step 3**
- Review the Checking & Savings Registers? Do Balances match with Funds Balance Rpt. or Balance Sheet? **Step 4**
- Review the Budget vs. Actual Report to monitor status of Classes (Funds)?
- Did a Council Officer review, initial, and date the bank reconciliation report?
- Sign this Checklist Document?

Optional (if necessary):

- Examine the Petty Cash box and appropriate documents?
Total Cash plus Total Receipts = Petty Cash Balance.
- Review Voided Checks Report?
- Review Audit Trail Report? **Step 6**

For the Council Officer:

Did you....

Review the Bank Statement and Bank Reconciliation Report as follows:

- Do Payee names and amounts on Cleared Checks match the Payee Names and amounts on prior or current Checks-Summary Lists?
- Do amounts on Cleared Deposit documents match amounts on prior or current Deposit Detail Reports and Deposit stubs?
- Does Reconciled Bank Account balance match the Checking & Savings Register balance Reports? **Steps 4, 5**
- Did the County Program Director verify or approve Invoices or bills and Receipts?
- Co-sign the Checks with another Council Officer?
- Sign this Checklist Document?

Signatures *** File this Document in the Accounting Records Binder or Folder ***

County Program Director

Date

Council Officer

Date



End of Month Checklist

Use with "Safeguarding Cash - Special Controls"

- Contents:**
 Verify Invoice
 Verify Receipt
 Verify Net Income
 Match Ending Class Balances
 Bank Reconciliation
 Audit Trail

STEP 1 - Verify each Invoice or bill (and Purchase Order, if used) to Payees on the Checks Summary List.

Bill		Meister Publishing company P. O. Box 111 St. Louis, MO 11111			
Date: 8-10-2001					
To: Scott County Extension P. O. Box 187 Benton, MO 63736-0187 314-545-3516 Fax: 314-545-3517		Ship to (if different address):			
SALESPERS ON	ORDER NO.	DATE SHIPPED	SHIPPED VIA	F. O. B.	TERMS
QTY.	DESCRIPTION	UNIT PRICE	TOTAL		
1	Management Publication	97	97.00		
			0.00		
			0.00		
	Please make your check payable to: Meister Publication		0.00		
			0.00		
			0.00		
			0.00		
SUBTOTAL			97.00		

Scott County Outreach & Extension Checks - Summary List August 2001

Date	Num	Name	Amount
Aug '01			
08/31/2001	5280	Women Aware, Inc	-90.00
08/31/2001	5281	William & Pat Schlosser	-784.00
08/31/2001	5282	Elaine Proctor	-40.00
08/31/2001	5283	Delta Regional Soil Lab	-22.50
08/31/2001	5284	Ferrell Gas	-5.10
08/31/2001	5285	Meiseter Publishing Company	-97.00
08/31/2001	5286	AmerenUE	-146.76
08/31/2001	5287	LDD, Inc	-98.49
08/31/2001	5288	Southwestern Bell Telephone	-74.93
08/31/2001	5289	Staples	-86.29
08/31/2001	5290	Alissa Swindell	-131.36
08/31/2001	5291	Warren Cork	-208.50
08/31/2001	5292	Maude Harris	-30.90
08/31/2001	5293	David Reinbott	-100.40
08/31/2001	5294	First Comerical Bank -V	-281.48
08/31/2001	5295	Mo Dept of Revenue	-28.00
08/31/2001	5296	University of Missouri Benefits	-30.00
08/31/2001	5297	Penrose, Brenda	-1,092.26
Aug '01			-3,347.97

STEP 2 - Verify each receipt in the Receipt Book with the Deposit Detail Report and the money in the Cash Drawer.



