

# CONTROL COMPONENTS CHECKLIST

FOHRMAN & FOHRMAN, INC.

## 1. CONTROL ENVIRONMENT

The set of standards, processes, and structures that provide the basis for carrying out internal control across the organization.

*Board governance, fiduciary responsibility, setting tone of integrity and high ethical values.*

### Policies & procedures implemented to ensure compliance (check all that apply)

- Mission, vision, values understood and visible to all
- Code of ethics
- Conflict of Interest Policy
- Orientation:
  - Board
  - Staff
  - Grant admins
- Board minutes, email updates are maintained throughout the year
- Board responsibilities in job descriptions, manual
- Whistleblower policy
- Organizational chart is current
- Job descriptions are current
- Training and development opportunities for staff
- Performance evaluations process
- Other:

## 2. RISK ASSESSMENT

The possibility that an event will occur and adversely affect the achievement of objectives.

*Objectives, internal & external risk, strategic planning, fraud prevention, succession planning.*

### Policies & procedures implemented to ensure compliance (check all that apply)

- Strategic planning process
- Every area of the organization has well-defined objectives
- Strategic plan and budgets are reviewed and updated on a regular basis
- Succession planning process
- Fraud training for staff and board
- Other:

## 3. CONTROL ACTIVITIES

The actions established through policies and procedures that help ensure management's directives are carried out.

*Processes, segregation of duties, activities, practices.*

### Policies & procedures implemented to ensure compliance (check all that apply)

- Accounting policies & procedures are current
- Grant compliance policies
- Responsibilities matrix
- Electronic use policy
- Technology security, access and passwords
- Budget variance analysis monthly
- Timely reconciliations
- Competent personnel in key positions (e.g. accounting)
- Job rotation / mandatory vacation
- Other:

## 4. INFORMATION & COMMUNICATION

The continuous process of obtaining and sharing knowledge and facts necessary to carry out control responsibilities.

*Reports, dashboards, outcomes, stakeholders, external and regulatory reporting.*

### Policies & procedures implemented to ensure compliance (check all that apply)

- Accounting P&P in adequate detail
- Grants policies
- Regular Reporting
  - Strategic plan
  - Budgets

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- Cash flow forecast
- Financial statements
- Outcomes/impacts
- Document retention policy
- Audit review policy
- Tax return review
- Funder approvals
- Whistleblower policy
- Sub-recipient, vendor, volunteer, donor policies
- Other:

### 5. MONITORING

Assessing whether each of the five components of internal control and relevant principles are present and functioning.

*Internal evaluations, assessments, review procedures, identifying and responding to control deficiencies.*

#### Policies & procedures implemented to ensure compliance (check all that apply)

- Dashboards
- Reconciliations
- Strategic Planning
- Budget analysis
- Whistleblower policy
- Internal audit
- Spot checks
- Job rotation / mandatory vacation
- Staff training
- Other: