

# Internal Audit

Internal branch audits are a must. At the minimum, your bank or branch should be auditing its safe deposit area annually. Read the following information to learn more about conducting a safe deposit audit.

The following questions should be answered before an audit is completed

Are all keys to unrented boxes maintained under dual control?

Is the customer's signature verified before obtaining access to the safe deposit box?

Does the safe deposit attendant inspect the safe deposit booth after the customer is finished and prior to the customer leaving the safe deposit area?

Are keyhole signal buttons available and used to indicate box status (i.e., overdue renter, death, two signatures required or special uses)?

Is there a signed contract on file for each safe deposit box in use (including the bank used boxes)?

Is there a monthly reconciliation showing rental income, delinquencies, and available boxes?

Are delinquent notices sent to nonpaying renters? Are boxes being drilled when delinquencies greater than one year exist? Are letters advising customers of potential drillings forwarded on a timely basis?

Are the appropriate unclaimed property forms completed and forwarded to the state? Are contents from drilled boxes being maintained under dual control?

Are surrendered box contracts properly documented (signed by the renter and a witness, date and the number of keys received noted)?

The procedure listed below is an example of how to audit contracts, access cards, billing cards and available boxes

List all box numbers on a sheet of paper.

Using the history cards determine the renter's name. Write the customer's name next to the box number. If the box is not rented indicate "not rented" on the form.

Match each box number and name to the access card on file.

Match each box number and name to the contract on file.

Match each box number and name to the billing card on file.

If the box is not rented, ensure that there are two keys on file.

Now they had to explain to the new renter how someone else had been allowed access to his box and that he did not have THE ONLY TWO KEYS to his box!

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