Sample Internal Control Assessment Questions

Sheriff’s Office

***Summary: The following assessment questions are divided into three parts to address the changes in T.C.A. 9-18-102(a): (I) Whether obligations and costs of the operation are in compliance with applicable law; (II) Whether county funds, property and other assets that are designated/assigned to the sheriff’s office and jail are safeguarded against waste, loss, unauthorized use or misappropriation and (III) Whether revenues and expenditures in the sheriff’s office fee account and county general fund (as it relates to the sheriff’s office and jail) are properly recorded and accounted for to permit the preparation of accurate and reliable financial and statistical reports and to maintain accountability over the assets.***

# Sheriff’s Office

1. **Whether county funds, property and other assets that are designated/assigned to the sheriff’s office are safeguarded against waste, loss, unauthorized use or misappropriation.**

General

1. Does the office have a written organizational chart?
2. Does the office have written employee job descriptions?
3. Does the office have a written, updated personnel policy (sheriff or county-wide) and is it provided to the employees?
4. Does the office have a copy of the adopted county ethics policy available for the official and the employees?

Physical security of the office:

1. Who has a key to the office?
2. How often are the locks changed?
3. Is the office monitored with surveillance cameras?
4. Is there a vault in the office?
5. When is it locked? If a combination lock is on the vault, when was the last time and how often is the combination lock changed?
6. Who has access to the vault?

Purchasing:

1. Who is authorized to originate a purchase order requisition?
2. Who submits it to (county finance/mayor)?
3. How does the sheriff’s office verify that there is sufficient funding available in the line item for the purchase when the purchase order requisition is submitted?
4. How do they verify that the vendor is on the approved vendor list?
5. Who issues the purchase order authorizing the purchase to be made?
6. Who is authorized to place the order with the vendor?
7. Who at the sheriff’s office verifies that the goods received are what are itemized on the invoice or bill of lading?
8. To whom is the receipted items (invoice or bill of lading) submitted to for payment?
9. What is the procedure when not all items listed on the invoice are delivered (e.g. out of stock)?
10. Is the sheriff authorized to utilize blanket purchase orders?
11. If authorized to utilize blanket purchase orders, what vendors are approved to be used?
12. How is the sheriff invoiced for blanket purchase orders (e.g. upon purchase, weekly, monthly, etc.)?
13. Who reviews blanket purchase orders to ensure that they were a legitimate county purchase of goods?
14. To whom are the reviewed blanket purchase orders submitted to for payment?

Store Cards:

* 1. Does the sheriff have access to credit/store cards? If so, is there a written county policy?
	2. If so, where are the store cards maintained?
	3. Is this a secure location with restricted access?
	4. Are the store cards signed in and out?
	5. Who is authorized to utilize these store cards for purchases?
	6. Are the stores cards used at blanket purchase stores or is a purchase order required prior to the purchase?
	7. How frequently are the invoices sent from the stores to the jail (e.g. upon purchase, weekly, monthly, etc.)?
	8. Who reviews the purchases made with the store cards?
	9. Does this person ensure that there is adequate appropriation and a blanket purchase order for these purchases?
	10. Does this person ensure that the items purchased were a legitimate county purchase of goods?

Credit Cards:

* 1. Does the sheriff’s office have a credit card? If so, is there a written credit card policy?
	2. If so, what company/bank is it with?
	3. What is the primary purpose of the credit card?
	4. Where is the credit card stored when not in use?
	5. Is this a secure location with restricted access?
	6. Is the credit card signed in and out?
	7. Who is authorized to use the credit card?
	8. If used for transport officers on long distance transports what purchases are authorized to be made?
	9. Who reviews and reconciles the purchases against the monthly credit card statement?

Contracts:

* 1. Who in the county is authorized to sign contracts dealing with purchases?
	2. Are there certain (e.g. multi-year) contracts (by county policy) that require county legislative body approval?
	3. Is there a requirement for the county attorney to review proposed contracts? Is the county attorney actually reviewing the proposed contracts prior to contract signing?
	4. Who is designated as the contract monitor?
	5. How is the contract monitored for vendor compliance (especially when the vendor charges are based on variables)?
	6. Is there a reporting requirement to brief the status of contract requirement?
	7. If so, what is the reporting requirement; is there a document used to report this; and who is it reported to?

