

Process	Sub-Process	What (Objective)	Why (Risk or Exposure)	RETURN TO MENU	How (Applicable Controls)	Control Number
B Procurement	B5 Disbursement	Controls are in place to ensure disbursements are properly approved, adequate supporting documentation exists and payments are recorded accurately.	Disbursements may be unauthorized, recorded for the wrong amount, recorded in the wrong period, or made for goods and services not received.		All disbursements are supported by appropriate documentation. Disbursements are properly and accurately recorded in the accounting records during the period in which the payment was made.	B5-1.1.1
					Supporting documents (e.g., purchase orders, receiving reports, original invoices, etc.) are effectively cancelled after payment to prevent accidental or intentional reuse and sufficient electronic records are maintained to preclude reuse or duplicate payment.	B5-1.1.2
					If a disbursement is made without a supporting purchase order, then the disbursements are properly approved in accordance with applicable authorization limits.	B5-1.1.3
					Returned vendor checks are investigated and the reason for return is documented.	B5-1.1.4
					Bank accounts relating to disbursement activity are reconciled to the general ledger timely.	B5-1.1.5
					Stop payments required on checks or Electronic Funds Transfers (EFTs) are transacted in accordance with bank instructions.	B5-1.1.6
					All checks have dual signatures or the Board of Commissioners has documented acceptance of one signature.	B5-1.1.7
		Only properly authorized personnel can generate manual payments (manual/non-system controlled or non-automated payments).	Inappropriate manual payments may be generated without authorization.		The ability to generate manual payments is restricted.	B5-2.1.1
					Manual disbursement activity is monitored and controlled by management to ensure there is proper cost authority approval and adequate supporting documentation.	B5-2.1.2
		Accounts payable balances are accurate and complete.	Financial statements, records, and operating reports may be inaccurate. Critical decisions may be based upon erroneous information.		The Accounts Payable subsidiary data balances and all supporting records are reconciled to the general ledger.	B5-3.1.1
		Disbursements (e.g. checks, wire transfers, electronic funds transfers, etc.) are properly approved by appropriate individuals and adequately safeguarded.	Improper verification of account transfers may lead to misappropriation of County funds, duplicate transfers, or transfers to the wrong bank		Electronic disbursement (wire or electronic funds transfer) totals are compared with approved payment totals prior to the release of funds.	B5-4.1.1
					Access to perform payment processing is restricted.	B5-4.1.2
					Checks are not: 1) made payable to cash or bearer, and 2) signed or approved in blank (approved before vendor / carrier information, dollar amount, date, etc. is filled in).	B5-4.2.1
					Spoiled, voided, and cancelled checks have the signature portion removed and destroyed, are filed, accounted for, and protected.	B5-4.2.2
					All preprinted checks are pre-numbered, or automatically numbered as the system generates them, issued numerically, and accounted for on a periodic basis.	
		Blank and printed checks / check-stock are safeguarded from destruction or unauthorized use. Signature plates, where used, are safeguarded. All checks are issued numerically, and accounted for on a periodic basis.	B5-4.2.3			
Disbursement systems and records are appropriately safeguarded.	Loss or unauthorized changes may not be detected.		Access to disbursement systems is appropriately restricted and is reviewed by management at least annually.	B5-5.1.1		
Adequate segregation of duties exists among the authorization, custody of assets, recording of transactions and reconciliation.	Lack of segregation of duties may result in misappropriation of assets, inaccurate financial reporting, errors or irregularities and/or improper and undetected use of funds or modification of data.		Adequate segregation of duties is maintained as documented in the <u>SOD matrix section</u> .	B5-6.1.1		