



Fraud Prevention Checklist: How is your strata managing risk and fraud?

- 1. Copies of the monthly bank statements are provided to council
2. Strata council receives a (monthly) term financial statement
3. A copy of the deposit statement/transactions are provided
4. A monthly arrears report is provided for council review
5. Fee recovery charges are recorded monthly in revenue
6. The monthly CRF contribution is deposited each month
7. Separate Operating/Contingency and Levy Accounts
8. Copies of all invoices are available and approved for payment
9. Copies of all contracts are maintained and available
10. Holdbacks are maintained in separate accounts
11. Signing authority is properly delegated through a management contract or by resolution of council recorded in the minutes. In self-managed strata corporations the person receiving funding, conducting banking and preparing cheques is not a signing officer on the bank accounts.
12. ATM Transaction cards are restricted to deposit only
13. Bylaw fine amounts are recorded in the monthly minutes
14. Account suppliers & GST numbers are verified
15. Petty cash is only replenished with approved receipts
16. Reimbursements to council only with approved receipts
17. All funds of the strata are held in trust in the name of the strata
18. Signing officers do not sign their own recipient cheques
19. Multiple signing officers/broker required for all transactions
20. All rebates, commissions or financial benefits are disclosed
21. Purchase of capital goods is verified before payment.
The decisions on investments must be made by strata council. Decisions are made by majority vote and minuted in the strata council meeting minutes.
22. All Investment certificates are in the strata name only
23. All interest of investments is deposited to the strata fund
24. The financial statement of the investment certificate is provided
25. Written receipts are issued for all CASH \$\$\$ transactions
26. User fees collected are reported monthly as revenue & deposited
27. Laundry collections are cleared by 2 persons and deposited
28. Borrowing from the Contingency Fund is reported in the minutes
29. Strata council discusses fraud prevention
30. Owner employee agreements are all in writing
31. Credit, borrowing of funds, security of loans with strata funds are all approved by a 3/4 vote of the owners at an annual or special general meeting before authorization.