

**Financial Self- Assessment**

This assessment is designed to help you gain a quick understanding of your finical management practices. The executive director, finance person, board chair/president and the board treasure should complete this either indivisibly or as a group. But it is important that the results are reviewed as a group. The results need to you make not be able to answer everything strong or good … that is OK! Don’t get disheartened, this helps you create a baseline for planning, development, improvement or recommendation to the board. This is not a comprehensive list. Auditors, outside accountants, insurance agents and others should be consulted as well.

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| --- | --- | --- | --- | --- | --- |
|  | Strong | Good | Weak – but improving | Weak – but not improving | Don’t Know |
| Budgets and Systems |  |  |  |  |  |
| * Systems in place to create a realistic budget.
 |  |  |  |  |  |
| * Department, program or grant budgets are tied to annual budget.
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| * Budgeting recognizes risks and insurances coverages needed.
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| * Board has an active finance committee involved in a detailed budgeting process.
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| * Full board approves a comprehensive budget.
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| Execution |  |  |  |  |  |
| * Payroll policies and procedures are clear, documented and consistently followed.
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| * Written polices and procedures include responsibility and authority for financial decisions.
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| * Policies and procedures are reviewed annually.
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| * There is a clear separation of duties.
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| Recording |  |  |  |  |  |
| * There is a complete and accurate chart of accounts.
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| * There is a system for tracking restricted or designated funds.
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| * Appropriate software is in place and is securely backed up.
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| * Accounting records are physically secure.
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| * Monthly reconciliations are occurring.
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| Reporting/Monitoring |  |  |  |  |  |
| * System is in place for legal, programmatic, funder or compliance reporting.
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| * Staff are consistently comparing budget to actual.
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| * Monthly financial reports are given to the finance committee and board including: Statement of financial position (balance sheet) and Statement of Activities (income/expense or profit/loss).
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| * Assets are in excess of liabilities.
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| * Cash on hand can cover current obligations.
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| * Sufficient reserves are being maintained, three to six months.
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| * An independent auditor is retained by the board to conduct an annual audit.
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| * Audit is put out for bid every three to five years.
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| * Audit is performed annually.
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| * Form 990 is submitted to IRS annually.
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| * Audit and 990 are submitted to and approved by the board, after review of staff and finance committee.
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| * Board and staff are aware of IRS conditions for maintaining tax-exempt status.
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