



**NO ONE DOES MORE FOR VETERANS.**

**VETERANS OF FOREIGN WARS  
DEPARTMENT OF PACIFIC AREAS**

**POST TRUSTEE**



### TRUSTEES' REPORT OF AUDIT

The Books and Records of the Quartermaster and Adjutant of \_\_\_\_\_ (State/Country/County/Town/No.)

Department of \_\_\_\_\_ for the Fiscal Quarter ending \_\_\_\_\_ 20\_\_\_\_

FUND:	FISCAL QUARTERS:		Net Cash Resources at Beginning of Quarter	Receipts During Quarter	Expenditures During Quarter	Net Cash Resources at End of Quarter
	Jan 1 to March 31	April 1 to June 30				
1. Tobacco and Department Fees (No. Calls Tax)	\$	\$	\$	\$	\$	\$
2. Admission or Application Fees (Department)						
3. Post Office Fund						
4. Post Office Fund (Postage Public, Privileges, etc.)						
5. Post Office Revenue Fund (Postage, etc. - No. Record of Proceeds)						
6. Post Office or Banking Fund (Including Savings for Not Real Estate)						
7. Post Office or Public Fund						
8. Other						
9. Bonds and Investments Not Classified to Funds						
14. TOTALS:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

16. OPERATIONS	
Have required report obligations been met?	YES <input type="checkbox"/> NO <input type="checkbox"/>
Have payments been made to the proper State and Federal Agencies this quarter?	YES <input type="checkbox"/> NO <input type="checkbox"/>
Have sales taxes been collected and paid?	YES <input type="checkbox"/> NO <input type="checkbox"/>
Are all employees bonded?	YES <input type="checkbox"/> NO <input type="checkbox"/>
Amount of outstanding bills	\$ _____
Value of Real Estate	\$ _____
Amount of liability insurance	\$ _____
Debt on Mortgage 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	_____
Amount Balance	_____
Other Checking Accounts (if applicable)	\$ _____
Ending Balance Per Bank Statement	_____
Less Outstanding Checks	_____
Plus Deposits in Transit	_____
Amount Balance	_____
Cash on Hand	_____
Total Cash	_____
Bonds and Other Investments	_____
Total Cash and Investments	\$ 0.00

#### 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 \_\_\_\_\_ (State/Country/County/Town/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 Trustees and Checks have been examined and found to be properly approved and checks properly countersigned.

Post Quartermaster: \_\_\_\_\_ (Name) Signed: \_\_\_\_\_ Trustee

\_\_\_\_\_ (Address) Signed: \_\_\_\_\_ Trustee

\_\_\_\_\_ (City, State, Zip Code) Signed: \_\_\_\_\_ Trustee

This is to certify that the office of Quartermaster is bonded with \_\_\_\_\_ and that this Audit is correctly made out to the best of my knowledge and belief in the amount of \$ \_\_\_\_\_ and \_\_\_\_\_ 20\_\_\_\_

Signed: \_\_\_\_\_ Commander

Note: Forward Original Copy to your department Quartermaster.



# WHAT IS A VFW POST TRUSTEE?

The Post Trustee is:

- The reviewer of Quartermaster and Adjutant records
- First line of defense against embezzlement
- Not allowed to serve on a committee whose records are audited
- Elected to a three-year term

# DUTIES OF THE POST TRUSTEE



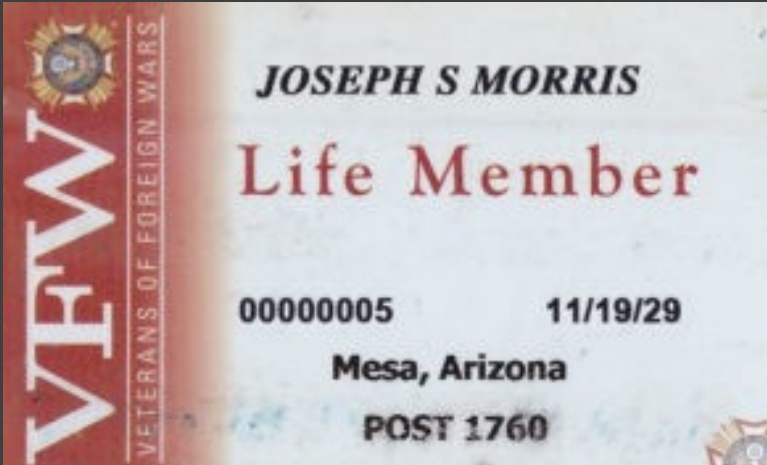
The duties are set forth in the National Manual of Procedure, Section 218(a)(11)

- Review Monthly Report of Receipts and Expenditures.
- Complete a full audit within 30 days .
- The audit shall be in accordance and on an Adjutant General approved form.
- Perform other duties as may be required.