No. 151939

8-14 2001

Received of Scott Co. Treasurer \$ 3,000.00

Three thousand + no/100 Dollars

For Aug. appropriations Account 1000-0210

By Brenda Penrose

Scott County Outreach & Extension Deposit Detail August 2001

09/20/01

Trans #	Type	Entered/Last Modified	Date	Num	Name	Account	Amount
486	Deposit	08/07/2001 10:08:30	08/07/20...			0050 - First Com...	17.49
					Interest	0320 - Interest Inco...	-17.49
TOTAL							-17.49
505	Deposit	09/04/2001 13:48:55	08/31/20...			0050 - First Com...	3,260.87
					Appropriations	0210 - County App...	-3,000.00
					4-H	0930 - Other Fees	-86.87
					Soil Test	0920 - Soil Test Fe...	-174.00
TOTAL							-3,260.87

**STEP 3 - Verify Monthly Net Income report with the Monthly Income & Expense Funds Report.
These two reports should show the same Monthly Net Income.**

Scott County Outreach & Extension							
Monthly Income & Expense Funds Summary							
	3100-So...	3300-Sh...	4200 - Sa...		TOTAL		
	1000 - C...	(3000-Ed...	(3000-Ed...	Total 30...	(4000-De...	Total 40...	TOTAL
Income							
0210 - County Appropriations	3,000.00	0.00	0.00	0.00	0.00	0.00	3,000.00
0300 - Investment Income	0.00	0.00	0.00	0.00	17.49	17.49	17.49
0900 - Resales/Educ Services Fees	0.00	174.00	86.87	260.87	0.00	0.00	260.87
Total Income	3,000.00	174.00	86.87	260.87	17.49	17.49	3,278.36
Expense							
2700 - Persnnl Serv - Salaries & Wag	1,330.00	0.00	0.00	0.00	0.00	0.00	1,330.00
2800 - Payroll Expenses	101.74	0.00	0.00	0.00	0.00	0.00	101.74
3100 - Travel	453.45	0.00	0.00	0.00	0.00	0.00	453.45
3700 - Telephone Serv - Local	74.93	0.00	0.00	0.00	0.00	0.00	74.93
3800 - Telephone Serv - Tolls	98.49	0.00	0.00	0.00	0.00	0.00	98.49
4300 - Rent/Lease Space	784.00	0.00	0.00	0.00	0.00	0.00	784.00
5100 - Supplies/Services	291.00	22.50	0.00	22.50	0.00	0.00	313.50
5900 - Utilities	151.86	0.00	0.00	0.00	0.00	0.00	151.86
6400 - Other Contract Services	40.00	0.00	0.00	0.00	0.00	0.00	40.00
Total Expense	3,325.47	22.50	0.00	22.50	0.00	0.00	3,347.97
Net Income	-325.47	151.50	86.87	238.37	17.49	17.49	-69.61

**Scott County Outreach & Extension
Checks - Summary List
August 2001**

Date	Num	Name	Amount
08/31/2001	5280	Women Aware, Inc	-90.00
08/31/2001	5281	William & Pat Schlosser	-784.00
08/31/2001	5282	Elaine Proctor	-40.00
08/31/2001	5283	Delta Regional Soil Lab	-22.50
08/31/2001	5284	Ferrell Gas	-5.10
08/31/2001	5285	Meiseter Publishing Company	-97.00
08/31/2001	5286	AmerenUE	-146.76
08/31/2001	5287	LDD, Inc	-98.49
08/31/2001	5288	Southwestern Bell Telephone	-74.93
08/31/2001	5289	Staples	-86.29
08/31/2001	5290	Alissa Swindell	-131.36
08/31/2001	5291	Warren Cork	-208.50
08/31/2001	5292	Maude Harris	-30.90
08/31/2001	5293	David Reinbott	-100.40
08/31/2001	5294	First Comerical Bank -V	-281.48
08/31/2001	5295	Mo Dept of Revenue	-28.00
08/31/2001	5296	University of Missouri Benefits	-30.00
08/31/2001	5297	Penrose, Brenda	-1,092.26
Aug '01			-3,347.97

