YeoConsults™
INTERNAL CONTROLS

Fraud Detection & Prevention
SEGREGATION OF DUTIES IN SMALL BUSINESS

Segregation of duties is a critical step in safeguarding against potential fraud in any size organization. In small business, it can be especially challenging. The following provides examples for segregating duties in smaller organizations. For additional guidance, or to request a proposal for our **YeoConsults Internal Controls** analysis, contact a Yeo & Yeo professional today.

Two-Person Office

Business Manager
- ☐ Record accounts receivable entries
- ☐ Mail checks
- ☐ Write checks
- ☐ Record general ledger entries
- ☐ Reconcile bank statements
- ☐ Record credits/debits in accounting software
- ☐ Approve payroll
- ☐ Receive cash
- ☐ Disburse petty cash
- ☐ Authorize purchase orders
- ☐ Authorize check requests
- ☐ Authorize invoices for payment

CEO or Owner
- ☐ Sign checks
- ☐ Sign employee contracts
- ☐ Complete deposit slips
- ☐ Perform interbank transfers
- ☐ Distribute payroll
- ☐ Reconcile petty cash
- ☐ Approve employee time sheets
- ☐ Process vendor invoices

Three-Person Office

Business Manager
- ☐ Process vendor invoices
- ☐ Mail checks
- ☐ Authorize invoices for payment
- ☐ Approve employee time sheets
- ☐ Disburse petty cash
- ☐ Receive cash
- ☐ Authorize purchase orders
- ☐ Authorize check requests

CEO or Owner
- ☐ Sign checks
- ☐ Sign employee contracts
- ☐ Complete deposit slips
- ☐ Perform interbank transfers
- ☐ Approve payroll

Bookkeeper
- ☐ Record accounts receivable entries
- ☐ Reconcile petty cash
- ☐ Write checks
- ☐ Record general ledger entries
- ☐ Reconcile bank statements
- ☐ Record credits/debits in accounting software
- ☐ Distribute payroll

Four-Person Office

Business Manager
- ☐ Complete deposit slips
- ☐ Process vendor invoices
- ☐ Authorize invoices for payment
- ☐ Approve employee time sheets

CEO or Owner
- ☐ Sign checks
- ☐ Sign employee contracts
- ☐ Perform interbank transfers
- ☐ Approve payroll

Bookkeeper
- ☐ Record accounts receivable entries
- ☐ Reconcile petty cash
- ☐ Write checks
- ☐ Record general ledger entries
- ☐ Reconcile bank statements
- ☐ Record credits/debits in accounting software

Clerk
- ☐ Distribute payroll
- ☐ Receive cash
- ☐ Disburse petty cash
- ☐ Authorize purchase orders
- ☐ Authorize check requests
- ☐ Mail checks