

OVERSIGHT CHECKLIST

To help you assess a few more key items of your nonprofit's oversight, the following worksheet outlines steps for your organization to review. This is a starting place, not an exhaustive list.

Oversight Steps	Have you done this?	Notes & Next Steps
<p>Internal Controls</p> <p>Does the organization have basic, written accounting procedures that highlight key internal controls?</p> <ul style="list-style-type: none"> • Regular communication about the importance of ethics and controls occurs • Procedures about the handling of money are documented and communicated • Bank reconciliation is done regularly by someone other than the bookkeeper, or if not possible, bank statements are reviewed by a person that is not the bookkeeper • Expenditure limit policy defines the spending limits for each position within the organization • Disbursements are made by check, except for limited petty cash • Incoming checks receive a "restricted" endorsement or "for deposit only" • Outgoing checks are supported by invoice, receipt, or voucher • Whistleblower policy is in place • Conflict of interest policy is in place 	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<p>Access</p> <p>Given the organization's size, is access limited as much as possible? In terms of finances, has the organization clearly defined and documented who is doing what and when?</p> <ul style="list-style-type: none"> • Separation of duties divides bookkeeping functions, bank reconciliation and review, and 	<input type="checkbox"/> Yes <input type="checkbox"/> No	

<p>check writing and signing across at least two people (bookkeepers do not sign checks)</p> <ul style="list-style-type: none"> • Physical access is limited to assets (i.e., to cash, receipts, blank checks, or other assets that could be taken) • Bank account access is reviewed annually, and signers limited to as few people as needed • Credit card statements are reviewed by a person other than the cardholder and receipts are required for all charges • Cash access is controlled by at least two people counting cash together 		
<p>Reporting</p> <p>Is the board receiving the right financial reports? Is the organization submitting the right reports?</p> <ul style="list-style-type: none"> • Board regularly receives balance sheets and income statements • Donors receive acknowledgement with records kept on file • Form 990 is reviewed by board and submitted annually 	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	