

Financial Reporting/Forms

Uniform System Ledger of Post Records & Accounts

The Receipts, Expenditure and Distribution Ledger, better known as the Post Ledger or Quartermaster's Ledger, is the most important financial record of the Post. It provides a means of maintaining uniform records of the financial transactions of the Post. When properly used, it is simple to maintain. It provides an easily understood record of the Post's financial condition and enables quick and accurate audits of the Post funds. The balance shown in the ledger at the end of the month must be in agreement with the bank statement, checkbook and with the receipt book and vouchers/orders, if used by the Post.

The ledger book contains various columns for the entry of the following information (refer to the sample Ledger Sheet, Example 1, Page 15-16):

1. Date
2. From or To
3. Reason
4. Receipt or Check Number
5. Cash and Bank - Received, Expended
6. National and Department Dues - Received, Expended
7. Application Fees - Received, Expended
8. Post General Fund - Received, Expended
9. Relief Fund - Received, Expended
10. Post Dues Reserve - Received, Expended
11. Additional blank columns for extra funds as may be required.

Each of these columns requires an entry at one time or another. The overall idea of these columns is to answer these questions:

- a. When? - This is answered by the entry in the DATE column.
- b. Who? - This is answered by the entry in the FROM OR TO column.
- c. Why? - This is answered by the entry in the REASON column.
- d. How? - This is answered by the entry in the RECEIPTS OR CHECK NUMBER column.
- e. How Much? - This is answered by the entries in the CASH & BANK column.
- f. Where to or where from? - This is answered by the entries in the VARIOUS FUND column.

It should be noted that the total amount received is entered in the received portion of the CASH & BANK column and the total amount expended is entered in the expended portion of the CASH & BANK column.

The illustration of a Ledger, Example 1, will give you a general knowledge in making entries on the Ledger. The entries on the illustrated Ledger are the most common ones used by the majority of Posts. Larger Posts or those with club facilities may have many more entries. The Ledger should be balanced at the end of each page and at the end of the month. This will assist the Post Trustees in auditing the books.

Remember - at a regular Post meeting, the Post Quartermaster's financial report will be read from the Ledger.

Explanation of Ledger sheet, Example 1, page 15-16:



- a. Top line shows amount of cash in the bank brought over from the previous month and the breakdown of the money into different funds.
- b. Entries in the left columns (date) is self-explanatory. The next two columns require that the Quartermaster show from whom the money was received or to whom money was paid and the reason it was received or paid.
- c. Dues receipts often cause problems for a new Quartermaster. The full amount for National and Department dues is entered under this heading. The National By-Laws state that not less than one-half of the Post's part of the dues will be placed in the Dues Reserve Fund, and that no expenditures will be paid from this fund. The Dues Reserve Fund will be transferred to the General Fund on July 1.
- d. The Ledger sheet is closed out at the end of each month. This is done by adding each column and entering the figure at the end of each column. Subtracting expenditures in each fund from the received column will provide the net in each fund. The total of the net figures in each fund, should be the same figure as shown in the "Cash & Bank" column.

- e. If the figure shown under Cash & Bank is the same as shown in your checkbook stub and the bank statement, your books are in order.

It is important that the Post Quartermaster's records are neat and in order at all times, and that all bills and receipts are filed by month. It is also advisable if the Post uses a large checkbook, that the returned cashed checks be attached in the checkbook to the corresponding check stub.

Miscellaneous Receipts Form (Example 2)

Each Post Quartermaster should be equipped with the forms and records incident to the office. One form, being the Miscellaneous Receipts Form (Example 2, Stock No. 4200), must be issued for all funds including dues. It is of the utmost importance that proper receipts are issued for ALL money received.

	Veterans of Foreign Wars of the U.S. POST NO. <u>14001</u> MISCELLANEOUS RECEIPT NO. _____ DATE <u>4/11</u> 20____		
RECEIVED FROM <u>Adam Furst</u> NAME TEL. NO. <u>382-5264</u> AMOUNT <u>\$20.00</u>	<u>5901 Here St.</u> ADDRESS <u>Gordtown, USA</u> FOR <u>Continuous Dues</u> NOTE: THIS RECEIPT DOES NOT TAKE THE PLACE OF AN OFFICIAL MEMBERSHIP CARD.		
<table border="1" style="margin: auto;"> <tr><td>AUDITED</td></tr> <tr><td>POSTED PAGE</td></tr> </table>	AUDITED	POSTED PAGE	 QUARTERMASTER
AUDITED			
POSTED PAGE			

Example 2

Financial Statement - Quartermasters Details of Receipts & Disbursements (Example 3, Page 20)

Instructions:

Section 218, Manual of Procedure provides "The books and records of the Quartermaster shall be maintained in a legible and uniform format. Record keeping by electronic means may be used, provided a back-up and a hard copy is maintained.

