



**Mission
Guardian**

Healthy Nonprofit Homework

Internal Controls Basics

Don't forget, I'll walk you through each of these questions. [Click here to listen along.](#)

1. Do you have good segregation of duties for check writing? (ie: The person who writes checks is not also the person who signs checks?) 

☐ Yes

☐ No

2. Is it possible for one person to access the bank account and set up electronic transfer payments without another person noticing where the funds are going?

☐ Yes 

☐ No 

What is your review and approval process for electronic payments out of the bank account(s)?: _____

3. Do you maintain a petty cash fund?

☐ Yes 

☐ No – Okay cool! You can go to question #4.

Is the cash kept in a locked box and in a locked drawer or filing cabinet?

☐ Yes 

☐ No 

Is the petty cash fund maintained by only one person?

☐ Yes 

☐ No 

4. If you have employees, do you use a payroll service?

☐ Yes 

☐ Nope, we handle payroll in house 

5. Do you have a general ledger that is set up by a professional nonprofit accountant to be GAAP and nonprofit accounting compliant; using accounting software (such as QuickBooks, Peachtree, Xero or other software like MS Great Plains, etc.)?

☐ Yes 

☐ No 

Not doing so hot on all the homework this month? [Visit the member portal](#) to:

- Check out the knowledge base and download Internal Controls 101 handout
- Schedule a member consult to talk about referrals or to answer other questions