## QM TRICKS TO WATCH OUT FOR

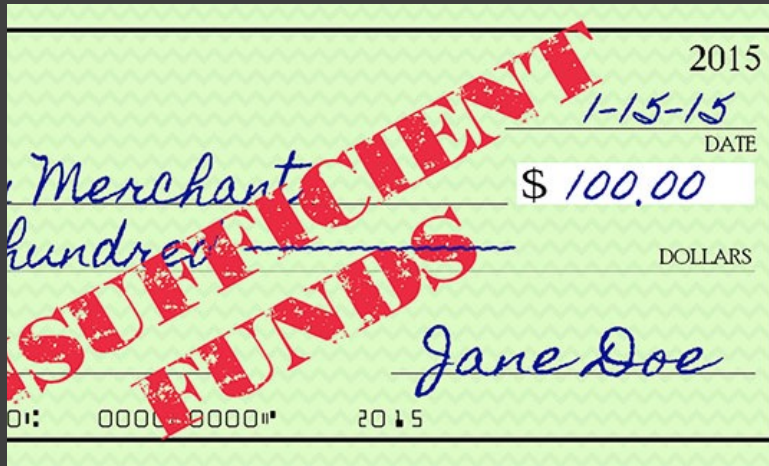
- Deposits of only a portion of the proceeds
- Check stubs payable to someone else and check made out to QM
- Securing personal loans with a Post check
- Fake Bank statements / Fake break-ins
- Collection of dues or raffle money, but not deposited
- Cashed Post bonds/investments, pocketed the money
- Paid personal credit cards with Post funds or used Post checking account or credit card for personal use.



# DANGER SIGNS

- Stalling with getting books ready
- Slowness in paying bills or delay in depositing
- Carrying large amounts of "Cash on Hand"
- Incorrect information on checks
- Complaints from "Members" who haven't received ID card or magazine
- Uncleared checks
- Lifestyle changes of the QM





# CANTEEN ISSUES

- Padded liquor inventory
- Bad or fictitious checks made out to "Cash"
- Leakage of petty cash
- Padded payroll
- Bootlegging on the side
- Kickbacks from suppliers
- Gambling operations on the side



# COMPLETE AUDIT OF CLUB OPERATIONS



- Regular, monthly inventory taken by House Committee
- Dated cash register tapes for each day
- Day sheet of bar sales for each day
- Check stubs, cancelled checks, bank statements
- Receipts for all bills paid in cash
- Records of all stock purchases
- Accounting for income from all non-bar sources

STATE OF CALIFORNIA  
DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL  
ALCOHOLIC BEVERAGE LICENSE  
US ONLY GENERAL PUBLIC LICENSE

**VALID FROM**

May 12, 2012

DATE RECOMMENDED  
BY CALIFORNIA ALC  
ADMINISTRATIVE SERVICES

**EXPIRES**

May 12, 2013

**TITLE NUMBER**

40 210001

40000000

4000 20

ALCOHOLIC BEVERAGE CONTROL

ISSUANCE DATE RECOMMENDED BY



**IMPORTANT INFORMATION**

**GENERAL NOTICE:** This license is subject to all the provisions of the Alcoholic Beverage Control Act, Chapter 226, Statutes of California, and to all other laws and regulations of the State of California relating to the sale and distribution of alcoholic beverages. This license does not authorize the holder to sell or distribute alcoholic beverages in violation of any law or regulation of the State of California.

**RENEWAL NOTICE:** Renewal notice will be mailed to the licensee at least 60 days before the expiration date of the license. The licensee is responsible for renewing the license before the expiration date. Failure to renew the license before the expiration date will result in the license being suspended. The licensee is responsible for renewing the license before the expiration date.

