
THE AUDIT COMMITTEE

Prior to the end of the club year, the President shall appoint an Audit Committee of three members whose duty shall be to audit the Treasurer's books at the close of the fiscal year and to file a report. Treasurer's books are delivered to the Audit Committee by July 31. Members who handle the financial records will not be assigned to this committee. It is recommended that Executive Board members not be appointed to the Audit Committee if other members are available to serve.

Guide for the Audit Committee

The audit is based on the following records: checkbook, bank statements, treasurer's reports, cash receipts and disbursements, budget, and secretary's minutes. The club may hold the committee accountable for any unexplained inaccuracies which may be found in the future in the material audited.

Step 1. Proving the Accuracy of the Books

- a. Take the beginning balance established by the last audit, add the receipts for the year, and subtract the disbursements to determine the **BALANCE ON HAND AT THE END OF THE PERIOD**. This balance should agree with: (1) the balance on the treasurer's financial report and (2) the bank balance plus any cash on hand.
- b. If the treasurer did not reconcile the bank statements, the Audit Committee should do so. The adjusted book balance and bank balance must agree and should agree with the **BALANCE ON HAND AT THE END OF THE PERIOD**.
- c. Ascertain that the correct amount of dues and initiation/reinstatement/transfer fees have been collected from the membership.
- d. Verify the amount sent for district and international dues and initiation/reinstatement/transfer fees for new/reinstated/transfer members. (Be sure that members who have resigned have been dropped.)
- e. Check to see if the total amount of receipts agrees with the total deposits.
- f. Ascertain that the total amount of all checks written equals the total amount of disbursements recorded on the books.

Step 2. Authorization

From the minutes, standing rules and budget, determine that all disbursements were authorized. All disbursements should be supported by bills or receipts.

The Audit Committee (cont'd)

Step 3. Report

The report should be short and to the point. State what the review included, what was found, an opinion of the balances and any recommendations which may be helpful. It is the duty of the chair of the Audit Committee to prepare the report. The Committee should make an effort to correct any inaccuracies.

Report by the Committee:

"The Audit Committee of the Pilot Club of _____ certifies that it has examined the books of the treasurer from the period of (date-- first day of fiscal year) , through (date--last day of fiscal year) , and has found them to be correct." (Signatures)

The chair can assume the motion by saying: "The question is on the adoption of the report of the Audit Committee. Are you ready for the question?"

After debate, if any, the chair says, "Those in favor of the adoption of the report of the Audit Committee say 'AYE.' (Pause) Those opposed, say 'NO.' The ayes have it and the report of the Audit Committee is adopted."

Each member of the Audit Committee signs the report.

PLEASE NOTE:

The attached 4 page work sheet can be printed and used to perform the Audit.

It can then be filled in with the audit findings and then be printed or emailed to the Immediate Past President, Current President, Current Governor and Pilot International

Audit Committee Report
Pilot Club of _____
For the year ended June 30, _____

Audit Date _____

To: _____, President
Pilot Club of _____.

The audit committee of the Pilot Club of _____ certifies that it has examined the books of the Treasurer for the _____ year and have found them to be correct.

In performing the audit, the following procedures were performed:

Receipts

For the months of (_____), (_____) and (_____
month/year month/year month/year

Income was compared to bank deposits and traced to the bank statements.

Disbursements

For the months of (_____), (_____) and (_____
month/year month/year month/year

Disbursements were compared to expense reports, vendor invoices and other supporting documentation and traced to the bank statements. All items were examined for approval in the budget, minutes, or by the President established in the Standing Rules.

General

Bank statements and reconciliations were compared to the Treasurer's Reports.

The year-end Treasurer's Report and/or general ledger balances were compared to budgeted amounts and variances reviewed.

Dues reports to Pilot International and the Florida District were reviewed.

Copies of the completed Audit Procedures Checklists are attached to this report.

Audit Committee Comments/Suggestions

Respectfully submitted by members of the Audit Committee,

Chair Name / Signature

Date

Name / Signature

Date

Name / Signature

Date

Cc: Treasurer's Records for year of Audit
Florida District Governor
Pilot International

**AUDIT PROCEDURES CHECKLIST
GENERAL PROCEDURES**

Yes No

CASH

- | | | |
|---|--------------------------|--------------------------|
| Banks were approved by the Executive Board | <input type="checkbox"/> | <input type="checkbox"/> |
| Account(s) require two signatures | <input type="checkbox"/> | <input type="checkbox"/> |
| Beginning Cash for year agrees with ending cash for prior year | <input type="checkbox"/> | <input type="checkbox"/> |
| Ending cash per reconciled bank statements agree to year-end Treasurer's Report
(If Treasurer has not reconciled the statement(s) for the last month, the Committee should do so.) | <input type="checkbox"/> | <input type="checkbox"/> |
| Bank statements included and reconciled for all months | <input type="checkbox"/> | <input type="checkbox"/> |
| Bank reconciliations agrees to monthly Treasurer's Reports | <input type="checkbox"/> | <input type="checkbox"/> |

BUDGET/GENERAL LEDGER/YEAR-END TREASURER'S REPORT

Review general ledger accounts and compare "Actual" amounts to Budgeted amounts. If any expense amounts exceed the amount budgeted, review the items that make up the account for necessary approvals and appropriateness of classification.