**Scott County Outreach & Extension
Monthly Net Income For Classes
August 2001**

1000 - County Appropriations	-325.47
3000-Education and Services	
3100-Soil Testing	151.50
3300-Short Courses	86.87
Total 3000-Education and Services	238.37
4000-Designated Savings & Inves	
4200 - Savings & Interest	17.49
Total 4000-Designated Savings & Inves	17.49
TOTAL	-69.61

**Scott County Outreach & Extension
Deposit - Monthly Summary
August 2001**

Type	Date	Num	Name	Memo	Account	Amount
Deposit	08/07/2001		Interest	Deposit	0320 - Interest Inco...	-17.49
Deposit	08/31/2001		Appropriations	Deposit	0210 - County App...	-3,000.00
Deposit	08/31/2001		Soil Test	Deposit	0920 - Soil Test Fe...	-174.00
Deposit	08/31/2001		4-H	Deposit	0930 - Other Fees	-86.87
Aug '01						-3,278.36

Deposits:..... + \$3,278.36
 Checks:..... - \$3,347.97
 Monthly Net Income..... = (\$69.61)

Equals the Monthly Net Income Report – Monthly and Monthly Income & Expense Funds Summary.

STEP 4 - The QuickBooks Check Book Register Ending Balance(s) should equal the Funds (Classes) Balances Report. If the Register Balance and the Report Balance do not match, determine if there are any outstanding payables such as Federal, State, Local, or Employee Benefit Liabilities.

Scott County Outreach & Extension - QuickBooks Pro - [0050 - First Commercial Bank - Checking]

File Edit Lists Company Customers Vendors Employees Banking Reports Window Help

Go to... Print... Edit Transaction QuickReport

Date	Number	Payee	Payment	Deposit	Balance
Type	Account	Memo			
08/31/2001	5289	Staples	86.29		15,051.61
	CHK	5100 - Supplies/Services			
08/31/2001	5290	Alissa Swindell	131.36		14,920.25
	CHK	-split-			
08/31/2001	5291	Warren Cork	208.50		14,711.75
	CHK	3100 - Travel:3110 - Mileage			
08/31/2001	5292	Maude Harris	30.90		14,680.85
	CHK	-split-			
08/31/2001	5293	David Reinbott	100.40		14,580.45
	CHK	-split-			
08/31/2001	5294	First Comerical Bank -V	281.48		14,298.97
	LIAB CHK	-split- 43-6005722			
08/31/2001	5295	Mo Dept of Revenue	28.00		14,270.97
	LIAB CHK	9000 - Payroll Liabilities:9030 - State V			
08/31/2001	5296	University of Missouri Benefits	30.00		14,240.97
	LIAB CHK	9000 - Payroll Liabilities:9070 - Retireer			
08/31/2001	5297	Penrose, Brenda	1,092.26		13,148.71
	PAY CHK	-split-			
09/11/2001	Number	Payee	Payment	Deposit	
		Account			
Ending balance					13,148.71

Splits

1-Line

Sort by Date, Type, Number/Ref

Record Restore

You can see examples of reports to find the report you want with QuickBooks Report Finder.

09/11/01

Scott County Outreach & Extension
Funds (Classes) Balances - All Transactions
All Transactions

	Aug 31, '01
1000 - County Appropriations	8,782.24
3000-Education and Services	
3100-Soil Testing	-109.46
3200 - Resale and Services	190.87
3300-Short Courses	3,900.78
3400 - Council Resale	0.00
3500 - 4-H Rodeo	0.00
3600 - Agronomy plots	240.00
Total 3000-Education and Services	4,222.19
4000-Designated Savings & Inves	
4200 - Savings & Interest	85.86
Total 4000-Designated Savings & Inves	85.86
5000 - Restrict Grants & Contr	
5100-4-H Literacy Grant	58.42
Total 5000 - Restrict Grants & Contr	58.42
Unclassified Class	0.00
TOTAL	<u>13,148.71</u>

STEP 5 - Reconciliation of Bank Statements:

1. Reconcile the Bank Statement with the QuickBooks Checking account.
2. Print the full QuickBooks Reconciliation Report and attach it to the bank statement.
3. The amounts for the outstanding checks and deposits can be found on the QuickBooks Full Reconciliation Report. The ending bank Balance minus the outstanding checks plus outstanding deposits should equal the QuickBooks checkbook Ending Balance.