Emergency Purchases:

* 1. Who coordinates with the county finance department/mayor’s office in the case of emergency purchases?
	2. Does the office have an adopted policy which addresses emergency purchases?
	3. How are emergency purchases documented?

Payroll:

1. Does the sheriff have a signed letter of agreement or salary suit to authorize current employees and salaries?
2. Who at the sheriff’s office receives/reviews a copy of the sheriff’s adopted budget and a monthly year to date expenditure vs budget report each month?
3. Who is responsible at the sheriff’s office to check to be sure the original budget/budget amendment(s) that was actually authorized by the county commission is actually posted to the sheriff’s office monthly budget to actual reports?
4. Who is responsible for identifying anticipated budget overages?
5. To whom are these overages be reported?
6. What is the procedure that follows after the anticipated overages are reported?
7. How are payroll payments made to employees?
8. Are sheriff’s office employees being paid through non-payroll line items (gate proceeds at special events like the county fair, high school football games, etc.) that circumvent federal and state laws and shortchange the employees for retirement benefit purposes?

**II. Whether county funds, property and other assets that are designated/assigned to the sheriff’s office are safeguarded against waste, loss, unauthorized use, or misappropriation.**

Cash with Fee Account:

* 1. Who retrieves and receives checks and cash bonds? Are all checks stamped “For Deposit Only”?
	2. From where are the checks received (e.g. profit share, donations, warrants, etc.)?
	3. Who will complete the deposit slip, check for inconsistencies, and transport these monies to the bank. Are the receipts used official (i.e., pre-printed and pre-numbered)?
	4. Are all individuals that are authorized to receipt and/or have access to county funds covered by the county blanket liability bond/insurance? This would include interns, temporary and seasonal employees, part time workers from a human resource agency.
	5. Who, besides the bookkeeper, reviews the month end general ledger, bank reconciliation and any journal entries?
	6. Who, besides the bookkeeper, opens the monthly bank statements and reviews the canceled checks and the frequency of deposits to the bank?

Inventory of Weapons:

* 1. Where are weapons stored that aren’t assigned to officers?
	2. Who is responsible for the armory?
	3. Who maintains an inventory of the armory?
	4. How are inventory records stored?
	5. What details regarding the weapons are required?
	6. Who possesses keys to the armory?
	7. Who performs an inventory of all weapons in the armory?
	8. How often is this inventory performed?
	9. Where is ammunition stored?
	10. Who maintains an inventory of ammunition?
	11. From which policy are all weapon and ammunition purchases made?
	12. Who coordinates with county finance/mayor’s office for all ammunition and weapon purchases?
	13. How are surplus weapons assigned to the sheriff’s office disposed?
	14. During weapon qualification times, how is the large movements of ammunition accounted for?
	15. How is spent brass accounted for and how is any funds from the spent brass accounted for?

Inventory of Evidence Room:

* 1. Who is in charge of logging in evidence and maintaining the records?
	2. Where is evidence put that is brought to the sheriff’s office?
	3. Who is responsible for the physical security of the evidence room?
	4. What is attached to each item of evidence?
	5. What does this attachment detail?
	6. Who has keys to the evidence locker?
	7. What is required to have evidence submitted to TBI for testing?
	8. Who submits it?
	9. Who retrieves the stored items?
	10. Who verifies the paperwork is filled out correctly?
	11. What is the procedure to log the evidence?
	12. Who performs this procedure?
	13. How many evidence rooms are there?
	14. What kind of evidence is stored in each?
	15. To whom is the lab request given?
	16. Who signs out the evidence being taken to be tested?
	17. Who brings back the evidence from TBI?
	18. Who logs the evidence in again?
	19. How is evidence retrieved for court?
	20. Who requires the signature for the evidence?
	21. What happens to the evidence after court proceedings?
	22. Who logs the evidence into the evidence room?
	23. What is the procedure for evidence that was entered into the court?
	24. Who is responsible for the evidence after the case is adjudicated?
	25. What types of evidence require a destruction order?
	26. What happens to evidence of value where the owner cannot be reached after 90 days?
	27. What happens to firearms?

Inventory of Vehicles:

* 1. Where is the inventory of assigned vehicles stored?
	2. Who maintains the inventory?
	3. What details are required in the inventory?
	4. Who is responsible for reporting changes in vehicle assignments?
	5. To whom are these changes reported?