- | | | |
|---|--------------------------|--------------------------|
| Were any unusual items noted?
If "Yes" attach listing and explanation. ** | <input type="checkbox"/> | <input type="checkbox"/> |
| Compare the general ledger "Actual" balances to the balances shown on the year-end Treasurer's Report. If any differences are noted they should be explained. | | |
| Were any differences noted?
If "Yes" attach listing and explanation. ** | <input type="checkbox"/> | <input type="checkbox"/> |

DUES

Review the dues reports to Pilot International and the Florida District and answer the following:

- | | | |
|---|--------------------------|--------------------------|
| Were the correct number of members reported to Pilot International
and the District? | <input type="checkbox"/> | <input type="checkbox"/> |
| Does the membership reported agree with the Secretary's Records | <input type="checkbox"/> | <input type="checkbox"/> |
| Were the reports filed timely (Prior to July 1) | <input type="checkbox"/> | <input type="checkbox"/> |
| Were dues paid to the Pilot Scholarship House Foundation prior to July 1? | <input type="checkbox"/> | <input type="checkbox"/> |
| Does listing of unpaid members dues agree to amount shown as Dues Receivable
on year-end Treasurer's Report? | <input type="checkbox"/> | <input type="checkbox"/> |

** If unexplained, item should be noted on an attachment to the Audit Committee Report. If none note "N/A"

AUDIT PROCEDURES CHECKLIST AUDIT OF RECEIPTS

RECEIPTS

Months to be audited _____, _____, _____

(Procedures performed)

	Yes	No
Receipts for month of _____		
Traced to deposit tickets	<input type="checkbox"/>	<input type="checkbox"/>
Verified classification and amount	<input type="checkbox"/>	<input type="checkbox"/>
Traced deposits in transit to actual deposit	<input type="checkbox"/>	<input type="checkbox"/>
Were any differences noted?	<input type="checkbox"/>	<input type="checkbox"/>
If "Yes" attach listing and explanation. **		

	Yes	No
Receipts for month of _____		
Traced to deposit tickets	<input type="checkbox"/>	<input type="checkbox"/>
Verified classification and amount	<input type="checkbox"/>	<input type="checkbox"/>
Traced deposits in transit to actual deposit	<input type="checkbox"/>	<input type="checkbox"/>
Were any differences noted?	<input type="checkbox"/>	<input type="checkbox"/>
If "Yes" attach listing and explanation. **		

	Yes	No
Receipts for month of _____		
Traced to deposit tickets	<input type="checkbox"/>	<input type="checkbox"/>
Verified classification and amount	<input type="checkbox"/>	<input type="checkbox"/>
Traced deposits in transit to actual deposit	<input type="checkbox"/>	<input type="checkbox"/>
Were any differences noted?	<input type="checkbox"/>	<input type="checkbox"/>
If "Yes" attach listing and explanation. **		

** If unexplained, item should be noted on an attachment to the Audit Committee Report. If none note "N/A"

AUDIT PROCEDURES CHECKLIST AUDIT OF DISBURSEMENTS

DISBURSEMENTS

Months to be audited _____, _____, _____

(Procedures performed)

	Yes	No
Disbursements for month of _____		
Traced to invoices, expense reports, or other supporting documents	<input type="checkbox"/>	<input type="checkbox"/>
Verified amounts and dates paid	<input type="checkbox"/>	<input type="checkbox"/>
Verified classifications and funds	<input type="checkbox"/>	<input type="checkbox"/>
Verified that all disbursements had proper approval for payment	<input type="checkbox"/>	<input type="checkbox"/>
Were any differences noted?	<input type="checkbox"/>	<input type="checkbox"/>
If "Yes" attach listing and explanation. **		

	Yes	No
Disbursements for month of _____		
Traced to invoices, expense reports, or other supporting documents	<input type="checkbox"/>	<input type="checkbox"/>
Verified amounts and dates paid	<input type="checkbox"/>	<input type="checkbox"/>
Verified classifications and funds	<input type="checkbox"/>	<input type="checkbox"/>
Verified that all disbursements had proper approval for payment	<input type="checkbox"/>	<input type="checkbox"/>
Were any differences noted?	<input type="checkbox"/>	<input type="checkbox"/>
If "Yes" attach listing and explanation. **		

	Yes	No
Disbursements for month of _____		
Traced to invoices, expense reports, or other supporting documents	<input type="checkbox"/>	<input type="checkbox"/>
Verified amounts and dates paid	<input type="checkbox"/>	<input type="checkbox"/>
Verified classifications and funds	<input type="checkbox"/>	<input type="checkbox"/>
Verified that all disbursements had proper approval for payment	<input type="checkbox"/>	<input type="checkbox"/>
Were any differences noted?	<input type="checkbox"/>	<input type="checkbox"/>
If "Yes" attach listing and explanation. **		

** If unexplained, item should be noted on an attachment to the Audit Committee Report. If none note "N/A"