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Page 1

License Fee: \$1000

# COMPLETE AUDIT OF CLUB OPERATIONS (cont.)

- Completed federal and state payroll tax forms
- Payroll records
- All licenses and permits
- All bills and vouchers
- List of unpaid bills
- Other records as necessary





Statement Ending 09/21/18

RETURN SERVICE REQUESTED

John Doe  
123 Main Street  
Baltimore, MD 21224

Managing Your Accounts

- Primary Branch: Canton
- Phone Number: 443-573-4800
- Online Banking: HowardBank.com
- Telephone Banking: 1-877-527-2703
- Mailing Address: 3301 Boston Street, Baltimore, MD 21224

Summary of Accounts

Account Type	Account Number	Ending Balance
HOWARD RELATIONSHIP CHECKING	XXXXXXXX4101	\$5,684.22

HOWARD RELATIONSHIP CHECKING-XXXXXXXX4101

Primary Checking

Account Summary

Date	Description	Amount
09/01/2018	Beginning Balance	\$18,805.47
	3 Credit(s) This Period	\$4,293.20
	20 Debit(s) This Period	\$17,414.45
09/21/2018	Ending Balance	\$5,684.22

Account Activity

Post Date	Description	Debits	Credits
09/01/2018	Beginning Balance		\$18,805.47
09/04/2018	Signature POS Debit 09/02 MD BALTIMORE GIANT FOOD INC SEQ# 071582	\$57.48	
09/04/2018	Nationstar dba Mr Cooper XXXXXX6179	\$1,989.60	
09/05/2018	HMS WARRANTY 8002473680 5829389	\$42.99	
09/05/2018	SAMS CLUB MC ONLINE PMT CKF426104254POS	\$4,671.42	
09/05/2018	DISCOVER BANK ETRANSFER	\$8,212.00	
09/06/2018	BLTMORE GAS ELEC ONLINE PMT	\$160.75	
09/06/2018	AMAZON	\$170.00	
09/06/2018	DEVONSHIRE II CO CONS CP BC5198	\$195.00	
09/07/2018	DEPOSIT		\$653.25
09/07/2018	TARGET ONLINE PMT	\$88.59	
09/10/2018	ATM Withdrawal 09/07 MD BALTIMORE 10101 PHILADELPHIA ED SEQ# 08838	\$180.00	

# COMPLETING THE REPORT OF AUDIT

Documents you will need to complete the audit:

- Last quarter's audit
- The three Quatermaster's Monthly Reports for the quarter
- Quatermaster's Ledger
- Statements
  - Checking Account(s)
  - Savings
  - Investments
- Tax filings

# TRUSTEES' REPORT OF A

the Quartermaster and Adjutant of \_\_\_\_\_

for the Fiscal Quarter ending \_\_\_\_\_

March 31      April 1 to June 30      July 1 to September 30

- Complete the top with the correct Post Number and date of the Fiscal Quarters end. You can add the District number to the end of you Post number if you want.

# FUNDS

- The FUNDS should already be set by the Post Quartermaster.
- Take the previous quarterly audit and write the ending balances for each fund as the beginning balance for this audit.

<b>FUNDS:</b>	<b>Net Cash Balance at Beginning of 10. Quarter</b>
1. National and Department Dues (Per Capita Tax)	
2. Admission of Application fees (Department)	
3. Post General Fund	
4. Post Relief Fund (Poppy Profits, Donations, etc.)	
5. Post Dues Reserve Fund	
6. Post Building Fund (including Savings but not Real Estate)	
7. Post Canteen or Club Fund	
8. Other	
10. Bonds and Investments Not Credited to Funds	
14. Totals	\$ -

- If you have been reviewing the Quartermaster's Monthly Reports, all you need to do is add up the 3 monthly reports' receipts and expenditures for each fund and notate the sum in the appropriate column.

FUNDS:	Net Cash Balance at Beginning of 10. Quarter	Receipts During 11. Quarter	Expenditures During 12. Quarter
1. National and Department Dues (Per Capita Tax)			
2. Admission of Application fees (Department)			
3. Post General Fund			
4. Post Relief Fund (Poppy Profits, Donations, etc.)			
5. Post Dues Reserve Fund			
6. Post Building Fund (including Savings but not Real Estate)			
7. Post Canteen or Club Fund			
8. Other			
10. Bonds and Investments Not Credited to Funds			
14. Totals	\$ -	\$ -	\$ -

- Next, take your starting Fund balance, add your receipts, subtract your expenditures and the total will be your ending balance.
- You need to add each column also to note totals in Boxes 14 and 15.

