

Finance and Budget
Internal Financial Controls
Audit Checklist for Units

The following questions are designed to help your unit or district prepare for the annual audit.

The executive committee has a "fiduciary" responsibility for the finances of the organization and needs to ensure proper controls are in place.

If you check "No" for any question you may need to re-evaluate your procedures.

Guidelines/Recommendations	Is your Unit complying?	
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Accounting requirements	Yes	No
Are proper books and records kept of all transactions?		

Budgets	Yes	No
Are annual budgets prepared and approved by the unit to cover income and expenditures?		

Collection income	Yes	No
Are public collections undertaken within legal requirements for public collections?		
Are collection boxes (ex: Poppy Cans) numbered & record kept of their allocation and return?		
Are all collection boxes sealed?		
Are collections counted in the presence of the collector and a receipt given to the collector from a duplicate pad?		
Is money paid directly into the unit's bank account?		

Fund-raising events or campaigns	Yes	No
Are records maintained for each fund-raising event?		
For ticket income are:		
Records kept of all persons issued with tickets to sell, and their ticket numbers?		
Records kept of which tickets sold?		
Reconciliations made of money received against tickets sold?		
Are similar records kept for sponsored (dinners, golf outings, auctions, etc.) events?		

Banking and custody procedures	Yes	No
Are incoming receipts banked promptly and regularly (at least weekly)?		
Is the safe custody ensured for all valuables held on premises?		
Are keys to the safe or cash box signed for?		
Is insurance held to cover contents of safe or cash box?		
Is all incoming money banked and no amounts held over for petty cash /replenishment?		
Is money that belongs to the unit held separately from any individual officer/staff member?		
Are there controls over receipt books issued by the unit/ district?		

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Checking income records	Yes	No
Are regular checks made to ensure records are accurate?		
Are checks made by someone other than the original recording officer?		
Are any restrictions placed on donated income?		

Controls over expenditure	Yes	No
Are all expenditures properly authorized?		
Is there supporting documentation (receipts, etc.) required and maintained for expenditures?		
Are check books, etc. kept in secure place with access only by nominated persons?		
Is the preparation of payments undertaken by someone other than the authorizing officer?		
Is a written statement of policy and practice on payment procedures available to members?		

Controls over purchases	Yes	No
Are invoices checked against orders made?		
Is the quality and quantity of goods supplied checked against orders made?		
Is inventory of stock taken regularly?		
Are authority levels for placing orders documented?		
Are payments only made against original invoices?		

Payment by check	Yes	No
Do you comply with any stipulation in the governing document about who can sign checks?		
Are there at least 2 signatories on the bank mandate?		
Is there a policy that a nominated signatory may not sign a check made payable to themselves?		
Is there a policy of not signing blank checks?		
Is every effort made to minimize cash payments?		
Are all stubs completed at time of payment?		
Are monetary limits placed on any individual's check signing recorded in writing?		

Payment by cash	Yes	No
Are all payments by cash made from a petty cash account?		
Is petty cash drawn from the bank and not from incoming money?		
Do all payments have supporting documentation?		
Is supporting documentation authorized by someone other than the cashier or claimant?		
Are amounts of claim entered on a petty cash voucher?		
Are all payments noted in a petty cash book?		
Are all replenishment withdrawals from bank noted in the petty cash book?		
Are regular checks made of petty cash records by someone other than the cashier?		

Bank accounts	Yes	No
Are secure records held of all accounts?		
Are regular bank reconciliations carried out?		
Are instructions to open/close accounts properly authorized and/or reported to the members?		
Are checks made to ensure that there are no dormant accounts?		
Are bank statements regularly inspected by officers not assigned bookkeeping duties?		
Are cross checks made between bank records and the income and expenditure records?		