

Audit Committee:

- Don Hill
- Laila Jonsson
- Leigh Callaway

2007 Audit January 16, 2008

Audit Goals:

1. Assure that the financial statements of the Springfield Historical Society, Inc. follow generally accepted accounting principals
2. Assure that the financial statements of the Springfield Historical Society, Inc. are consistent with its mission and organizational structure
3. Assure that adequate financial controls are in place and are being effectively followed regarding:
 - a. Cash receipts and disbursements
 - b. Bank statement reconciliation
 - c. Budgeting
 - d. Cash flow and investing
 - e. Reporting
 - f. Inventories
4. Assure that State and Federal reporting is current and complete

Financial Statements:

1. Income & Spending Report
 - a. Income Categories by functional organization
 - b. Spending Categories by functional organization
 - c. Year End Balances
 - i. Cash
 - ii. Checking
 - iii. CD's
2. Fund Balances Report
 - a. General
 - b. Memorial
 - c. Scholarship
 - d. Total

Accounting Principles – Cash Basis:

1. Cash receipts (revenues) are recognized at the time of receipt
2. Cash disbursements (expenses) are recognized at the time of disbursement
3. Chart of accounts reflect the functional organization for operational revenues and expenses
4. Chart of accounts for non-operational revenues and expenses reflect the nature of the investment accounts
5. Accrual accounting items such as A/R, A/P, inventories, COGS, retained earnings etc do not exist
6. Account balances reflect the net results of book entries of cash receipts and disbursements in accounts at a point in time
7. Fund balances represent the net of cash transactions allocated to funds at a point in time

Financial Controls:

1. Treasurer's Guide details procedures and control points
2. The constitution and By-laws details financial controls for
 - a. Budgeting
 - b. Spending
 - c. Reporting
 - d. Auditing
3. Book inventory report details counts by storage location

State and federal Reporting:

1. IRS Form 990EZ and Schedule A (pending approval for tax exempt status reinstatement)
2. IRS Form 8734 (pending approval for tax exempt status reinstatement)
3. IRS review of Constitution and by-laws (pending approval for tax exempt status reinstatement)
4. IRS Form 990-N the e-postcard is due annually starting in 2008 by May 15th
5. New Hampshire Department of State Corporate Division Certificate of Revival New Hampshire Nonprofit Corporation due every five years. Last filed July 27, 2006
6. New Hampshire Department of Justice Office of Attorney General Charitable Trust Unit Annual Report Form NHCT-2A due May 15th each year.

Audit Review Steps:

1. Tie out change account opening and closing balance with cash receipts & disbursements for each account:
 - a. Cash
 - b. Checking
 - c. CD's
2. Review account register to assure that category and classification are indicated on each cash receipt and disbursement to assure that income and expense will be completely identified
3. Review account registers to assure that fund names are properly indicated to assure that fund balances will be correct
4. Review a sampling of the cash receipts folder to assure that entries were properly recorded in the cash account register by category and classification
5. Review a sampling of the bill payment folder to assure that entries were properly recorded in the checking account register category and classification
6. Review bank statement notebook and account registers to assure that reconciliations were complete and tie out with a reconciliation summary report
7. Assure that reported checking interest and investment interest tie out with reconciliation summary report
8. Assure that the financial system generated report ties out to the reconciliation summary report
9. Assure that the published financial reports tie out to the financial system generated report
10. Assure that reported budget is supported by board approved budget minutes

11. Assure that spending was contained within the approved spending budgets
12. Assure that a current cash forecast is in place
13. Review book sales report against book inventory report
14. Note state and federal reporting submissions

Audit End Product:

1. A letter to the President detailing the audit findings
2. Financial Statements footnote: Audited (date) and names of audit committee

Treasurer Responsibilities & Controls (Constitution & By-Laws):