Payroll:

* 1. Do all sheriff’s office employees that are on the payroll have an updated personnel file?
	2. Who maintains the files and does this person do a routine review of the actual payroll to ensure that there are no ghost employees, unauthorized payroll deductions and unauthorized additional payments?
	3. Who are all employees assigned under? Is there a written chain of command?
	4. How are these assignments determined?
	5. Which employees are required to fill out a timesheet? Are all non-exempt employees having their actual work hours documented?
	6. Who signs the employees’ timesheets?
	7. How often are these turned in?
	8. Who reviews each timesheet and verifies the signatures?
	9. How are all the time sheets compiled for pay period purposes?
	10. Who performs this task?
	11. Where is the spreadsheet sent?
	12. Who prepares the payroll checks?
	13. Who maintains vacation and sick time accruals?
	14. Who verifies the vacation and sick time used each pay period?
	15. Who verifies that employees on FMLA and military leave are on this leave status for legitimate purposes?
	16. How is the annual leave accrual calculated? Time earned and used over the year?
	17. Who calculates it?
	18. What is the maximum number of hours of vacation leave payment upon resignation/retirement from the sheriff’s office?
	19. Who reviews the monthly budget to actual expenditure reports?

Fuel Reconciliation:

* 1. Who at the sheriff’s office receives a detailed invoice breaking down fuel consumption by vehicle?
	2. How often is this invoice received?
	3. Who is responsible for reviewing the invoice for irregular usage?
	4. Who is alerted of potential issues with irregular usage?

Safeguarding of computer accounting files:

* 1. Does the sheriff’s office have a written disaster recovery plan?
	2. How often are accounting records on the computer systems backed up?
	3. Who is responsible for this procedure?
	4. Are back-ups of accounting records stored off site in case of a catastrophic event, where?

**III. Whether revenues and expenditures in the county general fund and drug fund are properly recorded and accounted for to permit the preparation of accurate and reliable financial and statistical reports and to maintain accountability over the assets.**

Expenditures and Revenues:

* 1. Who is responsible for coordinating with the county trustee’s office to ensure all receipted funds are coded to the correct revenue line item?
	2. Who coordinates with the county finance department/mayor’s office to ensure purchase orders for non-payroll items are coded to the correct object code and expenditure budget?
	3. Who fills out the annual sheriff’s financial report and files this with the county finance office and the county clerk?
	4. Who coordinates with the county finance/mayor’s office to ensure that capital asset records for external reporting purposes are up to date and in compliance with county capital asset policies?
	5. Are drug fund non-confidential expenditures coordinated in the same way as general fund expenditures for the sheriff’s office?
	6. Who coordinates these purchases?

# Jail

**I. Whether obligations and costs of the operation are in compliance with applicable law.**

Purchasing:

* 1. What policy does the jail comply with, and what is it under?
	2. Who is qualified to originate a purchase order requisition with the county finance department/mayor’s office and coordinate with the finance department to ensure there is funding available in the line item for the purchase and that the vendor is on the approved vendor list?
	3. Who issues the purchase order which authorizes the purchase to be made?
	4. Who places the order with the vendor?
	5. Who verifies that the goods received are what is itemized on the invoice or bill of lading?
	6. Where is the invoice forwarded after the sheriff’s office receives it?
	7. How long is the invoice held at the sheriff’s office?
	8. What happens if an item is out of stock (e.g. partial order shipment arrives)?
	9. Can the jail utilize blanket purchase orders with numerous vendors?
	10. Who reviews all blanket purchase orders for legitimate county purchases of goods?

Store Cards:

* 1. Where are store cards kept when not in use?
	2. Who is authorized to go to these stores for needed purchases that are then applied to blanket purchase orders or the jail gets a PO prior to going to the store?
	3. Who reviews monthly invoices from these stores?
	4. Who reviews individual store receipts when staff return from the stores?

Credit Cards:

* 1. Who has access to the credit card?
	2. What charges can be made on the card?
	3. Who receives and reconciles purchases with monthly credit card statements?
	4. Where is the card stored when not in use?
	5. What is the process to acquire use of the card?

Contracts:

* 1. Who signs all county contracts dealing with purchasing?
	2. Who reviews contracts over one year in length?
	3. Who approves contracts over one year in length?
	4. Who coordinates with the county finance department/mayor’s office to ensure contract compliance per county purchasing policy?

