

TORONTO PUBLIC LIBRARY Financial Statement-Internal Control Checklist			
	Yes	No	Comments/Recommendations
CASH			
1 Are bank reconciliations prepared on a monthly basis?	x		
2 Are bank reconciliations reviewed and approved by someone independent from the preparer?	x		Bank reconciliations are currently being reviewed but in order to strengthen controls, all bank reconciliations will be reviewed and approved by the Accounting Manager.
3 Are cash receipts deposited properly?	x		Cash receipts are deposited to the bank on a timely basis and are accounted for in the bank reconciliation process.
4 Is there a process in place to reconcile cash receipts to independent records?	x		Cash receipts are reconciled to independent records. This includes comparing cash receipts to cash register tapes, and meter readings where applicable. This reconciliation is reviewed on a monthly basis by Finance.
5 Are excess cash balances invested in interest bearing deposits?	x		Any excess cash is invested in interest bearing short term securities per investment policy from the City.
6 Is interest earned on the investment reasonable?	x		The most favourable interest rates are obtained from the bank immediately prior to investing.
7 Are there dual cheque signers?	x		Cheques are imprinted with 2 authorized signatures.
8 Are cheques signed only after review of documentation?	x		All cheques are printed with the imprinted signatures only after all supporting documentation is reviewed.
RECEIVABLES			
1 Is there a listing of receivables which agrees to the receivable balance?	x		
2 Are all receivables collectable?	x		Accounts receivable is reviewed on a periodic basis and any outstanding receivables are followed up for collection. To increase controls, reviews will be performed on a monthly basis.
3 Are receivables current?	x		Accounts receivable will be aged and monitored on a monthly basis.
INVENTORIES AND OTHER ASSETS			
1 Do assets exist?	x		Assets are located at 101 locations of the Library.
2 Is there a listing of assets supporting the amounts on the balance sheet?	x		In accordance with current accounting policies for municipalities, assets are not listed on the balance sheet but are expensed when purchased. Listings of certain significant assets such as computers and library materials are maintained.
3 Are there adequate controls over the custody of the assets?	x		Adequate controls exist over the custody of the assets of the Library. This includes guard security at the reference libraries and security devices on the majority of library materials to help avoid theft.

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4 Is there a policy regarding the personal use of equipment?	x		Employees may not use, or permit the use of items of Library property, facilities, equipment, supplies or other resources for activities not associated with their work. The City's Conflict of Interest policy will be adopted by the Library and will help to clarify requirements.
INVESTMENTS			
1 Are investments made in authorized and approved securities only?	x		The Library follows the City's policy on investments. Before investments are made, the Accounting Manager is notified of the type of investment.
2 Does the listing of investments agree with the balance sheet?	x		
3 Is independent confirmation of Investments received at least once during the year and at year-end?	x		At year-end, as part of the audit process, the auditors confirm investments with the financial institutions. During the year, investment confirmation is received on a regular basis by the Library.
ACCOUNTS PAYABLE			
1 Are accounts payable current and are they being paid on a regular basis?	x		
2 Is there a listing of accounts payable supporting the balance sheet amount?	x		
3 Are there any unusual payables that have remained outstanding over a period of time? If so, why?		x	
GENERAL			
1 Is the statement of revenue and expenditure detailed enough so as to provide meaningful information/comparisons?	x		Detailed reports of actual vs budgeted revenues and expenditures are prepared and distributed on a monthly basis to the various departments.
REVENUE			
1 Are there adequate controls in place to ensure that the organization is receiving all the revenue to which it is entitled?	x		There is a system in place where all branches report their revenue on a monthly basis to Finance. This report indicates the various types of revenues and is reconciled to the cash register tapes or other independent revenue records. Revenues are also closely monitored against budgets.
2 Is the revenue in line with budget?	x		Actual revenues are monitored against budget on a monthly basis and any significant variances are investigated and action taken as required.
EXPENDITURES			

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1 Are expenditures properly authorized?	x		Expenditures are made based on the Library's purchasing policy. In addition, expenses are compared to budget on a monthly basis to ensure expenditures are in line with the budget.
2 Is there a process in place to ensure that the services are provided at the lowest possible cost?	x		There is a purchasing policy which stipulates at what dollar levels quotes, request for quotes or request for proposals must be obtained to ensure competitive costs.
3 Are expenditures in line with the budget?	x		Actual expenditures are monitored against budget on a monthly basis. Measures are taken to ensure that the budget is not over spent.
4 Is the salary and benefits expense reasonable based on the size of the staff?	x		Actual staff complement, salaries and benefit expenses are monitored against budget on a monthly basis.
5 Are adequate controls in place to ensure that payroll is calculated correctly based on wage rates and attendance?	x		Any information that affects payroll must be authorized. This includes, time sheets, addition or deletion of staff or pay rate changes.