

Guidelines for Deputies when checking Grange Financial Record Books

Workshop January 24, 2009 by Gail M Turcotte, Treasurer NH State Grange

Checking books of Secretary and Treasurer- Look at Secretary's dues book, dues receipt book, Secretary's cashbook, and minute book. Look at Treasurer's receipt to Secretary book, Treasurer's account book, bank records, and file of paid bills with vouchers and receipts attached.

1. Money is received by Secretary-
 - A. Dues- where is the money recorded? Is some type of receipt issued to the member?
 - B. Other money- example penny collection received when Assistants take word. Where is this recorded? Even if it goes to Chaplain, Lecturer or a committee and is kept as cash on hand and recorded in the committee's cashbook the amount should also be recorded by the Secretary in the minute book for cross-reference during auditing.
 - C. Fundraisers- same procedure applies- examples HEC bake sale or Youth fundraiser. Even if money is kept as cash on hand and recorded in HEC or Youth cash book the secretary should have the amount listed in the minute book for reference and for audit.
2. Secretary has received or at least recorded the money so now what?
 - A. Money received is given to Treasurer to record in Treasurer's account book and deposit into some type of bank account. Good rule of thumb is Secretary should turn over money to Treasurer at least once per month and more often if needed. Secretary should record money transferred to Treasurer in Secretary's Cashbook.
 - B. If money is committee or other officer funds then it is either kept as cash on hand by committee/officer and recorded in committee/officer cashbook or it is turned over to Treasurer for recording and deposit.
3. Treasurer receives money from Secretary and issues a receipt to the Secretary. Treasurer deposits money into some type of bank account and keeps the bank receipt and statement as proof of deposit. Again this should be done at least once per month and more often if needed.
4. Treasurer pays out money as authorized
 - A. All bills should be written and accompanied by receipts if appropriate
 - B. All bills should be examined and approved by more than just the Treasurer if possible. Ideally, a voucher for every bill is issued by Secretary and countersigned by Master before bill and voucher are given to Treasurer to pay.
 - C. If the Grange has authorized payment of "regular bills" (think monthly electric bill as an example) by the Secretary/Treasurer the paper trail still needs to be created for audit purposes. Also the Secretary/Treasurer should report any unusual bills or large amounts to the members at the next meeting so everyone is aware of how and where the Grange's money is being spent.
 - D. All bills and money paid out should be recorded in both Treasurers' Account book and by Secretary in Secretary's cashbook and in minute book. Treasurer should regularly balance checkbook and/or review bank statements for any errors.
5. Committees or other officers such as Chaplain or Lecturer with cash on hand also need to keep records to provide an audit trail for their money. Committees or other officers should not keep large amounts of money as cash on hand. They should only have just enough for immediate needs and any extra should be on deposit with Treasurer.

Following these steps provides a paper trail for the Executive Committee to follow when auditing Grange books. As Deputies you need to check to see if these basic steps are being followed. You are not responsible for actually auditing the books.

In addition please ask if there are two or more authorized signers on all bank accounts and are those names recorded somewhere for easy reference? Is the Grange Tax Identifier Number/Employer Identifier Number being used on all bank accounts and not a personal social security number? Have they filed their IRS 990-N tax return? Is the password and contact info used with the 990-N recorded for future reference?