Department Inspectors and Deputies are charged with the responsibility of seeing that Posts comply with the requirements of this section. Please note the following concerning the Quartermasters Detail of Receipts and Disbursements:

1. The Detail of Receipts and Disbursements form, Example 3, is not intended to replace Uniform System of Post Records and Accounts. It is a form designed to assist Post Quartermasters in the listing of Receipts and Disbursements between and during Post meetings for the purpose of providing Post Trustees and the Post Adjutant with a continuous record of the financial operation of the Post.
2. All receipts and disbursements must be itemized in detail.
3. The form must be made out by the Post Quartermaster in three (3) copies.
4. When completed, the original and triplicate (white and yellow) copies must be turned over to the Post Trustees for examination and audit.
5. (a) Post Trustees must ascertain if all receipts and disbursements have been properly listed and that properly approved vouchers/orders are in evidence to cover and authorize all disbursements.
 (b) They should satisfy themselves that the receipts of the previous meeting have been properly deposited in the bank by examining either the bank passbook or receipted deposit slip.
 (c) They should require all checks to be countersigned by the Post Commander.
 (d) Upon examination and audit of the statement, if found to be correct, they should so certify by placing their signatures thereon.
 (e) The triplicate or yellow copy should be given to the Post Adjutant so the information appearing thereon may be included in the minutes of the meeting.
 (f) The original or white copy should be returned to the Post Quartermaster in exchange for the duplicate or blue copy.

- (g) The duplicate or blue copy should be retained by the Trustees to verify and assist them in their quarterly audit of the Quartermaster's books.
6. Section 218 of the Manual of Procedure mandates Post Trustees to make quarterly audits of certain records and to submit proper reports thereof. Any negligence on their part in complying will make them (Trustees) individually and collectively liable for any loss the Post may suffer. Although the Trustees may not actually misuse Post funds, they do become, in case of loss, accessory to the act by reason of not performing their duties as prescribed by law and in accordance with their obligation. Keep in mind that bonding company liability is contingent with the compliance of VFW By-Laws by Post Officers.
 7. More efficient, capable and loyal Post Trustees will reduce the number of claims to the bonding company.
 8. An honest, accountable officer never has to be forced to render a report and always welcomes an inspection of his records.

Post Trustees' Report of Audit (Example 4, Page 21)

The preparation and completion of the Post Trustees' Report of Audit at the end of each quarter is the duty and responsibility of the Post Trustees. In those instances where, upon recommendation of the Post Trustees and authorization by the Post, qualified accountants are engaged to perform the quarterly audit, it continues to be the duty and responsibility of the Post Trustees to submit the Post Trustees' Report of Audit as set forth in the By-Laws.

Explanation of Audit Form: (Example 4, Page 21)

- # 1 - 9 FUNDS:** Listed are those funds most likely to be carried by a VFW Post, District or County Council. Any special funds may be added in the blank spaces. A "fund" is an account which normally has both income and expenditures. In most cases, just about all of your miscellaneous expenditures (community service, youth activities, officers' expenses, etc.) are chargeable to your general fund and most miscellaneous income (proceeds from fund-raising activities, dues, etc.) are credited to your general fund.
- # 10 NET CASH BALANCES AT BEGINNING OF QUARTER:** The figures in this column are obtained from different funds as listed in your ledger. The individual items in this column as well as the total at the bottom of the column should be the same as the ending balances of the previous quarter.
- # 11 RECEIPTS DURING QUARTER:** The figures in this column are obtained by adding the amount shown in your ledger for the three months. This should include items transferred into a fund from another fund during the quarter.
- # 12 EXPENDITURES DURING QUARTER:** The figures in this column are obtained by adding the expenditures for each month. Include items transferred out of another fund during the quarter.
- # 13 NET CASH BALANCE AT END OF QUARTER:** The figures in this column are obtained by adding items 10 & 11 and subtracting item 12.
- # 14 TOTALS:** The figures in this line are obtained by adding the totals of items 10 & 11 and subtracting item 12 - you should arrive at the same figure by adding item 15.
- # 15 TOTALS:** Total should equal item 10 plus item 11 minus item 12.
- # 16 OPERATIONS:** Answer questions as applicable.
- # 17 RECONCILIATION OF CASH & INVESTMENTS**
- | | |
|------------------------------|--|
| Ending balance per statement | Enter ending balance shown on bank statement. |
| Less: Outstanding Checks | Total checks written on or before the date of the bank statement that have not cleared the bank. |
| Deposits in Transit | Deposits made on or before the date of the bank statement that have not been posted on the bank statement. |
| Account Balance | Subtract outstanding checks and add deposits in transit from the ending balance per the bank statement. |
| Savings Account | Enter balance of any savings accounts. |