First Commercial Bank Reconciliation Report – 8/31/2001

Bank Balance This Statement:.....	\$13,295.82 (Includes interest of \$16.94)
Less Unreported Monthly Interest:	\$ 16.94
Less Checks Outstanding:.....	\$3,391.04
Sub-Total:.....	\$9,887.84
Add Deposits Outstanding:.....	\$3,260.87
Checking Register Balance:....	\$13,148.71

QuickBooks Full Reconciliation Report – 8/31/2001

Checking – First Commercial Bank account reconciled for the period ending 08/31/2001

Cleared Transactions:

Previous Balance \$12,875.53

Cleared Checks and payments 17 Items -\$2,744.65
 Cleared Deposits and Other Credits 2 Items \$3,164.94

Cleared Balance \$13,295.82

Uncleared Transactions

Uncleared Checks and Payments 20 Items -\$3,391.04 ←
 Uncleared Deposits and Other Credits 1 Items \$3,260.87 ←

Account Balance as of 08/31/2001 (statement Closing Date) \$13,165.65

Date	Number	Payee	Payment	Deposit	Balance
08/31/2001	5290	Aissa Swindell	131.36		14,920.25
		CHK -split-			
08/31/2001	5291	Warren Cork	208.50		14,711.75
		CHK 3100 - Travel:3110 - Mileage			
08/31/2001	5292	Maude Harris	30.90		14,680.85
		CHK -split-			
08/31/2001	5293	David Reinbott	100.40		14,580.45
		CHK -split-			
08/31/2001	5294	First Comerical Bank -v	281.48		14,298.97
		LIAB CHK -split- 43-6005722			
08/31/2001	5295	Mo Dept of Revenue	28.00		14,270.97
		LIAB CHK 9000 - Payroll Liabilities:9030 - State v			
08/31/2001	5296	University of Missouri Benefits	30.00		14,240.97
		LIAB CHK 9000 - Payroll Liabilities:9070 - Retiren			
08/31/2001	5297	Penrose, Brenda	1,092.26		13,148.71
		PAY CHK -split-			
09/11/2001				16.94	13,165.65
		DEP 0300 - Investment Income:0320 - Inter Deposit			
Ending balance					13,165.65

STEP 6 - Audit Trail Report: To review and identify any Voided Checks.

Scott County Outreach & Extension
Audit Trail
All Transactions

09/20/01

Trans #	Type	Entered/Last Mo...	Las...	Date	Name	Memo	Account	Split	Amou...
Current Transaction									
▶ 429	Check	09/04/2001 13:50:...	cpd	05/31/2001	Eddie Todt Eddie Todt	VOID: VOID:	0050 · First Com... 3110 · Mileage	3110 · Mile... 0050 · Firs...	0.00 0.00
Previous Transaction									
429	Check	05/31/2001 11:20:...	cpd	05/31/2001	Eddie Todt Eddie Todt		0050 · First Com... 3100 · Travel:31...	3100 · Tra... 0050 · Firs...	-27.00 27.00
Current Transaction									
442	Check	07/09/2001 10:16:...	cpd	06/29/2001	William & Pat... William & Pat...		0050 · First Com... 4300 · Rent/Lea...	4300 · Ren... 0050 · Firs...	-784.00 784.00
Current Transaction									
443	Check	07/09/2001 10:16:...	cpd	06/29/2001	Elaine Proctor Elaine Proctor		0050 · First Com... 6400 · Other Co...	6400 · Oth... 0050 · Firs...	-40.00 40.00
Current Transaction									
444	Check	07/09/2001 10:17:...	cpd	06/29/2001	Postmaster Postmaster		0050 · First Com... 5100 · Supplies...	5100 · Sup... 0050 · Firs...	-50.00 50.00

Missing Checks Report: To review and identify any Duplicate or Missing Checks.

