

Audit Questionnaire for Fraternity Financial Records

Fraternity Name/Location: _____

Fraternity Treasurer: _____

Date of Audit: _____

Person Performing Audit: _____

1. Fraternity Bank Accounts:

Please list the institution(s), account number(s), account name(s), authorized signature(s) and their position on the Council

Institution Name: _____

Account Number: _____

Account Name: _____

Authorized Signature(s): _____

Institution Name: _____

Account Number: _____

Account Name: _____

Authorized Signature(s): _____

2. How and where are the fraternity's financial records kept?

3. If electronic records are kept, how frequently are backups done, and where are they stored? _____

4. If electronic records are kept, what software is used (including version)? _____

5. Is there a record of each receipt, including the date and name of the contributor? _____

6. Is there a record of each expense/disbursement, including date and purpose? _____

7. Who counts and deposits Common Fund and other contributions? _____

8. Are contributions deposited in a timely manner? _____

9. How are checks endorsed? _____

10. Who receives/opens fraternity mail? _____

11. Are bank accounts reconciled monthly? _____

12. Does the fraternity have a petty cash account? _____

13. If there is a petty cash account, what are the petty cash procedures? _____

14. What are the approval procedures for expenditures?

15. Are regular financial reports made available to the Council and fraternity members?
If so, how?

16. Are annual financial reports made to the Regional Council? _____

17. Are treasurer's records kept for at least six years? _____

18. Does the fraternity have treasurer's procedures specific to the accounts and responsibilities and needs of the fraternity? _____

19. Does the fraternity have any non-financial assets (real estate, bond/stock certificates, etc.)? _____. If so, how and where are records of those assets kept?

20. Location of Records:

Check book, register and blank checks _____

Records of contributions and disbursements _____

Record of receipts for reimbursements _____

Monthly and annual reports _____

Account reconciliations _____

Account numbers and passwords _____

21. If members are reimbursed for expenses, what is the procedure? Are adequate receipts and approvals maintained?

22. Is online access available to bank accounts? _____. If so, who is allowed access?

23. Is a budget prepared on an annual basis? _____. If so, how is it reviewed and approved? _____

24. Is at least one other Council member (besides the treasurer) aware of the location of all records, and have access to bank accounts? _____

25. Is there any evidence in the account statements of overdrafts? _____

26. Is there any evidence in the account reconciliations or check register of unexplained adjustments or errors in bookkeeping? _____

Auditor's Recommendations:

Other Comments:

Auditor's Signature: _____ Date: _____

Supporting Documentation

Article 52.4 of the General Constitutions

The treasurer, or bursar, has the following duties:

- a. to guard diligently the contributions received, recording each receipt in the appropriate register, with the date on which it was given, the name of the contributor, or the one from whom it was collected;
- b. to record in the same register the items of expense, specifying the date and the purpose, in conformity with the directions of the fraternity council;
- c. to render an account of his or her administration to the assembly and to the council of the fraternity according to the norms of the national statutes.

Fraternity Treasurer's Guidelines [Prepared by the National Treasurer]

1. The treasurer shall keep full and accurate accounts of receipts and disbursements in books belonging to the fraternity and shall deposit all moneys or other valuable effects in the name and to the credit of the fraternity in such depositories as may be designated by the council.
2. The treasurer shall record each contribution received in the appropriate register, with the date and the name of the contributor. Confidential annual statements prepared from the member's record, signed by the treasurer, should be sent to the individual members who request it, summarizing his/her contributions to the fraternity.
3. The treasurer shall disburse the funds of the fraternity as may be ordered by the council, taking proper vouchers for such disbursements in a timely manner. Every established and emerging fraternity must have its own bank account(s) which should be in the name of "Secular Franciscan Order, ... ", followed by appropriate fraternity, region, etc., name, and use the appropriate federal identification number. (Note: The term "bank" used in this document means any appropriate financial institution including a credit union.)
4. All bank accounts must have signature authority for the minister and the treasurer, i.e., either one can sign checks and make withdrawals. This is necessary to insure the payment of bills in case of a temporary vacancy in the office of treasurer or the temporary inability of the treasurer to discharge his or her duties. Ideally, cash receipts such as common fund donations received at local fraternity meetings, should be counted by two persons. A note of the amount received should be given to the minister.
5. Ideally, all mail should be opened by the secretary or minister.
6. The treasurer shall perform a monthly reconciliation of book to net bank balances. If a discrepancy is noted during the reconciliation process, the treasurer shall promptly determine the source of the error and make appropriate correction to the records.
7. All moneys shall be deposited intact as soon as possible after receipt. All checks should be endorsed with "For Deposit Only" and the name of the fraternity. The practice of accepting checks made out to the name of the treasurer should be avoided. Under no circumstances shall payments be made from undeposited cash receipts. If cash is

needed for immediate expenditure, it should be taken from a petty cash fund authorized by the council, and the payment noted on a suitable petty cash voucher (inexpensive pads of these vouchers are available from any office supply store).

8. All expenditures (other than from petty cash) must be made by check drawn on the fraternity's bank account. Expenditures of a routine nature are pre-approved by the council in the form of an annual budget. Extraordinary expenses (up to a maximum of 5% of the annual budget total) must be approved by the council before payment, or on the alternative, by the minister (up to 1% of the annual budget), and reported to the council.
9. The treasurer must make annual or more frequent financial reports to the membership and council that shows details of all income, expenses, cash balances, investments and any moneys held in trust, and to the next higher council as part of the fraternity's annual report. [*General Constitutions, Article 51(4) states: "The treasurer, or bursar, has the following duties: ... (c) To render an account of his or her administration to the assembly and to the council of the fraternity according to the norms of the national statutes.."*] A local fraternity treasurer should publish the annual report in the fraternity bulletin or newsletter. In addition that same report must be given to the regional council. The regional treasurer's report should be disseminated to the membership through the fraternity ministers or the newsletter. The regional financial report should also be delivered to NAFRA as part of the region's annual report. In addition, the treasurer should provide a written financial report periodically to the council; in regional fraternities to the executive council.
10. Treasurer's records should routinely be kept for 6 years.