

## Appendix D: Internal Control Checklist and Review Guidelines

### Section 1

#### Test Questions (continued)

14. Has the BO been formally appointed as a Certifying Officer, and has the DD Form 577 been completed and submitted to DFAS?
15. Did the BO comply with procedures covering deployment of CHs?
16. How many CHs under the BO were reviewed by the A/OPC as a part of this annual review?
17. Has an adequate CH to BO ratio been maintained?
18. What is the percentage of randomly selected transactions that were reviewed of the total number of transactions for the review period?
19. Does the BO ensure CHs under non-EDI accounts maintain purchase logs?
20. Does someone other than the CH sign for receipt of goods/services to provide independent receipt and acceptance?
21. Were sales taxes charged on purchases? If sales tax was charged, did the CH resolve the issue?
22. Was accountable property forwarded to the Accountable Property Officer to be recorded on property records?



School Fund Control Checklist

1. Function. The function covered by this checklist is administration of nonappropriated funds (unit funds and official hosting and representation funds), school provided support funds, and fund raiser accounts.

2. Purpose. The purpose of this checklist is to assist SROTC and JROTC schools in evaluating the key management controls listed below; it is not intended to cover all controls.

3. Instructions.

a. These management controls must be evaluated annually. All questions will not apply to all schools; answer those questions that apply to your activity. **If you receive no funds from the Army and your school controls your expenditures through their own system of accountability, you do not need to complete this checklist.**

b. Answers must be based on the actual testing of key management controls (e.g. document analysis, direct observation, sampling, etc.). Answers which indicate deficiencies must be explained and corrective action indicated in supporting documentation.

4. Test Questions.

a. Has a battalion/unit fund manager (and alternate, if needed) been appointed in writing?

b. Is there someone other than the battalion/unit fund manager (or alternate) designated in writing as the certifying officer?

c. Is there a current SOP which covers at a minimum:

(1) How nonappropriated funds, school provided support funds, and nonappropriated funds are obtained?

(2) Documenting procedures (receipts and disbursements)?

(3) Appointment of battalion/unit fund manager, alternate fund manager (if needed), and certifying officer?

(4) Responsibilities of each individual (separation of duties)?

