[Name of Organization]
SELF-AUDIT INSTRUCTIONS

The time you have volunteered to review the books of [NAME OF ORGANIZATION] is greatly appreciated. It is important to be able to confirm to the Board of Directors the records of the organization accurately reflect the true financial condition of the [NAME OF ORGANIZATION].

A step-by-step procedure has been laid out that will help you to look through all of the financial and organizational information in an efficient and systematic manner. After completing the audit worksheet provided and reviewing the accounting records, you should be able to the best of your knowledge to verify whether or not the internal controls are effective and that the financial records accurately reflect the financial position of the [NAME OF ORGANIZATION]. The following are important points to remember.

1. The Treasurer and Secretary are there to provide you with any material, information or explanation that you might need.

2. Your role is to check the records in the current bookkeeping system and NOT to make changes in the bookkeeping system itself.

3. In many cases, to maximize the efficiency of your time, each committee member can be working on a separate step on the worksheet.

4. If you find a problem in the books, and you do not get a satisfactory explanation, you should discuss it with the Board of Directors.

5. Document in formal minutes, the procedures performed and determine the effectiveness of the internal controls to expose any payments, transactions, or procedures which might be deemed illegal, improper or not in compliance with the [NAME OF ORGANIZATION] requirements. Communicate these minutes at the Board of Directors meeting.

Again, we thank you for the time you have volunteered to help strengthen the [NAME OF ORGANIZATION]. Your efforts are genuinely appreciated.
AUDIT WORKSHEET

Step 1; Audit day scheduled
Day __________________________
Time __________________________
Ample workspace and materials?
(paper _____ pencils _____ calculator _____)

Step 2; Review Board minutes for the year.
(A) _____ Yes _____ No Are all of the minutes properly filed?
(List minutes not filed below.)
(B) _____ Yes _____ No Are previous meeting minutes being approved by the Board?
(C) _____ Yes _____ No Are the financial statements being reviewed by the board?
(D) Highlight any major expenditures approved by the Board. When checking invoices later, check for any inconsistencies.
(E) Record on a separate sheet any fixed asset purchases approved by the Board. When reviewing the invoices for these purchases, list the date purchased, the cost, and a description for the asset on this same sheet.

Step 3; View contracts such as space or catering agreements and staff contracts.
(A) _____ Yes _____ No Are the agreements current?
(B) _____ Yes _____ No Are payments being made/received in accordance with the agreement?

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Step 4: Review invoices, check stubs and returned checks. The tests you should run on the checks as you look at them are as follows:

___ Does the amount match the invoice?
___ Who is the check made out to? (Payee and the maker should not be the same.)
___ Who endorsed the check?
___ Make sure the endorsement has not been altered
___ Is the check signed by an authorized check signer?
___ Are vouchers and/or invoices canceled by use of a stamp handwritten notation, perforation or other suitable method to prevent reuse and possible duplicate payment?
___ Are void checks properly marked “void” and is the signature area removed?

Step 5: Take a physical inventory of supplies and equipment. Compare the physical inventory to the list maintained by the Treasurer.

(A) _____ Yes _____ No Does the physical inventory list reconcile with the list maintained by the Treasurer?

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Step 6: Review general insurance coverage

(A) _____ Yes _____ No Are insurance policies paid up and current?

(B) _____ Yes _____ No Is general liability coverage in effect and adequate?

(C) _____ Yes _____ No Is the Directors and Officers insurance current and are the Directors properly insured?

Comments
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### Step 7: Review tax forms that have been filed

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<td>Is the copy of the IRS form 990 properly filed with supporting documentation?</td>
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**Comments**

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### Step 8: Receipt of Funds

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<td>Are cash receipt forms properly filled in indicating date, amount, whom from, purpose of receipt and date deposited?</td>
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<td>Are restricted contributions properly recorded and segregated in the accounting records?</td>
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<td>Are receipts deposited in a bank intact, and on a timely basis (preferably daily, but at least once a week?)</td>
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<td>Are un-deposited cash and checks properly safeguarded in a safe or locking fire resistant file cabinet before deposits are made?</td>
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Step 9: Review Bank and Money Market Statements

(A) ______ Yes ______ No  Are bank statements going unopened and directly to the administrative assistant before being turned over to the Treasurer?

(B) ______ Yes ______ No  Are the original statements available?

(C) ______ Yes ______ No  Are the checking account statements reconciled?

(D) ______ Yes ______ No  Are the money market statements reconciled?

(E) ______ Yes ______ No  Do all these figures match with those in the cash journal or the computer detail and/or check register?

(F) ______ Yes ______ No  Are transfers between bank accounts properly authorized?

Step 10: Record Retention

(A) ______ Yes ______ No  Are financial records filed and identifiable by fiscal year?

(B) ______ Yes ______ No  Are computer records being backed up on at least a weekly basis?

(C) ______ Yes ______ No  Are back-up disks being kept offsite?

Comments
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Final Conclusion: To the best of our knowledge, the financial records being kept by the [NAME OF ORGANIZATION] accurately reflect the financial position of the [NAME OF ORGANIZATION].

_____________________________  Date __________________
Signature, Self-Audit Committee Member

_____________________________  Date __________________
Signature, Self-Audit Committee Member

_____________________________  Date __________________
Signature, Self-Audit Committee Member

Final Comments
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