Note to all Units: The following guidelines explain how to complete an audit. Please remember to follow these guidelines each fiscal year.

GUIDELINES TO COMPLETE AN AUDIT

- It is the duty of the unit/state commander to appoint an audit committee.

- Three members must serve on the audit committee. However, the commander, senior vice commander, junior vice commander (*when signing warrants, vouchers, check requests*), treasurer, adjutant, and members of the finance committee (on the state level) cannot be a part of the committee.

- The adjutant must present records and could take minutes.

- The treasurer should be present to answer any questions the committee may have.

All committee members and officers stated above must be present at the time of audit.

Records for the Audit:

- Minutes. (*Minutes are imperative. Minutes show if all disbursements were legal.*)
- Check Request or Vouchers. (*Check requests or vouchers must match amount and check number in checkbook and the bank statement.*)
- Treasurer's Ledger.
- Checkbook. (*You must indicate after taking off the outstanding checks* [*those that have not cleared the account*] *that the account is in agreement with the bank statement.*)
- Distribution reports which indicate Per Capita Deposits
- A copy of the acknowledgement of filing Form 990-N e-Postcard or IRS Form 990, as warranted by amount of income.

How to give an Audit Report:

An Audit report should tell when the committee met; who was present; the purpose of the meeting; what was reviewed (example: vouchers, minutes, bank statements, etc.) Then the final statement of the committee chairman should: "In reviewing all records we find that the books are in order." Then a motion to accept the audit report should be made.

Note: During unit meetings, you do not make a motion to accept the *treasurer's* report. Your motion should be to hold or file treasurer's report for audit.