



## Financial Activities Checklist for Chapters

- Prepares timely financial statements including the Balance Sheet (or Statement of Financial Position) and Statement of Revenue and Expenses (or Statement of Financial Activities) which are clearly stated and useful for the board and staff.
- Prepares financial statements on a budget versus actual basis to help stakeholders achieve a better understanding of the finances.
- Develops an annual comprehensive operating budget which includes costs for all programs, management and fundraising, and all sources of funding. This budget is reviewed and approved by the Board of Directors.
- Reconciles cash monthly, and statements and reconciliations are reviewed by someone other than the person who prepares the reconciliations.
- Meets federal requirements for persons employed on a contract basis, and disbursement records are kept so 1099s can be issued at year end.
- Has a documented set of internal controls, including the handling of cash and deposits, and approval over spending and disbursements.
- All expenses of the organization are approved by a designated person before the payment is made.
- Has suitable insurance coverage which is periodically reviewed to ensure the appropriate levels and types of coverages are in place.
- Federal and state tax returns (i.e., Forms 990, 990-T) are filed in a timely basis within prescribed timelines.
- PAC filings are filed in a timely basis within state prescribed timelines. Filings match financial records.