

# UCSD - Audit & Management Advisory Services

Department \_\_\_\_\_ - Internal Control Questionnaire

Subject: Cash\* & Recharge Activities

\*Cash = Currency, coins, checks, money orders, and e-commerce transactions

<b>Person Completing ICQ:</b>	
<b>Date:</b>	
<b>OBJECTIVES</b>	
The auditor will use the ICQ answers to assist in accomplishing the following objectives:	
<ul style="list-style-type: none"> <li>o To analyze controls over cash receipts</li> <li>o To determine that internal controls are effective and adequate to provide safeguards over assets, sales, recharges, billings and collections.</li> <li>o To determine that the unit is operating its cash and recharge activity efficiently and effectively.</li> <li>o To verify that financial reports related to cash and recharge operations are accurate, timely and complete.</li> </ul>	

ICQ QUESTIONS		YES	NO	N/A	COMMENTS
1	What types of revenue generating operations do you have?				
	A What is the annual dollar amount of each and does it involve cash?				
2	Is individual accountability for cash maintained at all times? (i.e., once an employee has accepted cash and prepared a cash receipt, is that employee able to secure the cash so that no other employee has access to it?)				
	A Is the employee's access to cash limited based on function?				
	B Are surprise cash counts conducted on a periodic basis?				
3	Are transfers of collections between custodians documented?				
4	Are all checks made payable to the Regents of the University of California, Regents - UC, or UC Regents?				
5	Are all checks restrictively endorsed immediately upon receipt and identified by accepting cashier?				

# UCSD - Audit & Management Advisory Services

Department \_\_\_\_\_ - Internal Control Questionnaire

Subject: Cash\* & Recharge Activities

\*Cash = Currency, coins, checks, money orders, and e-commerce transactions

ICQ QUESTIONS		YES	NO	N/A	COMMENTS
6	Are all collections recorded on a receipt producing cash register or an official University of California pre-numbered receipt?				
	A Are any receipt books other than official UC pre-numbered receipt books used?				
	B Are cash receipts counted and balanced on a daily basis?				
7	Is the numerical sequence of cash receipts monitored?				
8	Are cash receipt forms pre-signed?				
9	For voided receipts:				
	A Are all copies of the document involved retrieved?				
	B Are all reasons for the voided transactions explained on the documents?				
	C Are the voided documents approved, in writing, by supervisory personnel?				
10	Are reimbursements for personal use of departmental resources (e.g. photocopy/telephone etc.) or deposits for keys adequately secured and deposited in University accounts?				
11	Is cash counted in an area not visible to customers or other non-employees?				
12	Are cash collections stored appropriately based on the cash limits described in BUS 49, Policy IX.5?				
	A How frequently is cash deposited with the Central Cashier?				
	B Who verifies the cash deposit?				
	C Is the safe combination given only to supervisory and senior personnel who commit the combination to memory?				
	D Is the recording of the combination maintained away from the safe?				

# UCSD - Audit & Management Advisory Services

Department \_\_\_\_\_ - Internal Control Questionnaire

Subject: Cash\* & Recharge Activities

\*Cash = Currency, coins, checks, money orders, and e-commerce transactions

ICQ QUESTIONS		YES	NO	N/A	COMMENTS
E	Is the combination changed whenever a person having the combination leaves the employ of a special or sub-cashier station, or at least once a year?				
F	Is a log maintained showing the dates and reasons for the combination changes?				
G	Is the safe locked between deposits during business hours?				
H	Is the safe on wheels, i.e., can it be moved around the office?				
13	If a cash register is used:				
A	Does it print a receipt for each transaction with the date, campus, department, cashier, and transaction number?				
B	Does it produce a customer receipt?				
C	Is it controlled by consecutive numbers imprinted automatically opposite each transaction on the audit receipt and the customer receipt?				
D	Is the ring-up amount visible to both the customer and the cashier?				
E	Is a separate lockable cash accumulating key, cash register drawer, and cash drawer insert provided for each cashier?				
F	Is each cashier provided with a separate lockable compartment for change funds to which only that cashier has access?				
G	Are funds or property not related to the operation of the University stored in the safe/vault?				
14	Does the department maintain any outside bank accounts?				
A	If yes:				
	1	Is the account authorized?			
	2	What are the sources and uses of funds?			
	3	Who has access to the funds?			