Emergency Purchases:

* 1. Who coordinates with the county finance department in the case of emergency purchases that arise from unforeseen events that require normal bidding procedures to be circumvented?
	2. Which policy addresses emergency purchases for the jail?

Payroll:

* 1. Does the sheriff have a signed letter of agreement or salary suit to authorize jail employees and salaries?
	2. Who prepares the letter of agreement?
	3. Who at the jail receives a copy of the jail budget and a monthly year to date expenditure vs budget report from county finance/mayor’s office each month?
	4. Who is responsible for bringing any foreseeable budget overages to the attention of the sheriff and county finance in order that a budget amendment can be prepared?
	5. Are jail employees paid from any non-payroll line item?
	6. Are jail employees that are non-exempt working for another county department that is not running payroll through normal payroll line items (e.g. jailer that is also reserve deputy working ball games)?

Fuel Reconciliation:

* 1. Are jail vehicles assigned a fuel card?
	2. Where are the fuel cards kept/secured?
	3. What can the card be used for (e.g. fuel, parts, food)?
	4. Is there a procedure to operate the card at the pump (enter correct odometer reading)? Is the procedure followed?
	5. Who receives an invoice of fuel purchased from each vehicle?
	6. How often do they receive the invoice?
	7. How is irregular usage managed?
	8. Who would be alerted of potential issues with irregular usage?

Revenues and Expenditures:

* 1. Who is responsible for coordinating with the county trustee’s office to ensure all receipted funds are coded to the correct revenue line item?
	2. Who coordinates with the county finance department to ensure purchase orders for non-payroll items are coded to the correct object code and expenditure budget?
	3. Who fills out the annual sheriff’s financial report and files this with the county finance office and the county clerk?
	4. Who coordinates with the county finance office to ensure that capital assets records for external reporting purposes are up to date and in compliance with county capital asset policies?

**II. Whether county funds, property and other assets that are designated/assigned to the jail are safeguarded against waste, loss, unauthorized use, or misappropriation.**

Prisoner Funds:

* 1. Who maintains a property receipt on each prisoner?
	2. What should be listed on the receipts?
	3. Where are prisoners’ articles placed?
	4. Are there instances when a second person (i.e., witness) must be present when money from prisoners is being counted?
	5. Is there a policy that addresses the confiscation of inmate funds as evidence? What is that policy? Is there proper chain of custody procedures in place?
	6. What must be generated after the money is counted?
	7. Where is the receipt placed?
	8. Does the prisoner receive a copy?
	9. Where is the money placed for an inmate that will immediately bond out?
	10. Can an inmate release money to family? If so, how?
	11. If the inmate isn’t going to immediately bond out, what happens to the money?
	12. Who collects it?
	13. Who counts it?
	14. Where does the money go after it has been counted, and who puts it there?
	15. Who picks it up?
	16. Are there inmate copays?
		1. Is there resolutions approved for each copay by the county legislative body?
		2. Are copays in compliance with the amounts approved in the resolution?
		3. Are inmates provided a receipt (or a viewable deduction in their commissary account if using kiosks) for the copay deduction?
	17. What does the prisoner do to verify all articles were returned upon discharge?
	18. How does a prisoner receive excess commissary money once released?
	19. Is the amount of money in prison funds held usually material or immaterial?
	20. Work Release funds.  TCA 41-2-129(a).  When a prisoner is employed for wages or salary, does the superintendent of the workhouse or the Sheriff collect the wages or salary or require the prisoner to turn over wages or salary when received?
		1. Is the money deposited into a trust checking account?  When is this done?
		2. Is there a ledger showing the status of the account of each prisoner?
		3. TCA 41-2-129(b)(1) – (5) Every prisoner gainfully employed is liable for the cost of the prisoner’s board in the workhouse as fixed by the county board of workhouse commissioners.
			1. Is the prisoner’s account charged for board?
			2. Are wages and salaries of inmates distributed as follows:
				1. (1) The board of the prisoner;
				2. (2) Necessary travel expenses to and from work and other incidental expenses of the prisoner;

Are funds provided to work release inmates?

How are they provided and how frequently are they provided?

Are there receipts for these transactions maintained?

Who and how often is the inmate’s account audited against these transactions?

* + - * 1. (3) Support of the prisoner’s dependents, if any

Was the amount determined by the board of workhouse commissioners or the county legislative body?