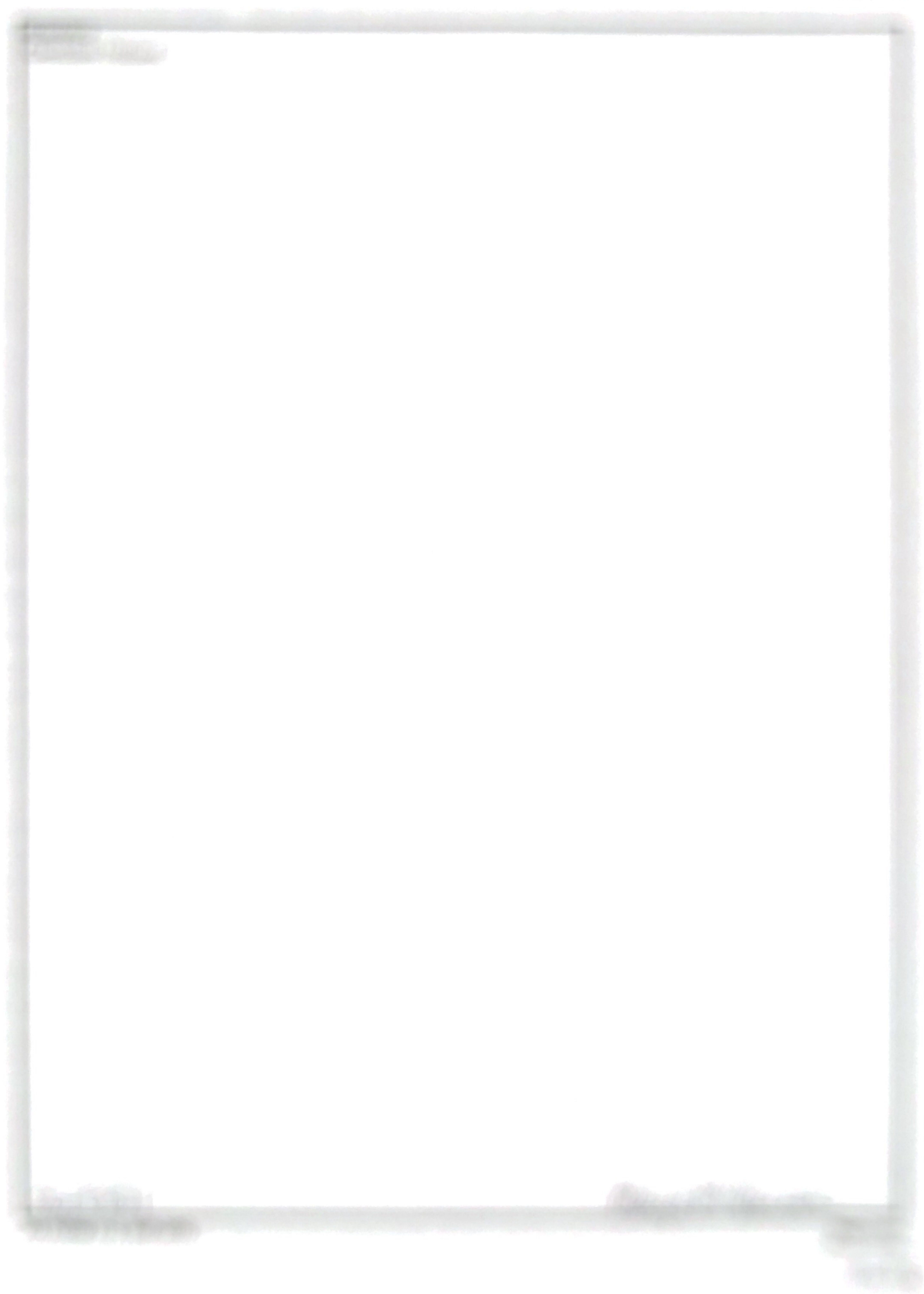


- (5) Review of expenditure (voucher used for purchases) or reconciliation (cash or blank check used for purchases) procedures?
- (6) SROTC PMS and JROTC DAI/SAI/AI involvement?
- (7) Control of school-issued credit card, to include its possession when not in use?
- d. Is there a policy and precedent file which includes directives from the school?
- e. Are Cadet Command, Region, Brigade, and school guidelines followed for all expenditures?
- f. Are all expenditures approved by the SROTC PMS or JROTC DAI/SAI?
- g. Are blank checks or "petty cash" kept in a secure area with limited access?
- h. Are receipts, with supporting documentation attached, kept on file for at least three years (two previous and current year)?
- i. Is the person who authorizes payments different from the person who prepares, signs, or mails checks?
- j. Does the person signing checks perform any of the other check processing functions?
- k. Is the battalion/unit account reviewed by the SROTC PMS or JROTC DAI/SAI once a month?
- l. Has the region or brigade inspected funding procedures within the last 18 months?
- m. If weaknesses were discovered, were corrective actions reported to the region headquarters?



<b>INTERNAL CONTROL EVALUATION CERTIFICATION</b> For use of this form, see AR 11-2; the proponent agency is ASA(FM&C).		1. REGULATION NUMBER  2. DATE OF REGULATION 20210226
3. ASSESSABLE UNIT Martin Luther King High School JROTC		
4. FUNCTION Annual Statement of Assurance		
5. METHOD OF EVALUATION (Check all that apply)		
<input checked="" type="checkbox"/> a. CHECKLIST Please see Page 2	<input type="checkbox"/> b. ALTERNATIVE METHOD (Indicate method)	
APPENDIX (Enter appropriate letter)		
6. EVALUATION CONDUCTED BY		
a. NAME (Last, First, MI) Adams, Anthony G	b. DATE OF EVALUATION 20210218	
7. REMARKS (See Attached) Use this block to describe the method used to test key controls, the internal control weakness(es) detected by the evaluation (if any) and the corrective action(s) taken. (THIS IS MANDATORY)		
a. METHOD OF TESTING KEY CONTROLS (Check all that apply)		
<input checked="" type="checkbox"/> Direct Observation <input checked="" type="checkbox"/> Review of Files or Other Documentation <input type="checkbox"/> Analysis <input checked="" type="checkbox"/> Sampling <input type="checkbox"/> Simulation <input type="checkbox"/> Interviews  <input type="checkbox"/> Other (Explain)		
b. EVALUATION RESULTS (Include specific items tested): All of our sensitive items are locked away in a separate container.		
c. INTERNAL CONTROL DEFICIENCIES DETECTED, IF ANY. (Include potential material weaknesses):		
d. DESCRIBE CORRECTIVE ACTIONS TAKEN, IF APPLICABLE.		
8. <b>CERTIFICATION</b>		
I certify that the key internal controls in this function have been evaluated in accordance with provisions of AR 11-2, Army Managers' Internal Control Program. I also certify that corrective action has been initiated to resolve any deficiencies detected. These deficiencies and corrective actions (if any) are described above or on attached documentation. This certification statement and any supporting documentation will be retained on file subject to audit/inspection until superseded by a subsequent internal control evaluation.		
a. ASSESSABLE UNIT MANAGER		
(1) Typed Name and Title Mary E McKiernan, LTC, Ret. SAI, MLK HS AJROTC		
(2) Signature Mary E McKiernan		b. DATE CERTIFIED 20210226







REMARKS

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May E McKinnel

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