Scott County Outreach & Extension
Missing Checks
All Transactions

09/20/01

Type	Date	Num	Name	Memo	Account	Split	Amount
Paycheck	09/29/2000	5042	Penrose, Brenda		0050 · First Comme...	-SPLIT-	-1,020.29
** Duplicate document numbers **							
Check	10/02/2000	5042	AmerenJE		0050 · First Comme...	5900 · Utilities	-148.11
Check	10/02/2000	5043	Warren Cork		0050 · First Comme...	-SPLIT-	-124.00
Check	10/02/2000	5044	Delta Regional Soil...		0050 · First Comme...	5100 · Suppli...	-345.00
Check	10/02/2000	5045	Div. of Employmen...		0050 · First Comme...	2870 · Unemp...	-4.02
Check	10/02/2000	5046	Ferrell Gas		0050 · First Comme...	5900 · Utilities	-5.08
Check	10/02/2000	5047	Maude Harris		0050 · First Comme...	-SPLIT-	-107.40
Check	10/02/2000	5048	LDD, Inc		0050 · First Comme...	3800 · Teleph...	-83.15
Check	10/02/2000	5049	Pitney Bowes		0050 · First Comme...	4400 · Rent/L...	-107.70
Check	10/02/2000	5050	Elaine Proctor		0050 · First Comme...	6400 · Other ...	-40.00
Check	10/02/2000	5051	David Reinbott		0050 · First Comme...	-SPLIT-	-30.76
Check	10/02/2000	5052	William & Pat Schlo...		0050 · First Comme...	4300 · Rent/L...	-784.00
Check	10/02/2000	5053	Scott County Soil a...		0050 · First Comme...	5100 · Suppli...	-219.21
Check	10/02/2000	5054	Southwestern Bel...		0050 · First Comme...	3700 · Teleph...	-77.19
Check	10/02/2000	5055	Alissa Swindell		0050 · First Comme...	-SPLIT-	-50.01
Liability Check	10/02/2000	5056	Mo Dept of Revenue		0050 · First Comme...	9030 · State Wv...	-24.00
Liability Check	10/02/2000	5057	Union Planters Ban...	43-60...	0050 · First Comme...	-SPLIT-	-254.42
Liability Check	10/02/2000	5058	University of Misso...		0050 · First Comme...	9070 · Retirem...	-20.00
Paycheck	09/29/2000	5059	Penrose, Brenda		0050 · First Comme...	-SPLIT-	-1,020.29
** Missing numbers here **							
Check	01/31/2001	5126	William & Pat Schlo...		0050 · First Comme...	4300 · Rent/L...	-784.00
Check	01/31/2001	5127	Elaine Proctor		0050 · First Comme...	6400 · Other ...	-40.00



Accounting Checklist

Contents:

- Receipts & Deposits
- Petty Cash
- Checks & Disbursements
- Payroll
- Bank Statement & Reconciliation
- Reports - Council
- Quarterly Reportss
- Annual Reports

Recommendation: Enter QB transactions on a weekly basis.

