

**ENTITY** 2019 ICQs

June 30, 2019

**CONTROL ACTIVITIES**  
**LONG-TERM DEBT**

| <b>QUESTION</b>  | <b>YES</b> | <b>NO</b> | <b>N/A</b> | <b>REMARKS</b> |
|--|------------|-----------|------------|----------------|
| <p>A. Segregation of Duties</p> <ol style="list-style-type: none"> <li>1. Is the function of maintaining bond and other long-term debt records independent of any cash functions?</li> <li>2. Are paid bonds and coupons reconciled to bond records by an independent person?</li> <li>3. Does the entity use computer software to account for long-term debt balances? <ol style="list-style-type: none"> <li>a. Determine/verify access to programs, and functions within programs, is limited to those who have a legitimate need. Identify those with access.</li> <li>b. Does an independent person approve electronic fund transfers for long term debt?</li> </ol> </li> </ol> <p>B. Procedural Controls</p> <ol style="list-style-type: none"> <li>1. Has the entity established procedures to ensure that bonds and other long-term debt are properly authorized in accordance with applicable legal requirements?</li> <li>2. Are detailed records reconciled to general ledger controls periodically?</li> <li>3. Are bonds and other evidences of indebtedness executed only in the entity's name?</li> <li>4. Does a responsible official periodically determine whether the entity is in compliance with agreement restrictions and report results to a higher authority?</li> <li>5. If paying agents are used for the payment of bonds and interest, does the entity receive periodic reports of bonds outstanding and unclaimed interest?</li> <li>6. Does a responsible official review use of proceeds from bond sales to ensure that proceeds are used in accordance with legal requirements?</li> <li>7. Are accounting records and procedures designed to meet the requirements of bond resolutions?</li> <li>8. Is a bond register maintained?</li> <li>9. Is a separate fund maintained for each bond issue, if required?</li> <li>10. Does a responsible official review lease agreements in effect to identify and properly account for lease purchase transactions?</li> <li>11. Are records for compensated absences maintained and kept current?</li> <li>12. Are records of compensated absence records periodically reviewed by an independent person?</li> </ol> |            |           |            |                |

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|---|------------|-----------|------------|----------------|
| C. Custody  |            |           |            |                |
| 1. Are redeemed bond and interest coupons accounted for, canceled on payment and retained in compliance with applicable legal requirements? |            |           |            |                |