Cash on hand	Amount of money on hand that has not been included in “Deposits in Transit” above.
Total Cash	Add all amounts in this column.
Bonds & Other Investments	Enter value of bonds and other investments.
Total Cash and Other Investments	Add Bonds and Other Investments line to Total Cash line. This figure should be the same as the amount in Box 15.

18 TRUSTEES’ AND COMMANDER’S CERTIFICATE OF AUDIT:

Enter the date the audit is prepared, the Post name and number and the quarter for which the audit is prepared.

The Post Commander and Trustees must sign the Audit prior to submittal to the Department.

Enter the name of the Post Quartermaster, the name of the bonding company, the amount of the bond and the expiration date of the bond.

It is the duty of the Post Trustees to conduct the quarterly audits. It is the duty of the Commander to see that audits are made.

Note: The completed form, with the signatures of the Post Trustees certifying its accuracy, together with the signature of the Post Commander, should be forwarded to the Department Quartermaster. The Post Trustees should also sign the General Ledger at the ending point of the current audit period.



TRUSTEES' REPORT OF AUDIT of

The Books and Records of the Quartermaster and Adjutant of _____
(District/County Council/Post No.)

Department of _____ for the Fiscal Quarter ending _____, 20 _____

FISCAL QUARTERS: Jan 1 to March 31 April 1 to June 30 July 1 to Sept. 30 Oct 1 to Dec. 31

FUNDS:	Net Cash Balances at Beginning of 10. Quarter	Receipts During Quarter 11.	Expenditures During Quarter 12.	Net Cash Balances at End of Quarter 13.
1. National and Department Dues (Per Capita Tax)	\$	\$	\$	\$
2. Admission or Application Fees (Department)				
3. Post General Fund				
4. Post Relief Fund (Poppy Profits, Donations, etc.)				
5. Post Dues Reserve Fund (See Sec. 218, Manual of Procedure)				
6. Post Home or Building Fund (Including Savings but Not Real Estate)				
7. Post Canteen or Club Fund				
8. Other				
9. Bonds and Investments Not Credited to Funds				
14. TOTALS:	\$	\$	\$	15. \$

16. OPERATIONS	
Have required payroll deductions been made? _____	
Have payments been made to the proper State and Federal agencies this quarter? _____	
Have sales taxes been collected and paid? _____	
Are club employees bonded? _____	
Amount of outstanding bills _____ \$	
Value of Real Estate _____ \$	
Amount of liability insurance _____ \$	
Owed on Mortgages and Loans _____ \$	
Value of Personal Property _____ \$	
Amount of Property Insurance _____ \$	

17. RECONCILIATION OF CASH & INVESTMENTS	
General Fund Checking Account	
Ending Balance Per Bank Statement	\$ _____ -
Less: Outstanding Checks	_____
Plus: Deposits in Transit	_____
Account Balance	_____
Other Checking Accounts (if applicable)	
Ending Balance Per Bank Statement	\$ _____ -
Less: Outstanding Checks	_____
Plus: Deposits in Transit	_____
Account Balance	_____
Savings Account Balance	_____
Cash on Hand	_____
Total Cash	_____
Bonds and Other Investments	_____
Total Cash and Investments	\$ _____ -

18. TRUSTEES' AND COMMANDER'S CERTIFICATE OF AUDIT

Date _____, 20 _____

This is to certify that we (or qualified accountants) have audited the books and records of the Adjutant and Quartermaster of _____
(District/County Council/Post No.)
for the Fiscal Quarter ending _____ in accordance of the National By-Laws and that this Report is a true and correct statement thereof to the best of our knowledge and belief. All Vouchers and Checks have been examined and found to be properly approved and checks properly countersigned:

Post Quartermaster _____
(Name)

(Address)

Signed: _____ Trustee
Signed: _____ Trustee
Signed: _____ Trustee

This is to certify that the Office of the Quartermaster is bonded with _____ in the amount of \$ _____ until _____, 20 _____, and that this Audit is correctly made out to the best of my knowledge and belief.

Signed: _____ Commander

NOTE: Forward Original (Blue) Copy to your Department Quartermaster - See instructions on reverse side of both Yellow and Blue Copies.