

Financial Management Assessment

I – Books and Records

1. Are the books and records of the agency kept up-to-date?
2. Are books and records maintained in an organized manner?
3. Are staff available to handle the accounting/bookkeeping and clerical demands?
4. Are the accounting/bookkeeping staff appropriately qualified?

II – Financial Statement Analysis

1. Are financial statements produced on a regular basis and reviewed by management?
2. Are the financial statements audited or reviewed by an accredited and publicly licensed accountant or accountant firm?
3. Are there any significant accounts receivable from officers, management, employees or board members?
4. Are we satisfied that accounts receivable are bona fide and there are not significant balances owing over 90 days?
5. Are the inventory levels reasonable?
6. Have all long-term commitments and obligations been identified in the financial statements? (Long-term leases and long-term debt.)
7. Has the agency been able to justify all significant differences between budget and actual for major revenue and expense accounts?
8. Has the agency had significant operating losses in the previous two years?

Yes	No	Needs Improvement

9. Is the agency's current working capital position acceptable?

10. Is there any correspondence from the auditors/accountants indicating weaknesses in internal control or other accounting areas?

11. Have any recommendations from the auditors/accountants arising from items noted in question 11, not been adopted or followed up on?

III – General

1. Have all major expenditures for capital equipment and management been approved by the board of directors?

2. Does the agency have title to all major assets?

3. Are major assets pledged as security against any debts?

4. Does the organization have adequate insurance coverage for key employees, management, volunteers and board members?

5. Have copies of the minutes of the board of director's meetings been obtained and reviewed for any relevant data?

6. Have all relevant tax forms been completed and submitted?

7. Has the agency ensured that the banking resolution for signing authority agrees to the board's decision or to the agency's by-laws?

8. Are the contractual agreements, if any, between key employees or sponsors structured to ensure the agency is at a low risk?

9. Is there any possibility that key sources of revenue to the agency will be lost?

10. Is the agency realizing the revenue potential of its current membership base?

11. Is the agency's incorporation documentation up-to-date and filed?

Yes	No	Needs Improvement