

AUDIT PROGRAM

CASH COUNT AND RECONCILIATION

*The most convenient time to count cash on hand is at the closing of or opening of a business day.
Cash counts should be made on a surprise basis at irregular intervals.*

1. Select the cash drawer or fund to be audited.
2. Count the cash in the drawer or fund. Use the cash count and reconciliation form to record your results. Never allow the custodian of the cash being counted to leave you alone with the cash during your count. Have the custodian sign the cash count and reconciliation form.
3. Using the books of pre-numbered receipts, or cash register tapes, add up how much should have been received, according to the receipts/tapes. Enter results in the "reconciliation" part of the cash count and reconciliation form.
4. Enter on the cash count and reconciliation form the amount of cash that should be in the drawer/fund for making change.
5. From the total monies counted, subtract the total receipts per the receipt books/register tapes (Step 3), and the authorized change fund (Step 4).
6. The answer should be zero. If it isn't, recheck the entries and math on the cash count and reconciliation form. If they're correct, the problem is probably in the receipts. Find the problem.
7. Account for all the receipt numbers. Examine unused receipts that the custodian of the drawer/fund has. Make sure the unused receipts are all there, in unbroken series.
8. Examine the used receipts to verify that the amounts recorded are in accordance with statutory requirements (a sample may be used).
9. If the receipt copies are validated, check that they are validated for the proper amount and date (a sample may be used).
10. Examine all receipts that are voided or cancelled. All copies of the receipts should be there, and all should be marked "void".
11. Investigate any non-cash items included in the count for propriety.
12. Notify the head of the office or department of any differences or discrepancies found during the cash count reconciliation.

13. Evaluate the internal control over cash that was observed during the examination. List any improvements that might be made.

The following additional procedures should be performed when it is desired to reconcile cash and receipts to the bank.

14. Obtain the most recent bank statement and prepare bank reconciliation for the current statement period. Investigate any unusual items (i.e. disbursements to unusual parties, any outstanding items, and deposit in transit, signs of alteration, etc.). Obtain and examine all copies of cancelled checks. Use bank reconciliation form.
15. Identify deposits made as shown by the bank statement with specific day's receipts. Pay special attention to the five days deposits that were made proceeding the date of the bank statement. Investigate any discrepancies. Use bank reconciliation form.

CASH COUNT & RECONCILIATION FORM

DEPT./OFFICE _____ CUSTODIAN _____

DATE _____ TIME _____ AUTHORIZED _____

FUNDS ON HAND:
CASH

Coins	\$ 0.01 X	_____	=	_____
	0.05 X	_____	=	_____
	0.10 X	_____	=	_____
	0.25 X	_____	=	_____
	0.50 X	_____	=	_____
	1.00 X	_____	=	_____
Currency	1.00 X	_____	=	_____
	2.00 X	_____	=	_____
	5.00 X	_____	=	_____
	10.00 X	_____	=	_____
	20.00 X	_____	=	_____
	50.00 X	_____	=	_____
	100.00 X	_____	=	_____
CHECKS	#	_____	=	_____
MONEY ORDERS	#	_____	=	_____

TOTAL COUNTED \$ _____

RECONCILIATION:

Total Counted \$ _____

Less:

Total of Receipt Forms from No. to No. _____ (_____)

Total of Cash Register Tape Transaction No. _____ to No. _____ (_____)

Authorized Cash Fund Balance (_____)

Difference, if any (explanation attached) \$ _____

Performed By

Witnessed By

BANK RECONCILIATION FORM

Balance per bank statement \$ _____

Add: deposits in transit _____

Deduct outstanding checks (list below) (_____)

Other reconciling items (list below with explanation) _____

Balance per books \$ _____

Outstanding Checks

Check No. Amount	Date	Payee	Amount

Other Reconciling Items

Type of Item	

Step 15: Audit Program Cash Count & Reconciliation

Per Books

Date	Amount

Per Bank

Date	Amount