	Jan.	Feb.	Mar	Apr.	May	June	July	Aug	Sept	Oct	Nov	Dec.
Receipts & Deposits												
All money (checks & cash) should be entered in the Receipt book, including soil, publs, grants, workshop fees, county commision check, etc. Write the Class code and account number on Receipts. Include Customer check number, when appropriate.												
Review Receipts weekly to determine if deposit is required												
Match cash and check totals from cash box with total receipts. Before bank deposit, enter all income from receipt book in QB. Print Deposit Report. Prepare Bank deposit slip.												
Authorized person makes bank deposit and gives bank deposit slip to bookkeeper. Bookkeeper attaches bank form to QB Deposit report and files documents.												
Petty Cash Fund												
On a weekly basis, total the cash and purchase receipts in Petty Cash box. Combined Total should always equal designated Petty Cash Amount. Enter purchases in QB Petty Cash Register.												
Print QB Petty Cash Report and file.												
Replenish Petty Cash Fund by entering Check transaction in the Checking Register												
Create Deposit of Petty Cash money in Petty Cash Register.												
Checks and Disbursements												
Scrutinize each vendor invoice or bill upon receipt. Review all vendor statements and refer to past months for prior balances paid. Avoid paying invoice twice.												
Prepare Purchase order or voucher for each Vendor invoice or bill. Write class and account numbers on Purchase or voucher. Attach invoice to purchase order or voucher and place in "Outstanding Bills" folder.												
Review purchase orders or vouchers along with appropriate invoices or bills with CPD.												
Enter QB Check transactions in Checking Register.												
Present Vendor invoices and List of Checks to CPD.												
Present Checks and List of Checks to Council Officers for signatures.												

Checks and Disbursements (continued)	Jan.	Feb.	Mar	Apr.	May	June	July	Aug	Sept	Oct	Nov	Dec.
Mark Purchase Orders or Vouchers as "Paid." Include check number and date paid. File Invoices or Bills along with Purchase Orders or Vouchers in a monthly Folder.												
Payroll												
Collect employee timesheet, signed by both CPD and employee.												
Prepare Word payroll voucher to calculate wages and taxes. Enter paycheck data in QB.												
Print Paychecks.or print payroll data.												
Process QB payroll liability Checks: Taxes & benefits.												
Prepare appropriate Tax Deposit forms and Benefits forms and attach to payroll liability checks.												
Bank Statement & Reconciliation												
Enter interest earned in QB bank registers as shown on checking and savings bank statements. Don't forget CLASS code!												
Reconcile bank statement. This should be a joint effort by Bookkeeper, Treasurer and/or CPD.												
Reports – File in Council Financial Records Binder												
Print County Commission Report and present to CPD and/or Council Officer for signatures. Send report to appropriate department at County Courthouse.												
Print List of all Deposits for the month.												
Print List of all Checks written for the month.												
Print Ledger Report												
Print Funds Class Balance Report as of the end of reporting period.												
Print Monthly Income and Expense Funds Report												
Refer to Financial Reports Distribution Chart in section 4 of Accounting Procedure Binder for additional reports, or print reports as requested by CPD and Council.												
Quarterly Transactions and Reports												
Process Missouri Payroll Tax liability check for 3 months withholding. Prepare tax document.												
Process other outstanding Payroll Tax or Benefit Liability check, if appropriate. Prepare appropriate documents.												
Process Quarterly Federal 941 Form in QB.												
Prepare Missouri Employment Security Quarterly form. Enter Employment Tax Check in QB, if appropriate. Attach check to Form.												
Send Quarterly Income & Expense Report to Regional Director												

	Jan.	Feb.	Mar	Apr.	May	June	July	Aug	Sept	Oct	Nov	Dec.
Annual Transactions and Reports												
Process Employee W2 forms from QB.												
Process Employer W3 form from QB.												
Review all cash on hand and deposit before end of year.												
Review all outstanding Vendor Invoices and enter QB check transactions, if appropriate, to pay bills before end of year.												
Review current Class Balances with CPD to determine if balance transfers are required.												
Print Year-to-Date Ledger Report for each Class.												
Print Balance Sheet Report												
Print Year-to-Date Income and Expense Summary Report.												
Print Year-to-Date Payroll Report.												
Review monthly reports in Binder and print any reports that are missing.												
Perform the End of Year Procedure.												

Any or all items in this checklist can be changed or adapted to specific county schedules based on extension council policies and procedures and county program director instructions.