

CALIFORNIA-HAWAII ELKS ASSOCIATION

Mid-Term Leading Knights Conference
November 5, 2016

THINGS TO DO

- Appoint Audit Committee – Three People with Business Savvy
 - Do not appoint Lodge Secretary, Treasurer, Trustee/Board of Directors or any member of the Supervising or Managing Body
- Audit Committee should engage the Accountant for the Annual Financial Report before March 31st
- Negotiate Accountant Contract for the year ending March 31st
(Example – Exhibit C)

— EXHIBIT C —

**EMPLOYMENT OF ACCOUNTANT
CONTRACT TO PERFORM ANNUAL FINANCIAL REPORT**

THIS AGREEMENT is made the _____ day of _____, 20____ by and between

(Name of Lodge) Lodge # _____ of the Benevolent and Protective Order
(Lodge No.)
of Elks, a/an _____ non-profit Corporation, herein referred to as "Lodge," whose address
(State)
is _____
(Street or P.O. Box No., Town, State and Zip Code)
and _____, whose address
(Name of Accounting Firm)
is _____ herein referred to as "Accountant."
(Street or P.O. Box No., Town, State and Zip Code)

— ARTICLE I —

STATUS OF THE PARTIES

Lodge is a non-profit corporation, with principal offices in the city of _____, State
of _____, and is a Local Lodge of the Benevolent and Protective Order of Elks of
the United States of America.

— ARTICLE II —

EMPLOYMENT OF ACCOUNTANT

Lodge agrees to hire and retain Accountant in his capacity as Accountant agrees to such
employment on the terms and conditions herein set forth.

— ARTICLE III —

DUTIES OF ACCOUNTANT

It shall be the duty of Accountant to prepare the annual financial report of the business affairs
of Lodge for the Lodge year _____ - _____, in full compliance with Section 13.010 of the
Statutes of the Benevolent and Protective Order of Elks. Lodge promises to furnish Accountant
with a copy of this Statute and Accountant agrees to perform his services in accordance with
the requirements of said Statute including, but not limited to, completion of all standard financial
report forms furnished by the Grand Lodge to Lodge.

Accountant also agrees to complete all necessary annual tax returns required by Federal, State
and local agencies (if any), in a timely manner, and have the financial report delivered to Lodge
by June 15, _____. If any extensions for filing are necessary, Accountant shall make the necessary
requests to I.R.S., State or local taxing agency.

THINGS TO DO

- Have the Audit Committee deliver the Annual Financial Report to the Lodge by June 15th (Example – Exhibit E)
- Review page 10 of the Accountant's report
- (Note: Discuss content of Exhibit E – Transmittal Letter i.e. who completes document, names of current audit committee members, not next year members, name of current ER as of April 1st, 2017)
- Have the Annual Financial Report along with Transmittal letter signed and sent to the Area A&A Committeeman prior to June 30th



Area Member
Grand Lodge Auditing and Accounting Committee

Dear Committee Member:

In accordance with Section 13.040, Laws of the Order, we are enclosing the results of the examination of the books and records for the fiscal year ending March 31, 2020 of Lodge REDROCK #4550 Southfield

Mailing address 99100 FIKS LANE Redrock OK 89662-1234

E-mail address talkingfinances@elks.org

The enclosures consist of the following:

- 1. Transmittal Letter and Pages 1 through 10 of Grand Lodge forms.
- 2. Copies of all of Accountant's Financial Statements if prepared.
- 3. Copy of Federal Income Tax Return(s) (Form 990, 990T & 990-501(C)(2) as applicable and State Returns.

All Entities of the Lodge are included in this report: Yes No (If No, explain) _____

The report was prepared by Cushing III - Cheque - CPA, an independent accountant.

Preparer's phone number 1-(405) 467-5344 E-mail talknumbers@me.com

The report was presented to the Lodge membership on APRIL 15, 2020

Name	E-mail Address	Telephone No.
1. Auditing 2. Committee	<u>numbersmygame@elks.org</u>	<u>(405) 123-4567</u>
2. Accounting 3. Figures	<u>keepingbooks@elks.org</u>	<u>(405) 876-0111</u>
3. Liberty Ann Justice	<u>purault@finances@elks.org</u>	<u>(405) 213-1415</u>

Please PRINT/TYPED Names, Addresses and E-mail Addresses of the CURRENT Exalted Ruler and Secretary:

Jackson P. Charby
(Exalted Ruler)

99 Elks Boulevard
(Street)

Redrock - OK 87662
(City, State, Zip)

Teardropthepack@lodge.org
(E-mail Address)

Elkton N. Foundation
(Secretary)

