

# WFFC OPERATING PROCEDURE

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**SUBJECT: Financial Audit Committee**

**Number 110**

Date: February 3, 2015

Gary Bergquist

ORIGINATOR

**RESPONSIBLE OFFICE:** President

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Approval (Resp. Officer)

**AFFECTED OFFICERS:** Treasurer

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Approval (President)

**REFERENCE:** BOARD OF TRUSTEES ACTION – FEBRUARY, 2015 BOARD MEETING

**I. PURPOSE:**

This procedure establishes guidelines for auditing the WFFC financial accounts, records and transactions for the year preceding the year in which the affected trustees commence their third year of service, the Audit Period.

**II. SCOPE:**

The Audit Period will cover the WFFC's fiscal year immediately preceding appointment of the Audit Committee, and extend to all WFFC bank, brokerage or other financial institution accounts and transactions.

**III. REQUIREMENTS:**

The audit will consist of following the guidelines together with such additional investigations as the Audit Committee shall deem to be reasonable or appropriate under the circumstances.

Guidelines for Reviewers

- a. Compare all cash receipts and deposits for the bank statements. RANDOM SAMPLE
- b. Check addition and subtraction on all cash receipts and deposits. RANDOM SAMPLE
- c. Confirm that all disbursements have been properly documented with an invoice or receipt. RANDOM SAMPLE
- d. Confirm that all disbursements have been properly approved. RANDOM SAMPLE
- e. All checks were signed with (the then in-office) Treasurer's signature. From 2014 on with two signatures: President and Treasurer. RANDOM SAMPLE
- f. All checks have been deposited or cashed by the payee indicated and no information on the face of the check has been altered. RANDOM SAMPLE
- g. Obtain proof that IRS Form 990-EZ was filed on time.
- h. Obtain proof that IRS Form 990-T was filed on time.
- i. Obtain proof that the WFFC's classification as an organization described under Internal Revenue Code Section 501(c)(7) was in force during the Audit Period.
- j. Obtain proof that (i) all state raffle/gaming forms were filed on time. <http://www.wsgc.wa.gov/publications/brochures/5-164-raffles.pdf> , (ii) liability insurance was in effect during the audit period and (iii) all corporate license fees have been paid
- k. If exceptions are noted during the audit (errors, irregularities), consult with the organization's Treasurer and President (if necessary) to resolve the exception. The Treasurer is responsible for making any corrections to the ledger or checkbook.
- l. Review the Treasurer's monthly reports and **RANDOMLY** check them for accuracy. Review the beginning and ending

balances on each report to verify that correct ending balances were carried forward as beginning balances on subsequent reports.

- m. If exceptions are noted, prepare a separate Exceptions Report.
- n. The Exceptions Report should detail:
  - Exceptions noted
  - Steps taken to remedy the Exceptions
  - Recommendations made to prevent further occurrence of Exceptions noted
- o. The organization's Treasurer and President are responsible for acting upon the recommendations made by the Reviewer.
- p. Make sure there are no missing checks.
- q. When audit is complete, draw a line after the final checkbook entry. Sign and date.
- r. File a copy of the Review Report with the President and Treasurer on or before the date of the WFFC Board meeting for June.

#### IV. ACTION:

Upon receipt of the Audit Committee Report the President shall circulate copies to all Officers and Trustees and at the request of any officer or Trustee place the Audit Committee Report on the agenda for the first Board meeting following and such request.