



Knights of Columbus Maryland State Council P.O Box 1468 Bowie, MD 20717

TO: ALL DIRECTORS AND CHAIRMEN

As you know, Supreme Council requires every state council to have financial records audited by an independent Certified Public Accountant. One key factor in obtaining a favorable report is our internal control procedures. If we are to receive a favorable audit, we should comply with the following procedures established by the Executive Secretary to the State Council and became effective as of 1/1/2010.

- All funds collected must be turned into the Executive Secretary immediately following the event/activity or at least monthly using the **MONEY TURN IN FORM**. Duplication of effort is not required you may simply attach your record of checks received.
- Cash collections (such as Mass donations) should be counted by two people designated by the Director of Faith Activities or other responsible chairman and the **MONEY TURN IN FORM** should be signed by both.
- When payments are received for multiple items (i.e., state pins, state shirts, etc.), the **MONEY TURN IN FORM** must clearly reflect the amounts collected for each item.
- All bills should be submitted to the Executive Secretary for payment on the **EXPENSE REIMBURSEMENT / EXPENSE AUTHORIZATION FORM**. A copy of each bill must be attached to the form.
- **DO NOT PAY EXPENSES FROM FUNDS COLLECTED.** If for some reason you cannot submit a bill to the Executive Secretary for payment and it must be paid immediately, pay the bill personally, and submit a request for reimbursement using the **EXPENSE REIMBURSEMENT / EXPENSE AUTHORIZATION FORM**. A copy of the bill must be attached to the form.

- Within thirty (30) days of the competition of the activity, a “final” report should be submitted to the Executive Secretary. The format of the report is left to the chairmen’s discretion since each activity is different. The report should show total receipts, total persons paying, total complementary tickets if applicable and total known expenses. (Some expenses may have been incurred and paid at the state council level without the chairman’s knowledge.) It would be appreciated but not required that a copy of each **MONEY TURN IN FORM** and each **EXPENSE REIMBURSEMENT/EXPENSE AUTHORIZATION FORM** be attached to the final report.
- Although not part of the financial audit, this report should also include a brief description of the activity and sufficient detail that would permit someone to conduct the activity in the future without other direction. This may be difficult for the first year or so, but it will be of great benefit to future administrations. Answer the following questions: What did I do? When did I have to do it? What did others do for me? What should have been done differently?

Fraternally,

Vincent Grauso
State Deputy