- The TREASURER:
 - a. Shall be responsible for the safekeeping of all society funds and for maintaining financial records in a manner that is consistent with the fiduciary responsibilities to contributors, comparable with budgeted spending categories and documented with sufficient audit trail,
 - b. Shall collect dues, contributions and grants and deposit all monies received with any reliable banking company in New Hampshire in the name of the Springfield Historical Society,
 - c. Shall prepare a budget for the ensuing year and present it to the board for its approval,
 - d. Solely shall disburse funds to the extent that the category amounts do not exceed the full year approved budget amount for the categories. In the absence or incapacity of the treasurer another officer or board member may fulfill the duties of the treasurer,
 - e. Shall report each quarter to the board the year-to-date spending against the full year approved budget,
 - f. Shall aid the president in naming an audit committee in January of each year. The audit committee shall be comprised of two members and it shall be responsible for completing the annual financial audit by March 1st,
 - g. Shall issue an annual report based on the calendar year to the board at the January meeting and to the membership following the board adoption of the auditor's report at the April meeting,
 - h. Shall as required in April, file the annual report to the New Hampshire Attorney General Charitable Trust Unit with payment of the required fee

SHS Mission Statement (Constitution & By-Laws)

The mission shall be to bring together people interested in history, and especially the history of Springfield, New Hampshire. Understanding the history of our town is basic to our way of life. It gives us a better understanding of our town and promotes a better appreciation of it.

SHS Organization Structure

- **Officers (Constitution & By-Laws)**

The officers shall be president, vice president, and secretary who shall be elected for a term of one year; and a treasurer who shall be elected for a term of three years. The officers and directors shall constitute the Board of Directors.

- **Board (Constitution & By-Laws)**

The Board of Directors shall consist of the four elected officers plus three members of the society. Upon the formation of the society, to accommodate for the staggered election of the three members to the Board of Directors, a drawing of straws will determine which of the three will serve a 1, 2, or 3 year term.

- **Standing Committees (Constitution & By-Laws)**

Whenever feasible the society shall attempt to have the following committees:

- a. GENEALOGY COMMITTEE—responsible for gathering genealogical information and answering inquires.
- b. HISTORICAL SITES COMMITTEE—responsible for establishing the historic validity of sites proposed for marking, and for marking those same sites. Markers for public sites shall be provided by the society. Markers for privately owned property will be available from the society at cost. All dates, copy, and deeds will be provided by the owner, and edited and verified by the committee.
- c. MEMBERSHIP COMMITTEE—responsible for membership drives.
- d. MUSEUM COMMITTEE—shall be responsible for collecting, cataloging, and preserving books, manuscripts, newspapers, and other historical materials and objects, for exhibits, and for the care and upkeep of the society building or meeting area. The museum committee shall be chaired by the curator.
- e. PUBLICITY COMMITTEE—responsible for finding ways and means for publishing studies, newsletters to members, bulletins, books, printed material using the society logo, and publicity to newspaper and other media available.
- f. SCHOLARSHIP COMMITTEE—responsible each year for organizing the scholarship program.

Officers for 2007-2008:

- President, Patsy Heath Caswell
- Vice-President, Julie Slack
- Secretary, Donna Denniston
- Treasurer, Brandt Denniston

Board for 2007-2008:

- Janet Booker
- Bob Nulsen
- Officers

Active Committees:

- **Audit:**
 - Don Hill
 - Laila Jonsson
 - Leigh Callaway
- **Curator and Museum:**
 - Julie Slack, curator
 - Ed Belfield
 - Nancy Bower
 - Gertrude Heath
 - Ann Neilsen
 - Peter Neilsen
- **Genealogy-**
- **Historical Sites- Patricia Caswell**
- **Membership-**
- **Nominating:**
 - Janet Booker
 - Trudy Heath
 - Janet LeBrecht
- **Publicity-**
- **Book Sales- Janet Booker**
- **Card Sales:**
 - Patricia Caswell
 - Trudy Heath
- **Newsletter- Patricia Caswell**

- **Scholarship:**
 - **Gertrude Heath, chair**
 - **Donna Denniston**
 - **Julie Slack**
- **Webmaster- Brandt Denniston**