

Duty of the Auditor

It is the duty of the audit chair to examine the club's financial records for the past year and report their findings to the president or the executive board. This should be completed by October of the next calendar year, earlier if possible. The documents for the audit include the treasurer's digital accounting spreadsheet, the checking account and savings account/CD statements, the checkbook transaction register and deposit slips, and the monthly receipts and invoices. All of the records do not need to be examined, but the auditor may also examine

every record at their leisure if so desired. All discrepancies and questions should be directed to the treasurer for resolution before filing the audit report.

Every year, a complete examination of at least 3 months of records should be done. This will include verifying that there is a receipt or invoice for every check written, and that the amount is correct if multiple receipts apply to a single check. A written record of some type should accompany all deposits whereby the total amount of the deposit can be verified. These may include but are not limited to reports from the treasurer for auction receipts, donations, and show reports, reports from the membership chair for monies collected outside of the website, and reports from the shop foreman. Once this is done, the monthly treasurer's report should be examined to be sure it accurately reflects the amounts of the individual receipts and disbursements, and verified on the checkbook transaction register. Not all items will be found neatly within the month they are being reported in and more research may have to be done to verify them. The treasurer can help with this.

Every year the auditor should try to vary the items examined. For instance, if only examining a few months, different months should be examined the following year. However, all major expenses for the year, like property taxes, should be examined. A comparison of the spreadsheet to the annual overall gain/loss of the checking and saving/CD accounts should be done. Any line items on the spreadsheet having a large dollar amount over or under budget should be examined. Bank statements should be examined and compared to the monthly treasurer reports. The auditor should also examine any other records that they are led to by the process of resolving a discrepancy, as well as anything else they notice that seems out of the ordinary. It is the goal of the

audit to ensure that all club monies have been accounted for and that the treasurer does not resign after or during that process. In addition, the audit report does not need to include any issues that were resolved during the audit or best accounting procedures that perhaps were not adhered to all that well. In the unusual event that any impropriety is found and verified, it should be orally discussed with the club president before any other action is taken.

This will have to be updated for how we're doing membership on Paypal when I see what that looks like.

Submitted by current auditor chair, Jim Haege 1/9/22.