

Chapter Audit Committee Policy and Checklist

Each AACN chapter is required to form an Audit Committee annually to audit chapter records. Audit Committee members may be chapter members and/or non-members. However, the majority of Audit Committee members must be chapter members, excluding chapter officers and those involved with chapter financial matters such as program registration fees, chapter meeting revenues, etc. The Audit Committee should complete the following checklist, place their names and AACN Member Numbers where indicated, and submit to National AACN each year by August 15th.

Following completion of the fourth quarter financial report (June), the Audit Committee has performed the following procedures:

- 1. Review and become familiar with all financial policies of the National Office of AACN. Refer to the Financial Management Module for a description of these policies.
- 2. Review the system for controlling cash receipts:
 - a. determine that cash receipts are recorded and that cash receipt vouchers are prepared with numerical control maintained.
 - b. determine that cash receipts are generated only from programs that have been approved by the chapter or the National Office of AACN.
 - c. determine that cash receipts are deposited in a timely manner.
 - d. determine that all cash receipts are assigned proper account codes.
- 3. Review the system for controlling cash disbursements:
 - a. determine that all disbursements are made by check and that checks are numerically controlled.
 - b. determine that there is proper support for all disbursements and that the support is reviewed by check signers before disbursing of funds.
 - c. determine that all checks have two authorized signers.
 - d. determine that disbursements are reasonable in amount and nature relative to functions performed by the chapter.
 - e. determine that all disbursements are assigned proper account codes.
- 4. Review monthly bank reconciliations to make certain that they are prepared and that no unusual reconciling items appear on the reconciliations.
- 5. Determine that the quarterly financial reports have been sent to the National office on a timely basis.

The above procedures may be prepared by selecting a sample of transactions for the year rather than reviewing all transactions. Samples should be taken from each month during the year.

Upon completion of the audit, the Audit Committee should review with the chapter officers.

