

Nonprofit Audit Checklist



Nonprofit Audit Preparation Checklist

This checklist is a starting place when compiling documents for your audit. Your auditor may request additional information at the time of the audit. The proper paperwork provided electronically will help make your audit as smooth and as stress free as possible.

Trial Balance	
	Copy of the trial balance by account as of December 31. Please provide this information in electronic format (Excel) so that it can be directly downloaded into our system.
Cash and Restricted Cash	
	Bank reconciliations and related statements from financial institutions for all cash, certificates of deposit and investment accounts as of December 31. These reconciliations should have attached a listing of all outstanding checks and deposits, held checks (if any), deposits in transit and any unusual reconciling items.
	Reconciliation of cash held for others (if any) as of December 31.
	Summary of bank transfers for the month ended December 31.
	Access to January bank statements and reconciliations.
Investments and Certificates of Deposit	
	Certificates of deposit reconciliations and related statements from financial institutions as of December 31.
	Reconciliation of beginning and ending balances, investment income, unrealized gains/losses, purchases and distributions for assets held including access to annual summary statements for the year ended December 31.
Unconditional Promises to Give and Accounts Receivable	
	Listing of unconditional promises to give as of December 31. We will confirm balances as of year-end with a sample selection of donors. Once those contributors are identified, we will send you a confirmation letter template to complete for each donor.
	Calculation of the discount to net present value as of December 31.
	Calculation of the allowance for uncollectible promises to give as of December 31.
	Aging by account for receivable balances outstanding as of December 31.
Prepaid Expenses	
	Worksheet showing the calculation of prepaid expenses, if any.
Furniture and Equipment	
	Summary schedule of fixed assets. Please include beginning balances of fixed asset accounts, additions and disposals during the fiscal year, and ending balances of those accounts. Please also include beginning balances of accumulated depreciation accounts, depreciation expense, reductions in accumulated depreciation as a result of asset disposals, and ending balances of accumulated depreciation accounts.
	Detailed fixed asset listing showing asset descriptions, estimated useful lives and depreciation methods used, calculation of depreciation expense for the fiscal year, etc. It would be helpful if the listing was subtotaled by account such that the totals agree with the summary schedule requested above.
	Access to supporting documentation for fixed asset additions and disposals during the year.
Accounts Payable and Grants Payable	
	Detailed accounts payable aging as of December 31. If applicable, denote any payables to related parties.
	Listing of checks written from January 1, through the date of audit fieldwork and access to the underlying related invoices.
	Provide access to copies of all unprocessed vendor invoices as of the date of fieldwork.
	Support for balances of grants payable (if any) as of December 31 and the underlying agreements.
	Detail for all accrued expense balances. Please include calculations or supporting documentation for these balances where appropriate.

Net Assets and Endowments	
	Summary schedule of net assets including detailing the changes in unrestricted as well as temporarily and permanently restricted net assets including contributions received and released from restrictions. Also provide underlying support received from donors for the balances of temporarily and permanently restricted net assets.
	Summary schedule of board designated net assets including beginning and ending balances and activity throughout the year.
	Reconciliation of the organization's endowment balances including a breakout between unrestricted (both donor-restricted and board-designated endowment funds) and temporarily and permanently restricted net assets.
Support and Revenues	
	Support for income received and expenses incurred in connection with the organization's special events. Please include a reconciliation of special event income including a breakout of income received from contribution revenue for the year by event, date, amount received, tickets sold, sponsorships received, etc. Also include a breakdown of expenses by the following categories: cash prizes, non-cash prizes, rent/facility costs, food and beverages, entertainment and other direct expenses. Please verify that this schedule ties to the amounts to be reported on the organization's tax return.
	Summary schedule of in-kind contributions received including the amounts received by category (investment, other) and support for valuation of each contribution.
	Support for contributions received from donors equal to \$5,000 and greater during the year including each donor's name and address. Please provide access to underlying support for these contributions (thank you letters, etc.).
Other	
	Access to all legal, accounting and consulting invoices.
	Access to the 401(k) pension plan agreements and support for the annual contributions.
	Copies of the property insurance binder pages or certificates from the insurance binder which specify premiums, coverage limits and dates, name and address of insured, mortgagee and/or loss payee, etc. for property/casual and liability insurance. Please also provide support for fidelity bond/employee dishonesty insurance that is in place.
	Detailed schedule of grants awarded to governments and other organizations for the year ended December 31.
	Schedule to support payroll costs for the year and allocations of the expenses to program, management and general, and fundraising. Please confirm if payroll is prepared in-house or if an outside vendor is used. Also provide access to the Forms 940 and 941.
	Copies of meeting minutes of meetings of the board of directors from January 1 through the date of audit fieldwork.
	Support for the methodology used to allocate each entity's expenses as program, management and general and fundraising.
	Access to lease agreements (office space, office equipment, etc.) entered into as of January 1 or later.
	Access to year-to-date general ledgers as of December 31.
	Listing of general journal entries for the year ended December 31.
	Listing of the individuals, that served as members of the board of directors at any time during the year including each individuals position, name and compensation paid, if any.

Contact SVA to learn more about our nonprofit audit process.

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