

## Audit Preparation Checklist

The following is a list of items most frequently needed by auditors in connection with the audit of financial statements for small to medium sized not-for-profit organizations. The information should be submitted electronically, in Excel format, if possible. Your auditor may also request other items.

- General ledger. Most auditors prefer to have a general ledger that covers the entire fiscal year.
- Year-end trial balance and financial statements broken down by net asset class.
- Schedule of Federal Awards showing federal awarding agency, pass through agency, grant number, program name, CFDA number, award amount, current year expenses, and prior year expenses.
- Grant agreements for those grants expired or expiring.
- List of Board of Directors for the fiscal year.
- List of members of the Audit Committee, if applicable, or oversight board for the audit.
- Minutes of meetings of the Board of Directors and Committees, including summary of any board actions that affect the designated and undesignated fund balances.
- Personnel manual.
- Accounting Policies and Procedures manual.
- Lease agreements.
- Year-end payroll tax reports, Forms W-2, W-3, and 1099's issued during the calendar year.
- Outside payroll service report for the fiscal or calendar year end.
- Fiscal year budget.
- Detailed list of donations of goods and services, including the number of hours on donated services.
- Detail of legal fees paid, with the name and address of all attorneys used throughout the year.
- Detail of repairs and maintenance account.
- Auditors will need access to all paid bills, bank statements and grant reports for the year.

## Statement of Financial Position Items

Your auditor will need copies of reconciliation and schedules supporting all asset, liability, and equity accounts. The following are the most common of these items:

- Year-end bank reconciliation and bank statements. Bank reconciliation should have a complete list of outstanding checks with check number, date, and amount. Detail of deposits in transit should also be listed.
- Year-end investment summary showing year-to-date transactions and balance of investments held at year-end at fair market value (FMV) and original cost (FMV at date of donation). Also, documentation of donations of marketable securities.
- List of unconditional promises to give and underlying documentation.
- List of grant funds received and receivable, including grant award numbers and funding sources.
- Extended physical inventory of items held for resale.
- Fixed asset and depreciation schedule, including copies of any documentation relating to donated fixed assets.
- Reconciliation to support any other asset accounts.
- List of year-end accounts payable and accrued expenses such as payroll tax payable and accrued compensated absences.
- Schedule of changes in notes payable and copies of the notes.
- Reconciliation of deferred grant revenue and refundable advances.
- Reconciliation of net assets classifications.