

Accounting information system and special journals

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The principle of internal control violation is separation of duties. The person that records the incoming cash receipts should not be the same person that is posting the customer payments to their accounts. My recommendation to the business would be that they have one person recording the Incoming cash receipts, and they should assign another employee to take over posting the customer payments to the right accounts. This will ensure that payments will get posted to the right accounts, and reduce errors.

The principle of Internal control violation is establishment of responsibility. Jeff is the custodian of the petty cash fund, and he should be the only one responsible for that petty cash fund. My recommendation for the company would be for another petty cash fund to be established for Jose when he is needed to fill in as custodian. This will ensure that if something should happen with that petty cash fund, Jeff will not be held responsible for Jose's mistakes. Therefore, if Jose makes a mistake as custodian of his own petty cash fund, he will be the one held responsible.

The principle of internal control violation is applying technological not a good for a company to store everything in the same place. My recommendation would be for the company to have all the records backed up at night as usual, and request Nadine to take the tape home with her every night. That way if something disastrous happened overnight she is able to recover all accounts with the backup tape she has taken home. The principle of internal control violation is performing regular and independent reviews. A regular and independent review should always be done whether an employee is or not meeting all job requirements to satisfactory. My recommendation is for

the manager's to immediately start regular and independent reviews. This will ensure that all employees will continue to do their job effectively and efficiently at all times. The principle of internal control violation is to insure assets and bond key employees.