

Audit Committee Review

The financial reports of every club/group should be reviewed and audited on a yearly basis as sound fiscal management practice. It should be a simple but careful check of how well the treasurer and the club/group are handling money. The president and club/group leader will appoint an audit committee. Make it a practice to always audit the books when transferring responsibility from one person to another for the protection of all parties involved.

Complete this form at the end of September (the end of the 4-H year) and every time a treasurer changes. The purpose of an audit is to check procedures and accuracy of the accounts. It is not a check for fraud, however fraud will be reported if found. The financial records should be clear and easily understandable.

4-H Club/Group Name: _____

Group/Club Leader: _____

Phone: _____

Audit period: _____

Does your club/group collect any funds for any purposes or receive donations of any kind?

____ Yes (If yes, please complete the remainder of this form.)

____ No (If no, please answer the next question.)

Does your club maintain a club treasury of any fashion (bank account, club fund box, etc.)?

____ Yes (If yes, please complete the remainder of this form.)

____ No (If no, please sign, date, and keep a copy with your club records and turn a copy in to the 4-H Extension Office.)

Club/Group Leader Signature _____ Date _____

Treasury Balance \$ _____ As of Date _____

Audit Committee Signatures:

We the undersigned, have examined the financial records for the above named 4-H Club/Group and certify this report and the statements made on the committee report to be correct.

Signature _____ Date _____

Signature _____ Date _____

Signature _____ Date _____

Audit Committee Guidelines

Procedures for 4-H Club/Group Peer Audit Committee:

- Check each month's reconciled bank statement and canceled checks. If the treasurer found differences during the month, ask what was done to make corrections. Verify that two authorized, unrelated 4-H members or adult volunteers signed all checks. Verify that the signer is not the same person as the person paid.
- Check the ledger entries and make sure that the entries are complete and up-to-date. Compare the ledger postings to checks, bills, receipts, and deposits. If there are missing items, or differences between receipts and payments and/or deposits, ask the treasurer to explain.
- Review all voided checks. If a voided check is not on file, verify that the check has not cleared the bank by examining the bank statement to make sure the voided check number is not listed.
- Total all money (cash and checks) received. Receipts must be written for all funds collected. Verify that receipts are in order by date and that all funds are listed on the ledgers.
- Total all deposits made to the bank account. The total should equal the total of all funds received as recorded in the ledgers, club monthly treasurer reports, and receipt book.
- Total all money spent. The total should equal the total of all expenses as recorded in the ledgers, club monthly treasurer reports, and check book. Verify that a written bill or receipt is on file for each expense. Verify that all expenses paid by cash are recorded in a petty cash ledger. All expenses, income, property etc. should be approved by club membership and record in secretary's meeting minutes.
- Check the Current Balance. Verify that the treasurer's total balance at the beginning of the year, plus all funds received, minus all expenditures, equals the treasurer's total current balance for the year.
- Complete the club financial checklist. If any of your answers are NO, the 4-H group financial record keeping practices are not consistent with 4-H policy. Please attach an Audit Committee Report form to your records indicating what corrective action will be taken.