



Internal Financial Controls Checklist for Cities

This checklist serves as a self-evaluation tool for assessing the internal controls of your government entity. We recommend saving and sharing it with your governing board to identify potential areas of improvement and address any weaknesses effectively.

Internal Control	Yes	No
Does the city have written policies and procedures for financial operations?	<input type="checkbox"/>	<input type="checkbox"/>
If no, explain		
Are the city's account records currently maintained by one individual and not at city hall?	<input type="checkbox"/>	<input type="checkbox"/>
If no, explain		
Are financial records maintained in a computerized system?	<input type="checkbox"/>	<input type="checkbox"/>
If no, explain		
Has the city auditor attended financial trainings?	<input type="checkbox"/>	<input type="checkbox"/>
If no, explain		
Are bank accounts and fund balances being reconciled each month?	<input type="checkbox"/>	<input type="checkbox"/>
If no, explain		
Does someone other than the auditor review bank reconciliations?	<input type="checkbox"/>	<input type="checkbox"/>
If no, explain		
Are pre-numbered checks used for all bank accounts?	<input type="checkbox"/>	<input type="checkbox"/>
If no, explain		
Are checks always written to specific payees and not to cash?	<input type="checkbox"/>	<input type="checkbox"/>
If no, explain		

Internal Control		Yes	No
Are checks written by the same individual who approves payments?			
If no, explain			
Are checks deposited, and the mail opened by the same individual?			
If no, explain			
Are numbered receipts always provided for all cash payments made to the city?			
If no, explain			
Have the city's monies only been deposited into city accounts?			
If no, explain			
Does the city loan money to city employees?			
If yes, explain			
Is the city Auditor a part of any businesses that do business with the city?			
If yes, explain			
Are any city council members a part of any businesses that do business with the city?			
If yes, explain			
Preparer's Information			
Prepared by (First and Last Name)			
For the City of		Preparer's Title	



**Office of the
State Auditor**


**NORTH DAKOTA STATE AUDITOR
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