



Sample Financial Controls Worksheet

With sufficient oversight and diligence, the likelihood of personal liability for financial losses or mismanagement is significantly reduced. At a minimum, leaders should be aware of, and promote the use of, the following best practices for any nonprofit organization.

If the organization answers “No” to any of the worksheet questions, they are likely not implementing proper financial controls that will help ensure the integrity of their funds.

1.	Annual budget. Does the organization develop and have the membership approve an annual budget that, at a minimum, includes expected sources of income and line items showing the amount expected from each source, and expected expenses and line items showing the amount of each expected expense?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2.	Bank account. Does the organization use their own Employer Identification Number (EIN) on their bank account? Is the bank account at an FDIC insured institution, approved by the Board, in the legal name of the organization?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
3.	Signatories. Does the organization require at least two signatories on the bank account at all times?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4.	Bank cards. Does the organization follow these best practices if a debit/credit card is established in the name of the organization? <ul style="list-style-type: none"> - Establish policy, approved by the Board, to include a list of authorized users, daily/monthly/annual spending limits. - Never allow any personal charging on the organization’s card. 	<input type="checkbox"/> Yes	<input type="checkbox"/> No
5.	Bank statements/reports. Does the organization require bank statements to be reviewed on a monthly basis by at least one of the bank signatories PLUS one other officer without signature authority to ensure separation of financial controls? Is there a written financial report presented at each membership meeting and at the end of the fiscal year?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6.	Purchase approval. Does the organization require all purchases for the organization be pre-approved in the annual budget, or by a vote of the board or membership, as provided for in the bylaws?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

7.	<p>Bill payment. Does the organization follow these best practices for paying bills either by paper checks, online or e-checks?</p> <ul style="list-style-type: none"> - Use sequentially numbered checks with all checks being accounted for and held in the custody of an officer authorized by the Board, such as the Treasurer. - Ensure payments correlate to an invoice or receipt on which the check number and date paid are written. If a receipt or invoice is not available, an officer writes, signs, and dates a description of what was purchased. - Ensure no blank checks are ever pre-signed for any reason. 	<input type="checkbox"/> Yes	<input type="checkbox"/> No
8.	<p>Cash. Does the organization follow these best practices for handling cash?</p> <ul style="list-style-type: none"> - Keep all cash in a secure location, such as in a lock box. - Keep a cash box ledger and provide monthly cash box reports to the Board which include starting balance, expenditures, additions and ending balances. - Provide receipts whenever cash is turned over or collected. Receipts are sequentially numbered, with a copy kept, whenever cash is turned over or collected. Alternatively, a receipt ledger on which the date, amount, and signature of both the giver and recipient of the funds may be used. - Count cash with two (2) people on the day the funds are collected and at the site where the funds are collected. - Use a cash tally sheet showing the date and amount collected; have counters sign the sheet. If Treasurer is not one of the counters, have them re-count funds and countersign the tally sheet. Take a photo of the cash tally sheet immediately after it is completed and signed. - Deposit cash as soon as practicable upon receipt of the funds, normally daily, into the organization's bank account. Ensure Treasurer has a copy of the deposit slip. Cross-reference the deposit slip with the cash tally sheet and save all documents for the bank reconciliation. 	<input type="checkbox"/> Yes	<input type="checkbox"/> No
9.	<p>Financial review. Does the organization conduct an annual financial review at the end of their fiscal year?</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
10.	<p>Bylaws. Does the organization have their financial controls detailed in their bylaws?</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No

RENOSI strongly recommends an organization detail their financial controls in their bylaws. An organization's bylaws are both a legal document and a roadmap for their actions. Organizations can generate their own bylaws through RENOSI's [online bylaws generator](#).