



## **AUDIT PREPARATION CHECKLIST**

1.	IRS determination letter (first year only) and applicable state tax exemption letter	Copy	
2.	By-laws (first year and changes thereafter)	Copy	
3.	Articles of incorporation (first year only)	Copy	
4.	Board Information A) Minutes of Board of Directors & applicable committee meetings B) List of Board of Directors	Copy	Access
5.	Significant contracts entered during the year A) Space leases B) Equipment leases C) Grants D) Loans, mortgages E) Other		Access Access Access Access Access
6.	Financial Statements A) Interim Statements B) Comparative Trial Balance at audit date C) Budget for year	Copy Copy Copy	
7.	Bank Reconciliation at audit date, including listing of outstanding checks (all accounts)	Copy	
8.	Bank Statements & cancelled checks (all accounts, including two months after date of audit). <b>DO NOT OPEN BANK STATEMENTS.</b>		Access
9.	Statements for year for any investment accounts, including money market accounts		Access
10.	Details of all security transactions for the year	Copy	
11.	Receivables: A) Detailed listing of receivables outstanding at audit date: 1. Grants 2. Employee Advances 3. Accounts (tuition receivable, billings receivables, etc.) B) Identify any of the above that are of doubtful collection	Copy Copy Copy Copy	
12.	Insurance: A) Insurance policies in force during audit year B) List of insurance premiums paid—include type of insurance and period of coverage	Copy	Access
13.	Detailed listing of additions to furniture & equipment accounts (include donated furniture)	Copy	
14.	Details of any deposits or other prepaid expenses at audit date	Copy	
15.	Accounts Payable: A) Detailed listing by vendor of accounts payable at audit date (provide account name or number for expense distribution) B) If at all possible, please file bills paid subsequent to audit date in check number order until examination by auditors	Copy	Access
16.	Payroll: A) All 941's, applicable state 941's, W-2's, W-3 for audit period B) Provide detail of unpaid payroll taxes at audit date, type of tax, when paid, and amount C) If a reimbursing employer for state employment, please provide copy of letter from applicable state Director of Employment Security stating that you are a reimbursing employer	Copy  Copy	Access

17. Employee personnel files, including rate of pay authorization		Access
18. Paid bills, audit year and all subsequent to audit date (if possible, fill a subsequent paid bills in check number order until examination by auditors)		Access
19. Details of any deferred (unearned) revenue at audit date—describe nature of deferral, how balance determined, etc. (Prepaid tuition, grants, deposits, etc.)	Copy	
20. Accruals: A) Detail any accrued payroll, period of accrual, persons, and amounts accrued B) Detail any accrued vacation and sick pay benefits	Copy Copy	
21. Grant and contribution files		Access
22. General Ledger and source journals		Access
23. Information that determines fees for service: A) Rate Schedule B) Time Sheets C) Class Lists D) Box Office Records E) Contracts and related vouchers F) Billing Schedules G) Accounts Receivables cards H) Other		Access Access Access Access Access Access Access Access
24. Details of any loans payable at audit date—amount, vendor, interest rate, maturity date, last date interest paid	Copy	
25. Correspondence—note all correspondence is to be typed on your letterhead, signed by you, and returned to the auditor’s office for mailing A) Bank confirmations—standard forms, all bank accounts B) Grants & contributions received (Provide for all over \$1,000) C) Government contracts & grants (Provide for all) D) Legal letter E) Accounts Receivable (Provide for all over \$1,000) F) Investments G) Notes Payable	Copy Copy Copy Copy Copy Copy Copy	
26. Functional expenses—provide list of salary expense by employee for the audit year and include percentage of time each employee spent on the following areas: A) Program Services B) Management & General C) Fundraising (Note: the total percentage must equal 100% for each employee)	Copy Copy Copy	
27. Analysis of miscellaneous income and expense accounts	Copy	
28. List any litigation pending or significant commitments and contracts	Copy	