



# TRUSTEES' REPORT OF AUDIT of

The Books and Records of the Quartermaster and Adjutant of \_\_\_\_\_  
(District/County Council/Post No.)

Department of \_\_\_\_\_ for the Fiscal Quarter ending \_\_\_\_\_, 20\_\_\_\_

FISCAL QUARTERS: Jan 1 to March 31 April 1 to June 30 July 1 to Sept. 30 Oct. 1 to Dec. 31

FUNDS:	Net Cash Balances at Beginning of 10. Quarter	Receipts During Quarter 11.	Expenditures During Quarter 12.	Net Cash Balances at End of Quarter 13.
1. National and Department Dues (Per Capita Tax)	\$	\$	\$	\$
2. Admission or Application Fees (Department)				
3. Post General Fund				
4. Post Relief Fund (Poppy Profits, Donations, etc.)				
5. Post Dues Reserve Fund (See Sec. 717, Manual of Procedure)				
6. Post Home or Building Fund (Including Savings but Not Real Estate)				
7. Post Canteen or Club Fund				
8. Other				
9. Bonds and Investments Not Credited to Funds				
<b>14. TOTALS:</b>	\$	\$	\$	<b>15.</b> \$

**16. OPERATIONS**

Have required payroll deductions been made? \_\_\_\_\_

Have payments been made to the proper State and Federal agencies this quarter? \_\_\_\_\_

Have sales taxes been collected and paid? \_\_\_\_\_

Are club employees bonded? \_\_\_\_\_

Amount of outstanding bills \_\_\_\_\_ \$

Value of Real Estate \_\_\_\_\_ \$

Amount of liability insurance \_\_\_\_\_ \$

Owed on Mortgages and Loans \_\_\_\_\_ \$

Value of Personal Property \_\_\_\_\_ \$

Amount of Property Insurance \_\_\_\_\_ \$

**17. RECONCILIATION OF CASH & INVESTMENTS**

**General Fund Checking Account**

Ending Balance Per Bank Statement \$ \_\_\_\_\_

Less: Outstanding Checks \_\_\_\_\_

Plus: Deposits in Transit \_\_\_\_\_

Account Balance \_\_\_\_\_

**Other Checking Accounts (if applicable)**

Ending Balance Per Bank Statement \$ \_\_\_\_\_

Less: Outstanding Checks \_\_\_\_\_

Plus: Deposits in Transit \_\_\_\_\_

Account Balance \_\_\_\_\_

Savings Account Balance \_\_\_\_\_

Cash on Hand \_\_\_\_\_

Total Cash \_\_\_\_\_

Bonds and Other Investments \_\_\_\_\_

Total Cash and Investments \$ \_\_\_\_\_

(This figure must match Box 15)

## 18. TRUSTEES' AND COMMANDER'S CERTIFICATE OF AUDIT

Date \_\_\_\_\_, 20 \_\_\_\_

This is to certify that we (or qualified accountants) have audited the books and records of the Adjutant and Quartermaster of \_\_\_\_\_  
(District/County Council/Post No.)  
for the Fiscal Quarter ending \_\_\_\_\_ in accordance of the National By-Laws and that this Report is a true and correct statement thereof to the best of our knowledge and belief. All Vouchers and Checks have been examined and found to be properly approved and checks properly countersigned:

Post Quartermaster \_\_\_\_\_ (Name) Signed \_\_\_\_\_ Trustee

\_\_\_\_\_ (Address) Signed \_\_\_\_\_ Trustee

\_\_\_\_\_ Signed \_\_\_\_\_ Trustee

This is to certify that the Office of the Quartermaster is bonded with \_\_\_\_\_ in the amount of \$ \_\_\_\_\_ until \_\_\_\_\_, 20\_\_\_\_, and that this Audit is correctly made out to the best of my knowledge and belief.

Signed: \_\_\_\_\_ Commander

NOTE: Forward Original to your Department Quartermaster and copy to the Adjutant for the Post record.

## TO COMMANDERS AND TRUSTEES' (POST, DISTRICT, COUNTY COUNCIL)

As Commander and Trustees' of your District, County Council, or Post, you took an obligation to uphold the By-Laws of the National Convention and the By-Laws of your Department, District, County Council and Post.