100 Fraternal Avenue
(Street)

Wynnewood - OK 87774
(City, State, Zip)

Podincomand@lodge.org
(E-mail Address)

SEND ORIGINAL TO:
G.L. Auditing & Accounting Committee Area Member

Send Copies to the following:

- 1. D.I.J.G.E.R.K.
- 2. Retain for Lodge File
- 3. Lodge Auditing Committee

Fraternally,

Lodge A & A Chairman
(Chairman - Lodge Auditing & Accounting Committee)

E-mail Address talknumbers@me.com

Year Ending 3/31/2020

DO NOT SEND ANY COPY TO GRAND SECRETARY

THINGS TO DO

- Area A&A Committeeman will send a report back to the Lodge – (show example)
- Make sure the Area Committeeman report is read on the Lodge floor and retained as a permanent record of the Lodge



GRAND LODGE
Benevolent and Protective
ORDER OF ELKS
 UNITED STATES OF AMERICA

State OKLAHOMA
 District SOUTHEAST
 Area 6
 Date JUNE 23, 20XX

**AUDITING and ACCOUNTING
 COMMITTEE**

REDROCK Lodge No. 4610

**ACKNOWLEDGEMENT OF RECEIPT OF FINANCIAL REPORT AND EVALUATION THEREOF:
 TO BE READ ON THE LODGE FLOOR AND RETAINED AS A PERMANENT RECORD OF THE LODGE**
Please ensure that the Officers, Club management team and your Independent Accountant receive a copy of this report.

For the Year Ended March 31st.....	20XX	20XX	20XX
1. Date Report Received.....	6/20/20XX	6/15/20XX	6/20/20XX
2. Was Report prepared by an Independent Accountant on G/L Forms?	Yes	Yes	Yes
3. Was the Report presented to Members?	Yes	Yes	Yes
4. Amount of Working Capital.....	\$ 71,784	36,310	45,206
5. Amount of Total Equity	\$ 633,787	636,607	639,068
6. Lodge Profit (Loss) (Pg. 3).....	\$ 851	(20,883)	667
7. Club and other operation Net Profit (Loss) (Pg. 4).....	\$ (1,258)	(745)	1,594
8. Restricted Funds Reconciliation (Pg. 5).....	\$ 9,072	16,844	11,291
9. Was a Budget Comparison submitted for each entity?	Yes	Yes	Yes
10. Bar — Cost of Liquor sold (Pg. 8).....	40 %	30 %	30 %
11. Bar — Cost of Labor (Pg. 8)	40 %	35 %	30 %
12. Food Service — Cost of Food sold (Pg. 8).....	40 %	35 %	35 %
13. Food Service — Cost of Labor (Pg. 8).....	40 %	45 %	50 %
14. Was copy of Federal & State Tax Return Enclosed?	Yes	Yes	Yes

COMMENTS:

EXCELLENT REPORT. KEEP UP THE GOOD WORK.

ITEM 14 — DINING ROOM LABOR TOO HIGH AT 50%, SHOULD NEVER EXCEED 35%.

ITEM 18 — LODGE MEMBERSHIP HAS DECLINED BY 160 MEMBERS THE PAST TWO YEARS. FINANCIALLY THAT TRANSLATES TO THE LOSS OF OVER \$14,000 IN DUES REVENUE. MEMBERSHIP IS MONEY. YOU MUST TAKE STEPS TO STABILIZE YOUR MEMBERSHIP AND TO MANAGE IT LIKE YOU WOULD ANY OTHER VALUABLE ASSET.

Note: If any question on items of "NO" or "NEARLY" is shown in the report and has been submitted. You should review the Audit & Accounting Manual and Section 13.04 of the Laws of the Order and make the necessary corrections.

 Member
 G/L Auditing & Accounting Committee
 Rev. 2/2016

THINGS TO DO

- Ensure that the Lodge is using the New Chart of Accounts. Per Grand Lodge Statutes it is Not Optional
- Ensure that Budgets are prepared for each entity of the Lodge, (Lodge, Club Dining Room etc.)
- Make sure that the Exalted Ruler knows that all expenditures not covered by the Budget have to be presented to the Board of Trustees first, and then to the membership
- Ensure that inventories are being taken by individuals other than the Bartenders, or Chefs

THINGS TO DO

- Ensure that all Employees have signed the Harassment Policy
- Ensure that Lodge Officers and House Committee members have signed the Harassment Policy
- SOURCE: EXHIBIT G OF THE AUDITING AND ACCOUNTING MANUAL DATED FEBRUARY 2016
- HAVE A GREAT YEAR AND THANK YOU