

Tips for Proper Segregation of Duties



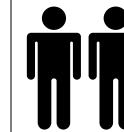
The person that cuts the checks does not reconcile the bank accounts. *If this is not possible, management needs to formally approve and review reconciliation on a monthly basis.*



The person that processes payroll does not receive payroll if outsourced or distribute checks.



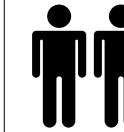
The person that cuts the checks does not sign the checks.



Ensure that all cash is counted by two people. *We recommend a two-key lockbox, available at any office supply store.*



The person that reconciles the bank account(s) does not open the bank statements.



The person that opens the mail does not make bank deposits.



The person that receives goods does not purchase them or process payments for goods.



The person that makes the bank deposits does not reconcile the bank account(s).