* + - * 1. (4) Payment of docket costs connected with the prisoner’s commitment;
				2. (5) Payment either in full or ratably of the prisoner’s obligations

Have these obligations been acknowledged by the prisoner in writing?

Or, have these obligations been placed in a court order?

* + - * 1. After deductions are made as set forth in (1) through (5) above, if there is at least a balance of $2.00 in the account, is the money is deducted each month from a prisoner’s trust account for any month the prisoner is gainfully employed, to be applied to the county-operated victim’s assistance program, if such program exists in the county?
	1. Unclaimed inmate property/funds.
		1. Does the jail have a policy and procedure to address unclaimed inmate property and/or funds?
		2. Is an audit of the inmate property room conducted?  If so, how often and by whom?
		3. What is the agency’s process of disposing of unclaimed inmate property and/or funds?

Commissary:

* 1. Who operates the commissary?
	2. Where does all the money collected from an arrestee that is not immediately released from custody?
	3. Concerning the commissary, what is the jail responsible for?
	4. If the ordering software is down, who picks up the paper orders from the inmates?
	5. Who are they then given to?
	6. Who takes care of vendor issues?
	7. Is it possible for inmates to keep up with their balances and orders? If so, how?

Payroll:

* 1. How are the employees’ personnel files managed?
	2. Do any employees have a timesheet?
	3. Who receives the timesheets?
	4. How often are the timesheets received?
	5. Who prepares payroll checks?
	6. Who manages vacation and sick time?
	7. Who verifies the vacation and sick time?
	8. Who monitors employees on FMLA and military leave for policy compliance?
	9. How is annual leave accrual calculated?
	10. Is there a limit for hours of vacation leave payment upon resignation or retirement?
	11. Can employees get overtime?
	12. If so, does someone have to approve it?
	13. Can employees use compensatory time?
	14. Who makes sure payroll expenditures are in line with the approved salary budget?

Medical Costs:

* 1. Who provides inmate medical, mental health and dental services in the jail?
	2. Who is responsible for contract compliance (if care is outsourced) and addressing any contract issues?
	3. What happens for medical issues which the jail medical staff can’t handle?
	4. Does an agreement exist with a hospital?
	5. If so, what are the terms?
	6. Who is in charge of reviewing medical bills?
	7. Are inmates charged anything for medical treatment?
	8. If so, how are the charges paid?
	9. Are inmates screened at booking for health care insurance (private insurance, TennCare, etc.)?
		1. Is that information communicated to the medical provider?
		2. Are inmates that are TennCare recipients who are hospitalized over a 24 hour period have those bills processed through TennCare in compliance with T.C.A 71-5-106 (Public Chapter 926)?

Food:

* 1. How are food vendors selected?
	2. How often are they selected/bid out?
	3. How often are purchase orders made to food vendors?
	4. Who keeps track of actual food cost to budget?
	5. Who determines the food plan?
	6. Who orders the food?
	7. How often do food shipments arrive?
	8. Who reviews the food shipment?
	9. To whom is the bill of lading sent?
	10. Who is it finally forwarded to?
	11. Where is the food stored?
	12. How often is a food inventory performed?
	13. Who is allowed to eat the food (besides inmates)?
	14. Can staff eat leftovers?
	15. Where does the food go that can’t be reused?
	16. Who investigates any food shrinkage?
	17. Who receives food invoices? How often?
	18. Who reviews food invoices (any one at the jail)?
	19. What happens if items have been overcharged

Utilities:

* 1. Who pays the utility bill?
	2. Who reviews the reports to verify the amount is in line with the current budget?
	3. How many water and electric meters are there for the staff and jail building?

**III. Whether revenues and expenditures in the county general fund are properly recorded and accounted for to permit the preparation of accurate and reliable financial and statistical reports and to maintain accountability over the assets.**

1. Revenues: Who at the jail is responsible for coordinating with the county trustee to ensure that all funds that are receipted in the jail that need to be deposited into the general fund are coded to the correct revenue line items?
2. Annual report: Who is responsible for preparing/including the jail financial activity (commissary) in the sheriff’s annual report?
3. Expenditures: Who is responsible for communicating with the county finance office/mayor’s office if there is miscoded expenditures in the jail’s line items in the county general fund to ensure corrections are made promptly?