Your attention is directed to Sections 213, 413, By-Laws: Units failing to submit properly completed Trustees' Report of Audit, on a quarterly basis, shall be deprived of all representation in County Council meetings, District, Department and National Conventions.

Article VII, Section 703, By-Laws: It shall be the responsibility of the Commander of each unit to see that the office of Quartermaster is properly and adequately bonded.

Section 218, Manual of Procedure, provides: The Post Trustees' shall, not later than the end of the month following the last day of each quarterly period, submit through the Commander a Trustees' Report of Audit to the Department Quartermaster.

Section 418, Manual of Procedure: District Trustees' shall, at each District meeting or District Convention or as Department By-Laws may provide, submit a Trustees' Report of Audit to the Department Quartermaster.

The prescribed duties of the Commander and Trustees' are obvious. The Trustees' are mandated to make the audit (or provide for an audit by qualified accountants), and submit the report. The Commander is mandated to see that the audit is made and the report properly forwarded.

The bonding of accountable officers by any bonding company is always based on the theory that the laws prescribing the duties of various officers will be complied with accordingly. Existing By-Laws relative to quarterly audits of the records of Post Adjutants and Quartermasters constitute a safeguard for the protection of the Post funds and are so considered by the bonding company in basing their rates or premiums. Laxity in enforcing and complying with the By-Laws increases the hazard of loss which in the final analysis means larger premiums must be paid. Any failure on the part of the Commander and Trustees' in performing the duties of their offices is not only a violation of trust but gives the bonding company the right to contest liability in case of defalcation.

### SUGGESTIONS

#### When auditing the accounts of the Quartermaster by the Trustees' (Uniform Record System)

**- RECEIPTS:**

(1) Check duplicate copies of Miscellaneous Receipts against the entries shown in the Received Column, under heading of Cash and Bank, in the Cash Book; (2) Check names appearing on Dues Transmittal returned from National Headquarters, plus any transmittals in transit, to see that all members who have paid dues are properly credited in the Cash Book.

**- VOUCHERS:**

Check all properly approved Vouchers against the entries as shown in the Expended Column, under heading of "Cash and Bank" in the Cash Book.

**- CASH AND BANK:**

Run a total of the Received and Expended columns of "Cash and Bank" and the difference between these two columns should be the net total of Cash in bank and Cash on hand.

**- CANCELLED CHECKS:**

Check all cancelled checks against the Cash Book Expended entries to see if same agree. This will also show you which checks are still outstanding. Insist that all checks be countersigned by the Post Commander.

**- BANK EXPENDITURES:**

Run a total of all cancelled checks. Add to this total the amount of all bank charges, such as check exchange, check tax, returned checks, protest fees, etc. and the sum total of all these should be your actual Bank Expenditures. All bank charges should show as expenditures in the Cash Book.

**- BANK DEPOSITS:**

Run a total of actual bank deposits, add to this the bank balance as of the beginning of the auditing period and this sum represents your total bank.

**- BANK BALANCE:**

Deduct the total of No. 5 from the total of No. 6 and the difference should be your Bank Balance as per your bank statement.

**- ACTUAL CASH BALANCE:**

Deduct from your Bank Balance the amount of outstanding checks as shown by No. 4, add to this amount any and all cash on hand, and the total should be your Actual Cash Balance.

**- PER CAPITA TAX RESERVE:**

Compute the amount of Per Capita Tax, as shown on the Membership Record Cards, that has been paid by members and not remitted to the Department Quartermaster and see that the total amount of same agrees with the amount as shown by the Cash Book to the credit of the Per Capita Tax Reserve Fund.

**- ADMISSION FEES AND DUES:**

Ascertain from the records if Section 104 of the National By-Laws has been complied with.

**- NUMBER OF CHECKS:**

Be sure to show in your audit the numbers of the first and last checks written for the period and the numbers and amounts of all outstanding checks.

**- SAVINGS AND INVESTMENTS:**

Obtain a certification of all savings balances from the various depositories at the close of the audit period. Check U.S. Government bonds and other investment certificates against the master list of the Post Quartermaster. Make certain that "coupon" bonds are cashed when due and are properly credited.

**- AUDIT RECORD:**

It is suggested that your audit, when completed, be entered, in detail on the page of the Quartermaster's Cash Book immediately following the last entry included in the audit and all Trustees attest to the same by their signatures thereon. This then becomes a permanent record and not so likely to be lost and will always be available for reference.