

STANDARD FINANCIAL PROCEDURES

1. The following minimum procedures are required for the handling of activity funds and should be applied to ensure proper accountability and to facilitate activity audits:

a. For all cash income that is not properly handled through a cash register, a duplicate cash receipt form should be used (except for cake sales, hot dog sales, etc.). This form should provide the name of individual from which cash is received, his or her signature, date, amount and for what purpose the cash is being received. A copy goes to the payee and a copy is maintained in the activity's cash receipt file. The cash receipt forms are to be pre-numbered serially and each must be available for audit.

b. All income must be deposited intact and the deposit slip retained by the activity. Deposits should be made no later than by the first Saturday after the cash/checks are received. The enclosure (12) must be completed for every fundraiser at the conclusion of each fundraising day. The enclosure (12) will be kept by the Treasurer along with the deposit slip/receipt received from the bank.

c. On-hand cash funds should never be allowed to accumulate over \$100. On-hand cash funds are to be maintained using an internal log. The log must clearly show the cash balance on-hand at any time. This internal log will be reviewed during external audits.

d. All expenditures of funds should be made by check. Checks made out to CASH or for BEARER should be avoided. The only exception to this is when making a purchase by yen and dollars must be converted. Ensure a sales slip, invoice, receipt, etc. is retained to substantiate all expenditures of activity's funds. Each should be annotated with the check number and the date payment was made.

e. Payments made between private organizations should be made specifically to the organization and never directly to a board member or organization member.

f. Reconcile all bank statements when received, utilizing the reverse side of statement to list outstanding check (number and amount) and deposits not credited.

g. Use a financial ledger (itemized log, financial statement) to record all financial transactions. See enclosures (4) and (5) for template.