FUNDS:	Net Cash Balance at Beginning of 10. Quarter	Receipts During 11. Quarter	Expenditures During 12. Quarter	Net Cash Balance at End 13. of Quarter
1. National and Department Dues (Per Capita Tax)				
2. Admission of Application fees (Department)				
3. Post General Fund				
4. Post Relief Fund (Poppy Profits, Donations, etc.)				
5. Post Dues Reserve Fund				
6. Post Building Fund (including Savings but not Real Estate)				
7. Post Canteen or Club Fund				
8. Other				
10. Bonds and Investments Not Credited to Funds				
14. Totals	\$ -	\$ -	\$ -	\$ -

# EXAMPLE

<b>FUNDS:</b>	<b>Net Cash Balance at Beginning of 10. Quarter</b>	<b>Receipts During 11. Quarter</b>	<b>Expenditures During 12. Quarter</b>	<b>Net Cash Balance at End 13. of Quarter</b>
1. National and Department Dues (Per Capita Tax)				\$ -
2. Admission of Application fees (Department)				\$ -
3. Post General Fund	\$ 5,000.00	\$ 500.00	\$ 100.00	\$ 5,400.00
4. Post Relief Fund (Poppy Profits, Donations, etc.)	\$ 500.00	\$ 75.00	\$ 150.00	\$ 425.00
5. Post Dues Reserve Fund				\$ -
6. Post Building Fund (including Savings but not Real Estate)	\$ 20,000.00	\$ 3.50	\$ -	\$ 20,003.50
7. Post Canteen or Club Fund	\$ 2,000.00	\$ 25,671.00	\$ 24,834.00	\$ 2,837.00
8. Other				\$ -
				\$ -
				\$ -
				\$ -
10. Bonds and Investments Not Credited to Funds	\$ 30,000.00	\$ 4.36	\$ -	\$ 30,004.36
<b>14. Totals</b>	<b>\$ 57,500.00</b>	<b>\$ 26,253.86</b>	<b>\$ 25,084.00</b>	<b>\$ 58,669.86</b>



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**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 Mortgage and Loans \_\_\_\_\_

Value of Personal Property \_\_\_\_\_

Amount of Property Insurance \_\_\_\_\_

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- Check payroll records and State and Federal tax filings to ensure payroll tax, use tax, and sales tax has been paid.

- The bottom part of Box 16 should remain constant for the year.

Next you will enter the ending balance of the main checking account for the last day of the quarter.

Then enter any outstanding checks or deposits in transit.

This will give you your account balance.

17. RECONCILIATION OF CASH AND INVESTMENTS	
<b>General Fund Checking Account</b>	
Ending Balance Per Bank Statement	_____
Less: Outstanding Checks	_____
Plus: Deposits in Transit	_____
Account Balance	\$ -
<b>Other Checking Accounts (if applicable)</b>	
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	\$ -
(This Figure must match Box 15)	BAD

# EXAMPLE

## 17. RECONCILIATION OF CASH & INVESTMENTS

### General Fund Checking Account

Ending Balance Per Bank Statement	\$	6,025.00
Less: Outstanding Checks	\$	200.00
Plus: Deposits in Transit		
Account Balance	\$	5,825.00

### 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 \$ 5,825.00

Bonds and Other Investments \_\_\_\_\_

Total Cash and Investments \$ 5,825.00

(This Figure must match Box 15) **BAD**



Next, if you have a separate checking account for the canteen (recommended), you will complete the same as the General Fund Checking Account.

