SAVE FORM

SELF ASSESSMENT OF INTERNAL CONTROL

Form L

Budget and Financial Cycles

Investment Cycle

Department _____

Fiscal Year Ending _____ ☐ NA-_____

		Yes	No	N/A	Comment
	A. Control Activities / Information and Communications				
1.	Are there approved written policies and procedures that document the investment processing and identify control procedures?				
2.	Are policies and procedures established to ensure investments are received or appropriately reflected in the custodial accounts?				
3.	Are investment purchases or sells recorded in the sub-ledger/general ledger on the date traded?				
4.	Are policies and procedures established to ensure the purchase and sell of investments are properly recorded?				
5.	Are competitive bids sought for certificate of deposit purchases?				
6.	Are certificates of deposit and interest coupons sufficiently safeguarded?				
7.	If applicable, are individuals with access to securities bonded?				
8.	Are policies and procedures established to ensure investment income received is recorded properly?				
9.	Does investment income earned get recorded on a timely basis?				
10.	Are investment earnings credited to the proper fund?				
11.	Are investment earning calculations and accruals reviewed at year-end?				
12.	Do specific procedures exist for tracking maturing investments and interest payments?				
13.	Are investment guidelines including authorized individuals, investment asset allocation, and safekeeping formally approved and reviewed annually? (Critical Control)				
14.	Is the acquisition and disposal of investments authorized by a person with approval authority?				
15.	Have authority and responsibility been established for investment opportunity evaluation (investment performance review)?				

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		Yes	No	N/A	Comment
16.	Are the following responsibilities performed by different people: a. Cash flow management, investment transactions, safekeeping of the investments, and recording to the general ledger? b. Record-keeping functions for securities and income separate from those having access to physical securities, those authorizing security transactions, and those having duties in the cash area? c. Initiating, evaluating, and approving transactions segregated from those for detail accounting, general ledger and other related functions? d. Monitoring investment market values and performance segregated from those performing investment acquisitions? e. Maintaining detail accounting records segregated from those for general ledger entries? f. Custodial responsibilities for securities or for other documents evidencing ownership or other rights assigned to an official who has no accounting duties?				
17.	a. Does a governing body or statute restrict investments by asset type and/or limit amounts? b. Can officials override these restrictions with proper authorization? (Critical Control)				
18.	Are all securities held or registered in the name of the agency or the State Treasurer, if applicable? (Critical Control)				
19.	Are detail records maintained that include the following information, if applicable, on each evidence of ownership: a. Date of the purchase, identification of the investment, purchase amount or cost, and maturity date? b. Physical location of item, i.e., safekeeping agent, etc.?				

		Yes	No	N/A	Comment
	c. Interest dividend or income rates and accrual or receipt dates? d. Ownership by fund?				
20.	a. Do procedures exist for reconciling the detail accounting records (custodian fiscal agent statements) with the sub-ledger/general ledger on a monthly basis? b. Are differences researched and resolved within a timely manner? (Critical Control)				
	B. Monitoring				
21.	Is the classification of investments in the sub-ledger/general ledger periodically reviewed? Does this classification agree with the note disclosures? (Critical Control)				
22.	Does a responsible official determine that the income earned is credited to the proper fund?				
23.	a. In respect to question 17 above, does a responsible official determine that investments are of the character and type permitted by legal requirements? b. If restrictions are overridden, are the reasons and authority for the action properly documented? (Critical Control)				
24.	Is the performance of the investment portfolio periodically evaluated quarterly by persons independent of investment portfolio management activities? (Critical Control)				
25.	Are appropriate personnel authorized to release securities from safekeeping agent authorized by the governing body?				
26.	Are securities or legal documents or agreements evidencing ownership or other rights kept in a vault with limited access, or preferable, protected in a safe deposit box, on deposit with a corporate trustee, or investment broker/custodian?				
27.	For departments with an investment portfolio, does a written Ethics Policy, Conflicts of Interest, Delegation of Authority Policy exist and does it apply to all investment employees?				
28.	Does management require personnel with investment authority to disclose any Conflicts of Interest on an annual basis? (Critical Control)				

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		Yes	No	N/A	Comment
29.	a. For departments with an investment portfolio, does management require a SAS 70, Type II report on the custodian's operations on an annual basis? This is an external audit report. b. Does management review the SAS 70, Type II report to verify that controls are operating correctly? (Critical Control)				