

Agreed Upon Procedures for District Audits

At the end of the year, the district treasurer presents her books to a certified public accountant or to a person who has a minimum of a four-year accounting degree. This person performs certain procedures (outlined here) on the accounting records of the district and completes a statement indicating that the procedures were satisfactorily performed. A copy of this statement is given to the district treasurer, district executive committee and the conference treasurer. A full scope audit is no longer required. The district treasurer gives to the person performing the procedures the following materials:

- Copies of executive committee minutes.
- Copy of the district budget.
- Remittance forms received from local organizations.
- Duplicate receipt forms (or stubs).
- Vouchers properly signed by authorized persons.
- Checkbook stubs or record.
- Reconciled bank statements.
- Canceled checks.
- Duplicate deposit slips.
- Records of cash received and cash disbursed.
- Year-end statements of conference fund and district administration and membership development fund.

The person who has agreed to perform the procedures on the district accounting records is to:

1. Trace selected local unit remittances into receipts and deposits recorded on checkbook stubs or recorded into a cash receipt record.
2. Obtain confirmations from selected districts to confirm remittances.
3. Ascertain that vouchers are made for all expenditures, that these expenses are properly signed by authorized persons (president and secretary), and that the expenditures are provided for in the budget or have been authorized by the executive committee as recorded in the minutes.
4. Determine that checks written agree with the vouchers and are properly recorded in some form of cash disbursement record.
5. Make sure that bank statements are reconciled monthly to agree with the checkbook balance and the balance as reflected in the cash receipt and disbursement record.
6. Check the year-end balance, as shown on the year-end statements, to determine that it agrees with that shown in the checkbook and the reconciled year end bank statements.

The year-end balance should reflect any difference between cash received and cash disbursed as recorded in the cash records. After the procedures have been completed, the person performing the procedures fills out the Schedule of Cash Activities statement and submits it to the district treasurer with a copy to the district executive committee and to the conference treasurer.