

Town of Calais Municipal Checklist for Internal Controls

5/21/12

A. GENERAL CONTROLS

Quickbooks is the accounting system used by the town of Calais to maintain its financial records as well as for budgeting to monitor revenues and expenses.

Financial reports are available at any time.

B. CONTROLS OVER FINANCIAL RECORDS

A chart of accounts is maintained within Quickbooks.

Accounting records are backed up automatically and the backup drive is stored in the vault at night. In addition, Quickbooks is periodically backed up and taken off-site.

C. CONTROLS OVER CASH

Mail

Assistant Clerk (AC) opens mail two days a week, makes copies of highway invoices (originals are given to road commissioner weekly) and enters checks received for recording documents into spreadsheet to track fees that go to clerk or to town. The spreadsheet indicates the purpose of the check, who it is from and whose property it is for, the amount and check number. The documents to be recorded are logged into the Daybook. Checks and cash may also be received for zoning, licenses, etc.

Checks for zoning are given to zoning administrator who writes zoning application number on check and then gives to clerk for depositing.

Clerk performs the above tasks two days a week.

Deposits

Clerk deposits town checks to Merchants Bank via remote deposit (scanner) twice weekly and enters into the appropriate income account in Quickbooks.

A money order is purchased for town cash and is scanned to bank weekly.

AC deposits school checks to Merchants Bank via remote deposit (scanner) once a week. A money order is purchased for school cash and is remote deposited along with the checks.

Cash

Cash is entered into spreadsheet daily by clerk or AC and is tracked to correspond to Quickbooks accounts. A numbered cash receipt is given upon request.

Petty Cash

Petty cash is used to reimburse the postal carrier when not enough postage has been put on a letter. A list of money used for postage is kept with the petty cash. (Petty cash is rarely used, ie., about four times a year.)

Banking

AC reconciles checkbooks monthly. Reconciliation confirmation is kept in binder with bank statement.

The Clerk maintains a list of all bank accounts and loans. This list is available to the SB and auditors.

Reporting

AC reports marriages and fish and wildlife monies to State of Vermont. Clerk issues check to State of Vermont for marriage licenses (quarterly) and fish and wildlife licenses (monthly).

Clerk reports federal and state payroll (weekly, monthly, quarterly). Disbursements are reconciled to payroll reports.

Accounting firm assists with quarterly federal payroll reporting.

The clerk maintains a list of all reporting deadlines.

Disbursements

Clerk provides invoice for each check written. All expenses are paid by check, other than small postage amounts from petty cash and are credited to the appropriate Quickbooks account.

Selectboard member reviews SB orders prior to SB meeting and verifies check numbers, including voided checks.

Selectboard signs orders twice monthly. Clerk mails checks for bill payments the day after the selectboard meeting.

F. CONTROLS OVER PAYROLL

Personnel records are maintained for all employees. The town has a Personnel Policy which has been given to all employees who have signed a document indicating they have read the policy.

Payroll taxes are remitted promptly, before the deadlines. All payroll withholdings are reconciled to payroll reports.

Payroll taxes are allocated to the appropriate account in Quickbooks monthly, ie., highway, delinquent tax collector, zoning, and those paid under "Selectboard 6100: Salaries and Related."

I.CONTROLS OVER INFORMATION SYSTEMS

Computer Backup:

Nemrc Tax Administration and CAMA are backed up nightly off-site.

Clerk's computer is backed up ongoing and backup drive is put in vault at night. (This includes Nemrc dog license module, Quickbooks and all Word and Excel documents).

Quickbooks is also backed up a second time periodically and taken off-site.

System software has been backed up to DVD and is stored in vault.

Below find a link to the Vermont League of Cities and Towns sample Municipal Checklist for Internal Controls.

 [Municipal Checklist for Internal Controls from VLCT \(Vermont League of Cities and Towns\)](#)