

## TRUSTEES

### INSTRUCTIONS FOR AUDITING AUXILIARY BOOKS

This information is being provided in the hope that by following the material contained herein each audit of the Auxiliary books will become a pleasure and not an unpleasant, distasteful task.

Remember the duties of the Trustees are very important! Auxiliary Presidents please see that each Trustee receives a copy of this information!! **Please refer to the National Bylaws, Section 814, which states: “All audits are to be completed by the elected Trustees. The President, Secretary and Treasurer should attend the audit. A signed copy of the audit shall be forwarded to the Department Treasurer.”**

Records necessary for an audit:

**Secretary: Minute Book  
Copy of previous Audit**

**Treasurer: Cash Book  
Membership Book, DP2's,  
Receipt Book, Deposit Book,  
All bills, cancelled checks,  
Bank statements and checkbook.**

The Trustee whose term of office expires at the next regular election serves as the Chairman of the Trustees and shall call the audit. The three elected Trustees shall audit the books **within thirty (30) days of the end of the quarterly period.** The Secretary, Treasurer and the President should be present to assist with the audit. However, the **Trustees do the actual work, not the Treasurer as the Trustees are checking the Treasurer's figures. Trustees should never change any figures in the books, all such changes must be made by the Treasurer. If any of the above items are not on hand at the time of the Audit, it should be canceled and done at such time as all items are on hand.**

#### **Audit Procedure:**

4. Check the receipts (let one check the cash book and the minute book, one check the membership record book against the names on the DP2's, and one check the receipt book). Each one should check each item with a check mark in colored pencil.

5. As each receipt is checked, the amount should be set down by each Trustee on a scratch pad. Add these to get the total receipts for the period.
6. Check the deposit book against the receipts of each meeting. All money received should be banked **immediately** after each meeting. Deposit book can be checked to see if this is done.
7. Check the disbursements (let one read and check disbursements from the cash book and check the minute book at the same time). One Trustee checks the bills, returned checks, money order stubs or memoranda of payment. The simplest and easiest way to keep returned checks is to tape each check to its respective stub in the check book.
8. As each disbursement is checked by each of the Trustees, the amount should be set down on a scratch pad and then added to get the total disbursements for the period.
9. Check the National and Department dues account against the dues receipts, the membership book, the DP2's, and against the amount of dues sent to Department each month.
10. Check any special funds, i.e., Junior Girls, Drill Team, etc.
11. Check all reports of Chairmen handling Auxiliary funds against bills presented for correct balances.
12. Make up the report of Audit. You will note the Audit report form has columns for the various funds, i.e., General Fund, National and Department Dues, Relief Fund, Restricted Cancer Insurance Fund and other Funds. Balance from last report is indicated in the proper column. Show total receipts in the respective columns, and the grand total in the proper column; show total disbursements since last audit, deduct from the grand total and this will give you the balance on hand in each fund. Total these balances together to obtain the total of all funds. This figure should be the same as the total of all funds in the Treasurer's Cash Book. **These instructions are on the audit form.**
13. Check the balance with the Secretary's Minutes Book, Treasurer's cash book, and check book. Reconcile the Auxiliary records to the bank statement by deducting the total of all outstanding checks from the bank balance. Any bank service charge must be shown as a disbursement in the books. If everything is correct, all books will balance. If they do not, there is an error somewhere and further checking will be necessary.

14. Each Trustee shall sign the statement of audit. At the same time of the audit, each Trustee shall sign the reverse side of the last receipt stub, the reverse side of the last check stub, the Secretary's Minute Book (all pages that are pasted or taped in), the Treasurer's Cash Book and the bank statement.
15. The Chairman of the Trustees, or some other Trustee if the Chairman is not present, shall read the report of the audit at the next regular business meeting of the Auxiliary under Committee reports and may move for the acceptance of the report.
16. Three copies of the Audit must be made, one is to be turned over to the Secretary after it has been accepted by the Auxiliary to be copied into the Minutes of the Meeting (these accepted Audit reports shall be kept in a special file by the Secretary to be used at each subsequent audit). One copy is to be retained in the file of the Chairman of the Trustees for future reference, and one copy shall be sent to the Department Treasurer.
17. It might also be wise for all those attending the audit in the discharge of Auxiliary business to go completely equipped with a helpful, cooperative, friendly attitude, and the will to be of service.

## AUDIT REPORT GUIDELINES

Trustees have an important role in carrying out their duties. Trustees must be present for all audits.

3. Audits must be properly executed according to the National Bylaws.
4. Audit reports must be completed in their entirety.
5. Audits must be conducted by at least two (2) elected Trustees.
6. Audits must be conducted by the Trustees; **NOT THE TREASURER.**
7. Audits must be correct - if incorrect, Trustees are to find errors. Corrections must be made before submitting to the Department Office.
8. Treasurer's books are not corrected by anyone but the Treasurer. Treasurer's work sheet should be corrected before transferring figures to the ledger.
9. **Due dates** of the audit must be observed. If impossible, notify the Department President and request permission for a later date.
10. A ruling from National states: "The Secretary can copy the audit report into the Minutes, or the copy of the report can be pasted into the Minutes as long as it is pasted in the Minute Book at the place it is called for – **not at the end of the Minutes.**"