

ENTITY _____ 2019 ICQs _____

June 30, 2019

CONTROL ACTIVITIES
CAPITAL ASSETS

QUESTION	YES	NO	N/A	REMARKS
<p>A. Segregation of Duties</p> <ol style="list-style-type: none"> 1. Is there segregation of duties between purchasing functions, recording functions, reconciling functions and custody? 2. Are capital assets tested periodically by an individual having no responsibility for the assets? 3. Does the entity use computer software to account for capital asset additions, deletions, balances and depreciation? <ol style="list-style-type: none"> a. Determine/verify access to programs, and functions within programs, is limited to those who have a legitimate need. Identify those with access. b. If the computer does calculations for depreciation, are they reviewed to ensure accuracy? <p>B. Procedural Controls</p> <ol style="list-style-type: none"> 1. Are capital expenditures authorized by appropriate officials and the governing body? 2. Are deeds and titles: <ol style="list-style-type: none"> a. properly prepared? b. legally recorded? c. properly safeguarded? 3. Are equipment acquisitions originated by approved requisitions that show: <ol style="list-style-type: none"> a. Item description? b. Estimated cost? c. Justification? d. Accounts to be charged? 4. Are actual expenditures later compared with the authorized estimates? 5. Does the sale, transfer, scrapping or dismantling of equipment require written approval? 6. Does the accounting department receive a copy of each authorization for equipment transactions? 7. Are capital assets recorded at historical cost or, for assets acquired by gift, at acquisition value at the date of gift? (If not, indicate basis of valuation.) 8. Is there a policy for differentiating between expenditures to be capitalized and those to be expensed? 				

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9. Is identifying information: <ul style="list-style-type: none"> a. Promptly placed on the equipment? b. Difficult to remove? c. Removed from equipment prior to disposal? 				
10. Are detailed records of equipment maintained?				
11. Are the detailed records for equipment promptly adjusted when equipment is disposed of or transferred?				
12. Are adequate records maintained of property under the control or custody of, but not owned by, the entity?				
13. Are releases from accountability properly handled for transfers of equipment?				
14. Are there adequate procedures for receiving and recording donated equipment?				
15. Is acceptance of the donated asset reflected in the governing body's minutes?				
16. Is a physical inventory taken periodically (at least annually) and reconciled to detailed capital asset records?				
17. When assets are to be depreciated: <ul style="list-style-type: none"> a. Is the depreciation policy consistent from year to year? b. Is depreciation fully funded? c. Are useful lives reasonable? d. Are depreciation charges discontinued when an asset or group of assets becomes fully depreciated? e. Are records maintained of fully depreciated assets which are still in use? 				
18. If the entity owns or leases vehicles: <ul style="list-style-type: none"> a. Are any vehicles considered entity "pool" vehicles? b. Are any vehicles permanently assigned to certain personnel? c. Are mileage logs maintained? d. Are miles accounted for and reconciled with detailed records? e. Are entity vehicles prohibited from being used for incidental personal purposes by entity personnel? f. Are entity vehicles prohibited from being used to commute to and from work? 				
19. Is insurance coverage on property and equipment reviewed periodically for adequacy?				

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C. Custody				
1. Are small tools properly safeguarded and kept in specific locations?				
2. Are individuals assigned responsibility for the capital assets they have custody of?				
3. Is physical access to assets limited when not in use? (i.e. locked rooms etc.)				