# UCSD - Audit & Management Advisory Services

Department \_\_\_\_\_ - Internal Control Questionnaire

Subject: Cash\* & Recharge Activities

\*Cash = Currency, coins, checks, money orders, and e-commerce transactions

ICQ QUESTIONS			YES	NO	N/A	COMMENTS
	4	Who reconciles the account?				
	5	Who reviews and approves the reconciliation?				
15	Are all Cashiers aware of BUS 49 and that it is available on the web?					
	A	Have all cashiers received Cash Handling training as described in BUS 49, Policy IX.15?				
16	Are copies of the Memorandum of Cash (MTC) and supporting detail forwarded directly to the Cashier's Office or the Accounting Office, as appropriate, on the day of deposit?					
	A	Are the MTC's approved by a supervisor?				
	B	Are cash receipts compared to deposit records?				
17	Is the deposit reviewed and reconciled to the general ledger on a timely basis?					
18	Are background checks performed on employees with cashiering duties in accordance with <u>UCSD Implementing Procedures (HR-S-1) 21/Appointment?</u>					
	A	Are employees with cashiering duties bonded under the Universities self-insurance program, in accordance with BUS 49, Policy IV.1?				
19	Does the department engage a third party to assist in the processing and management of cash? (e.g. lockbox services, credit/debit card processing, web/internet interfaces to clients etc.)					
	A	Has the Banking Services Group approved the third-party relationship if the third-party is in possession of University assets to process University cash, cash equivalents and/or ACH entries?				

# UCSD - Audit & Management Advisory Services

Department \_\_\_\_\_ - Internal Control Questionnaire

Subject: Cash\* & Recharge Activities

\*Cash = Currency, coins, checks, money orders, and e-commerce transactions

ICQ QUESTIONS		YES	NO	N/A	COMMENTS
<b>Recharge Activities</b>					
20	Does the unit provide goods or services to non-University customers?				
	A	If yes:			
		1	What is the nature of these services,		
		2	What is the revenue from these activities for the Fiscal Year,		
		3	Do these goods and services:		
		a	Meet the test for uniqueness?		
		b	Qualify as unrelated business income?		
		c	Is differential income assessed? How much? Basis?		
21	Is credit extended to non-University customers?				
	A	What process is in place to monitor accounts receivable?			
22	Does the department submit recharge rates to the Recharge Rate Review Committee?				
	A	How often?			
	B	Date of last review?			
23	How do you insure that the rates charged are in agreement with approved rates?				
24	How do you ensure that the recharge budgets and statements provide for full cost recovery?				
25	Are any of the recharge activities running a deficit balance? If yes,:				
	A	What is the reason?			
	B	Is there a plan to insure the deficit does not significantly affect the fiscal viability of the unit?			
26	Are cost estimates provided to customers for approval prior to the start of the service or distribution of the goods?				

# UCSD - Audit & Management Advisory Services

Department \_\_\_\_\_ - Internal Control Questionnaire

Subject: Cash\* & Recharge Activities

\*Cash = Currency, coins, checks, money orders, and e-commerce transactions

ICQ QUESTIONS		YES	NO	N/A	COMMENTS
27	Does the department provide recharge service goods only upon receipt of an appropriate request form submitted by a user, or is a log maintained?				
28	Do the forms, logs, or procedures for recharges indicate:				
	A Goods or service provided,				
	B Cost,				
	C Department number for the index to be charged, and				
	D Appropriate department approval?				
29	How often do you publish your recharge schedule of rates and prices?				
30	How do you maintain a record of orders and charges to requesting departments?				
31	Are the same rates being charged to all customers for identical services/goods?				
32	How do you verify that the recharge approver has the authority to do so?				
33	Are recorded revenues reconciled to independent estimates?				
34	Do recharge users receive detailed billing/statements for each sale of goods/services?				