<b>17. RECONCILIATION OF CASH &amp; INVESTMENTS</b>	
<b>General Fund Checking Account</b>	
Ending Balance Per Bank Statement	\$ 6,025.00
Less: Outstanding Checks	\$ 200.00
Plus: Deposits in Transit	_____
Account Balance	\$ 5,825.00
<b>Other Checking Accounts (if applicable)</b>	
Ending Balance Per Bank Statement	_____
Less: Outstanding Checks	_____
Plus: Deposits in Transit	_____
Account Balance	\$ -
Savings Account Balance	_____
Cash on Hand	_____
Total Cash	\$ 5,825.00
<b>Bonds and Other Investments</b>	
Total Cash and Investments	\$ 5,825.00
(This Figure must match Box 15)	BAD



# EXAMPLE

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<b>17. RECONCILIATION OF CASH &amp; INVESTMENTS</b>		
<b>General Fund Checking Account</b>		
Ending Balance Per Bank Statement	\$ 6,025.00	
Less: Outstanding Checks	\$ 200.00	
Plus: Deposits in Transit		
Account Balance		\$ 5,825.00
<b>Other Checking Accounts (if applicable)</b>		
Ending Balance Per Bank Statement	\$ 2,737.00	
Less: Outstanding Checks	\$ 300.00	
Plus: Deposits in Transit	\$ 400.00	
Account Balance		\$ 2,837.00
<b>Savings Account Balance</b>		
<b>Cash on Hand</b>		
Total Cash		\$ 8,662.00
<b>Bonds and Other Investments</b>		
Total Cash and Investments		\$ 8,662.00
(This Figure must match Box 15)		BAD

Lastly, you will enter the amounts from any Savings Accounts and/or Bonds and Investment Accounts.

<b>17. RECONCILIATION OF CASH &amp; INVESTMENTS</b>	
<b>General Fund Checking Account</b>	
Ending Balance Per Bank Statement	\$ 6,025.00
Less: Outstanding Checks	\$ 200.00
Plus: Deposits in Transit	
Account Balance	\$ 5,825.00
<b>Other Checking Accounts (if applicable)</b>	
Ending Balance Per Bank Statement	\$ 2,737.00
Less: Outstanding Checks	\$ 300.00
Plus: Deposits in Transit	\$ 400.00
Account Balance	\$ 2,837.00
Savings Account Balance	
Cash on Hand	
Total Cash	\$ 8,662.00
Bonds and Other Investments	
Total Cash and Investments	\$ 8,662.00
(This Figure must match Box 15)	BAD



# EXAMPLE

If the Quartermaster's accounting and the bank statements match, then Box 17's bottom line will match Box 15's total.

17. RECONCILIATION OF CASH & INVESTMENTS		
<b>General Fund Checking Account</b>		
Ending Balance Per Bank Statement	\$ 6,025.00	
Less: Outstanding Checks	\$ 200.00	
Plus: Deposits in Transit		
Account Balance		\$ 5,825.00
<b>Other Checking Accounts (if applicable)</b>		
Ending Balance Per Bank Statement	\$ 2,737.00	
Less: Outstanding Checks	\$ 300.00	
Plus: Deposits in Transit	\$ 400.00	
Account Balance		\$ 2,837.00
Savings Account Balance		\$ 20,003.50
Cash on Hand		
Total Cash		\$ 28,665.50
Bonds and Other Investments		\$ 30,004.36
Total Cash and Investments		\$ 58,669.86
(This Figure must match Box 15)		GOOD



To finalize the audit, the information in Box 18 must be completed which includes at least two (2) Trustee's signatures and the Post Commander's signature.

**18. TRUSTEES' AND COMMANDER'S CERTIFICATE OF AUDIT**

Date \_\_\_\_\_, 20\_\_\_\_

This is to certify that we (or qualified accountants) have audited the books of the Adjutant and Quartermaster of \_\_\_\_\_  
for the Fiscal Quarter ending *(insert Qtr Ending Date)* in accordance of the National By-Laws and that this Report is a true and correct statement thereof to the  
best knowledge and belief. All vouchers and checks have been examined and found to be properly countersigned:

Post Quartermaster (QM Name)	Signed _____	Trustee
(QM Address)	Signed _____	Trustee
(QM City, State, Zip Code)	Signed _____	Trustee

This is to certify that the Office of the Quartermaster is bonded with *(insert name of bonding company)*  
in the amount of \$*(insert bond amount)* until *(insert date bond expires)* , and that this Audit is correctly made out to the best of my knowledge  
and belief.

Signed \_\_\_\_\_  
Commander

## IN REVIEW



- The Post must maintain a Relief Fund (Section 219)
- Column 13, Ending Balance shall not be a negative number
- Double check your math
- The General Checking Fund is not your General Fund
- If you keep cash on hand, it should be noted in FUNDS
- You must submit an audit with the appropriate signatures

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# QUESTIONS

