

# Financial Safeguards for Non-Profit Organizations

## Treasurer

- Make all deposits within 10 business days of receipt.
  - o This will help with any returned check issues.
  - o Small window of anything being misplaced
  - o Concerns will be addressed quickly
- Present a detailed Treasurer's Report at every meeting.
  - o Include individual deposits and withdrawals.
  - o Include the current ledger balance.
  - o Include a Reconciliation Section that compares the Bank Balance and Ledger balance from the same date. Show any outstanding withdrawals/deposits. These two numbers should match.
- Have an invoice in possession before writing any check.
- NO LEGITIMATE RECEIPT? NO REIMBURSEMENT! NON NEGOTIABLE!!!
- IF cash is paid for ANYTHING (this should happen RARELY, if ever) obtain a receipt from the payee.
- Ensure that multiple signatures are required at the bank. Checks can be printed with multiple signature lines and specified "\_\_\_ signatures required."
- Cover yourself, be as transparent as possible!!!

## Other Officers

- Ensure the bank statements are received by someone other than the treasurer. Give a copy of the bank statement to the Treasurer within 2 days of receipt so they can reconcile the books.
- Review Bank Statements and ledger monthly.
  - o Make sure deposits and withdrawals are legitimate
  - o Look at each check written, ensure appropriate number of signatures & compare to receipts if needed.
- Think very carefully before pre-signing any checks.
  - o You are responsible for any check you sign, regardless of what the intention for the check was.
- Ensure that there is a "Chain of possession," for any cash. (See form for example)
  - o Have two people count cash.
  - o Have each person who handles the cash sign off on the form. If you sign a form, KEEP A COPY.
    - If you count cash, look at the next treasurer's report to ensure the deposit was made.
- If you are the payee of a check, you CAN NOT be a signature on the check!!!

## All Members

- Be vigilant.
  - o Expect to see a detailed treasurer's report at every meeting
  - o Look at it!
    - If a report shows a check written out for a book fair for \$5000.00 and only \$1500.00 in total deposits from the book fair, ASK QUESTIONS!
- If something doesn't seem right, check into it!!! The financial records of any organization are the property of that organization. They are not the personal property of the individual holding the records. Any member has a right to examine the records!

REMEMBER: It is every member's right and responsibility to safeguard the organization and its money.