



## Annual Audit: Standard Process and Checklist

**Purpose:** This checklist was created as a guideline to assist those which need it. We understand that roundtables may have their own enhanced process that we do not want to diminish as long as they exceed our standard requirements. Other roundtables require assistance and this can act as basic guidance to achieve success.

This document is comprised of recommendations and standard requirements. Recommendations are just that and are encouraged to be acted upon. They will only help to assure the roundtable executive team is safe guarded. Standard requirements are highlighted and are considered the minimal audit action requirements. The mandatory items are required to support CSCMP national audit of their non-profit EIN and thereby are expected to alleviate CSCMP Global or external organizations auditing of the local roundtable.

Thank you for your assistance in making sure CSCMP and its roundtables are fiscally prudent

### Definitions:

#### 1. Audit Period:

- **USA Roundtables:** July 1st – June 30<sup>th</sup>
- **International Roundtables:** January 1<sup>st</sup> – December 31<sup>st</sup>

2. **Close Books for Audit:** Using accrual accounting, ensure year-end income and expenses have been accrued for the check register. For example, any checks written during the audit period will be accrued in the audit period, this method recognizes financial transactions regardless when the cash transaction is paid or withdrawn.

#### 3. Audit Completion Due Date:

- **USA Roundtables:** July 31<sup>st</sup> following the fiscal audit period
- **International Roundtables:** January 31<sup>st</sup> following the fiscal audit period

### I. Pre-Audit Preparation

#### A. Identify Audit Team:

1. **Treasurer** (*term served during audit year*): role is to provide information for the Audit
2. **President** (current or incoming): role is to approve that the audit is complete and that the roundtable is in good financial standing
3. **Audit Representative 1:** Secretary of local roundtable
4. **Audit Representative 2:** a second global CSCMP member to conduct the audit
5. **Treasurer** (*incoming or assistant treasurer*): role is to be trained on audit process



**B. List Roundtable Bank & Credit Accounts:**

- **List each account with the following information:**
  1. Bank/Institution
  2. Account Number
  3. Routing Number
  4. Checking Number
  5. Signature Card Holders First Name and Last Name

**II. Audit Process Checklist**

**1. Treasurer Provides the following documents:**

- a. Bank Statements for the Audit Year
- b. Receipts and Purpose of Audited Transactions
- c. Throughout the year, if the Treasurer is asking for self-reimbursement, an email approval will need to be requested by the president.

**2. Randomly Select One Event/Program in the Audit Year**

- Audit one full-set of transactions for an event
  - i. Income
  - ii. Expenses with receipts and purposes
  - iii. Re-imbursments with receipts and purposes
  - iv. Match to Event's P/L numbers

**3. Signature Card Holder Update**

- Ensure that all signature card holders are current and also global CSCMP members. At the minimal, the treasurer and president should be signature holders on the account.

**4. For Signature Card Holder Transactions**

Audit one transaction for each of the categories below by requesting receipt and transaction purpose:

- a. Cash Payment
- b. Payment for Reimbursement
- c. Two Unusual Transactions (*e.g. vendor that is typically not used, large disbursement amounts*)

**5. Credit Card Transactions**

**If there is a CSCMP credit card for the Round Table, request the following:**

- a. A statement for one month of the audit year (with transactions)
- b. Randomly choose two transactions and request receipt and transaction purpose

**6. Closing the Audit**



Once the audit is complete, it is time to close the audit. To close the audit, have all audit team members sign the annual audit letter template to confirm approval.

The signed annual audit letter is then emailed to Denise Rivers ([drivers@cscmp.org](mailto:drivers@cscmp.org)) and the finance process team chair, Michelle Quach ([mac.quach@gmail.com](mailto:mac.quach@gmail.com)).

## **7. Document Retention**

It is critical that we retain the documents from the audit for seven years.