

THE 4-H CLUB AUDIT

As stated in the Wisconsin 4-H Financial Policies, 4-H clubs, county 4-H committees, and county junior and senior 4-H leader associations are required to submit an audited financial report and a copy of the club's financial record (ledger) to the UWEX Office by January 1 each year. This audit is for the club's fiscal year, which in Walworth County is usually November 1 through October 31.

An audit should also be done any time during the fiscal year that the club treasury changes hands.

The purpose of the audit is to ensure that the financial records kept by the bank and the treasurer agree. These records must also coincide with the reports presented to club members throughout the year.

The audit protects both new and old treasurers and the members who have worked so hard to contribute to the fund raising efforts. Any discrepancies can be found quickly and easily when the audit is done annually. The audit is an efficient way to update financial information and records.

The "4-H Club Annual Financial Report" (the audit report) can be found in the treasurer's packet, distributed to clubs each fall. An Audit Committee should be formed and may include club members, officers, or parents and *at least one leader*. The Audit Committee may not include the treasurer or any club leader who is authorized to sign checks and move money on behalf of the club. Upon completion of the audit, the signed "4-H Club Annual Financial Report" and a copy of the "Club's Financial Record" (ledger) must be submitted to the UWEX Office.

Audit Steps:

1. The treasurer should prepare the "4-H Club Annual Financial Report" at the end of the club's fiscal year.
2. The leader should review and sign the report.
3. The club president, in consultation with the club's General Leader(s), should appoint an Audit Committee at the club's last meeting of the fiscal year (this should be the meeting at which new officers are elected).
4. The treasurer should give the Audit Committee the completed "4-H Club Annual Financial Report," the completed "Club Financial Record" (ledger), bank statements, copies of receipts, fund raiser and dues records, deposit slips, copies of "Payment Approval Forms" with supporting documentation, for review.
5. The Audit Committee should review all of the club's financial records and upon reaching agreement that the "4-H Club Annual Financial Report" is correct and that the club's financial records are complete and accurate, one or more of the committee members should sign the "4-H Club Annual Financial Report."
6. The Audit Committee should report its finding to the club General Leader(s), to the treasurer, and to the members.
7. The General Leader(s) must submit a copy of the signed report, along with a copy of the "Club Financial Record" (ledger) to the UWEX Office no later than January 1.

AUDIT CHECKLIST

- 1. Steps were taken to correct problems and to implement suggestions from previous year's audit.
- 2. Previous year's ending balance was brought forward as the new year's beginning balance on both the "Club Financial Record" and the "4-H Club Annual Financial Report."
- 3. Bank statements were reconciled in writing each month (both bank statement(s) and "Club Financial Record" should be checked).
- 4. "Club Financial Record" accurately reflects financial transactions made during fiscal year; year-end bank statements and club financial record balances are equal.
- 5. Outstanding checks for the year have been identified and listed.
- 6. All checks, including voided ones, are accounted for.
- 7. A "Payment Approval Form" with attached receipt or invoice is on file for each expense.
- 8. Each "Payment Approval Form" is properly signed by the club president and secretary.
- 9. Pre-numbered receipts are issued for all payments to the club; all pre-numbered receipts are accounted for (voided receipts remain in the receipt book).
- 10. Receipts, gift acknowledgement letters, copies of grant award checks, or other documentation is on file to support deposits.
- 11. A "Club Treasurer's Report" is on file for each of the club's regularly scheduled monthly business meetings. Balances on these reports match the balances on the "Club Financial Record" for the same date.
- 12. The "Club Financial Record" is complete and accurate.
- 13. The "4-H Club Annual Financial Report" includes the club's tax ID or EIN number and is complete and accurate.
- 14. The final balances on both the "Club Financial Record" and the "4-H Club Annual Financial Report" are the same.

NOTE:

The Audit Committee should correct errors in addition or subtraction and should complete the reconciliation of club records with the bank statements. Suggestions should be made for the new treasurer regarding using and keeping receipts, filing appropriate records. etc.

4-H CLUB ANNUAL AUDIT REPORT

(Submit to UWEX by January 1 for the previous fiscal year and anytime that the treasury changes hands.)

Club: _____ Tax ID or EIN Number*: _____

Report for (start of fiscal year or reporting period): ____/____/____ through (end of fiscal year or reporting period): ____/____/____

Balance on hand, all accounts, at start of fiscal year or reporting period: \$ _____ (a)

Total Receipts for fiscal year or reporting period: \$ _____ (b)

Total Receipts plus Balance (a + b): \$ _____ (c)

Total Expenses, all accounts, for fiscal year or reporting period: \$ _____ (d)

Balance, all accounts, at end of fiscal year or reporting period (c - d): \$ _____ (e)**

Balance in Savings Account (at end of fiscal year or reporting period): \$ _____ (f)

Name of Bank: _____

Balance in Checking Account (at end of fiscal year or reporting period): \$ _____ (g)

Name of Bank: _____

Cash on Hand (at end of fiscal year or reporting period): \$ _____ (h)

In whose custody? _____

Total Funds (f + g + h): \$ _____ (i)**

* The club's tax ID or EIN number was assigned by the IRS and should be kept as part of the club's permanent records. If you do not know this number, please contact your bank. They will have the number on file with your club's accounts.

** Totals of lines (e) and (i) should be the same.

We believe this is an accurate account of our 4-H Club Treasury for the fiscal year or reporting period noted:

Signature of treasurer: _____ Date: ____/____/____

Signature of leader: _____ Date: ____/____/____

"We have reviewed the financial records relating to the above accounts, verified the information with bank records, and believe the balances are correct as reported."

Signature of Auditor(s): _____ Date: ____/____/____

Auditors' comments or suggestions: _____
