

Guide for the Chapter Review/Audit

The Review/Audit Committee is expected to examine all records and certify their accuracy. The committee is accountable to the chapter for any unexpected inaccuracies in the records reviewed. The Finance Committee should be represented on the Review/Audit Committee. Use the following checklist for the Review/Audit:

- ____ 1. Was the correct amount collected for each type of membership? (i.e., do the numbers on the chapter report forms equal the funds sent to Lambda State?)
- ____ 2. Was the correct amount sent to the State Treasurer for initiates, fees, State and International dues? (i.e., do the numbers on the chapter report forms equal the funds sent to Lambda State, and, if a person pays dues late, did the chapter submit those funds? Are all initiate fees and initiate forms submitted?)
- ____ 3. Were chapter budgeted amounts for state and international funds sent in a timely manner?
- ____ 4. Was the total cash received during the year deposited in the bank account in a timely manner?
- ____ 5. Were the bank statements properly reconciled monthly with the checkbook balance?
- ____ 6. Does the treasurer have on file a copy of the acceptance of Form 990N filed with the IRS for the previous fiscal year?
- ____ 7. Do all accounts have the proper signatures as stated in the *Chapter Rules*, complete with the chapter's assigned Employer Identification Number (EIN) found at the top of Form 18, **not** a personal Social Security Number?
- ____ 8. Was the total value of checks written equal to the total amount of expenditures recorded in the books?
- ____ 9. Verify the available cash as follows:

$$\begin{array}{r} \text{Cash balance at the beginning of the year} \\ + \text{Receipts during the year} \\ - \text{Disbursements during the year} \\ = \text{Balance at the end of the year} \end{array}$$
- ____ 10. Is a voucher system in use? (See Lambda State Website for a sample.)
- ____ 11. Verify the amount of all investments. Was the proper amount of income recorded at the proper times?
- ____ 12. Are any investments past maturity date?

Verify the following:

- ____ 1. Review the minutes and treasurer's records to ensure that all directives have been followed.
- ____ 2. Be sure the treasurer has accounted for every member on the previous year's list.
- ____ 3. Check that members who did not pay dues by October 31 were dropped from membership.
- ____ 4. Check that the dues of the members who paid late or were initiated after October 31 were submitted to the state treasurer.
- ____ 5. Check that contributions budgeted were sent to the State (IL Form 43) and International (Form 43).