



Delta Sigma Theta Sorority, Inc.  
San Bernardino-Riverside Area Alumnae Chapter  
“Service to Others. Make a Difference”

**Committee Name:** Internal Audit

**Chair:** Irene Bryant-Snead

**Report Date:** April 26, 2024

**Meeting Review Date:** May 1, 2024

**Next Meeting:** TBD

The Internal Audit Committee completed a review of the chapter’s financial records for the period of January 1, 2024, to March 31, 2024. Information was reviewed with the financial officers on May 1, 2024. The review included bank statements and balances, financial secretary and treasurer reports, finance related policies and procedures, disbursements, PayPal activity, chapter budget, receipts, and dues. A summary of the review with recommendations is listed below.

**1. Receipts:**

- For the January 14, 2024 receipts the following was observed:
  - i. The Financial Secretary receipt book showed \$118 cash collected.
  - ii. The summary receipt details indicate Cash, Check, and Money Order were collected but only cash and check were collected and deposited
  - iii. There was a \$20 check turned in with this deposit that does not have a receipt book entry
- For March 2024, the Financial Secretary report does not reflect PayPal transactions of \$230.00 collected
  - i. Financial Secretary Report \$7,218.14 vs PayPal Report of \$7,448.14
- For March 2024, the Financial Secretary report does not reflect the correct collected
  - i. Financial Secretary Report \$25,607.77 vs Bank Statement \$47,827.59
  - ii. The Bank Statement deposit vs the Treasurer’s report deposit balance
    - i. A revised Financial Secretary Report with the correct amount collected was received on 4/30/2024

**2. Disbursements:**

- There were one hundred and thirty seven (137) total checks utilized in Q1. Ten (25%) were evaluated. All checks evaluated had vouchers with supporting receipts.
- The following were issues with the check registrar:
  - i. The ending monthly balance on the check registrar for February and March do not match the treasurer’s report or reconciliation forms.
  - ii. Check #1421 dated 1/3/24 not recorded on the check register as a voided check
  - iii. Check #1444 missing in the check number field on the spreadsheet (amount was indicated just not the check number.
  - iv. Check #1471 indicted as \$115.94 vs. actual amount of \$155.94
  - v. Check #1486, #1487, #1520, and #1521 out of sequence

3. **Deposits:** There were thirteen (13) deposits. Four (4) deposits were evaluated for the quarter. All four (4) deposits were made within the required two business days of recorded receipt.
  - For the March 16, 2024 deposit
    - i. Receipt 2099043 (voided) is out of sequence. It was part of the 3/10/24 deposit but was included in with the 3/18 deposit attachments
4. **Membership Dues:** There were seven (7) chapter membership dues received. The national dues were transmitted to national headquarters within the required 30-day period.
5. **Voided Checks:** There were six (6) voided checks, all were properly filed.
6. **Bank Statements:** All bank statements were initialed by the chapter president as a confirmation of review.
7. **PayPal:** 1) There were 120 PayPal payment transactions in Q1. All were properly recorded in the treasurer’s report. Receipted funds were transferred to the bank account in a timely manner. The current president is listed as “owner.” The Treasurer and Financial Secretary are listed as “users.”

**Finding/Recommendation:** Overall findings support a B level rating. The Financial Secretary report should reflect the correct PP transfers and total deposits. All transactions should be entered on the check registrar for the correct amount and in order of transaction. The supporting deposit documents should be included with the deposit ticket and bank client receipt.

Internal Audit Calendar:

| Transaction Period              | Chapter Audit Committee Begins Audit | Report to Chapter by  | Must File in the Red Zone by |
|---------------------------------|--------------------------------------|-----------------------|------------------------------|
| SYR QTR July 1 - September 30   | 2 <sup>nd</sup> week in October      | Nov. Chapter Meeting  | Dec. 1                       |
| SYR QTR October 1 - December 31 | 2 <sup>nd</sup> week in January      | March Chapter meeting | Feb. 1                       |
| Short Year IAR                  | N/A                                  | March Chapter meeting | Feb. 28                      |
| External Audit/External Review  | N/A                                  | March Chapter meeting | Feb. 28                      |

Please note that the requirement of hiring an External CPA (to perform a review or an audit) if the Chapter's Gross Receipts exceed \$50,000 applies to the short year as well.

**Schedule for FY January 1, 2024 – December 31, 2024 (and going forward)**

| Transaction Period             | Chapter Audit Committee Begins Audit | Report to Chapter by  | Must File in the Red Zone by |
|--------------------------------|--------------------------------------|-----------------------|------------------------------|
| Q1 January 1 - March 31        | 2 <sup>nd</sup> week in April        | May Chapter Meeting   | June 1                       |
| Q2 April 1 – June 30           | 2 <sup>nd</sup> week in July         | Sept. Chapter Meeting | Sept. 1                      |
| Q3 July 1 - September 30       | 2 <sup>nd</sup> week in October      | Nov. Chapter Meeting  | Dec. 1                       |
| Q4 October 1 - December 31     | 2 <sup>nd</sup> week in January      | March Chapter meeting | Feb. 1                       |
| Annual IAR-1                   | N/A                                  | March Chapter meeting | Feb. 28                      |
| External Audit/External Review | N/A                                  | March Chapter meeting | Feb. 28                      |

Respectfully submitted, *Irene Bryant-Snead*, Chair, Internal Audit Committee