



DISTRICT OFFICE
609-582-8668
FAX LINE
609-589-0239

**WASHINGTON TOWNSHIP FIRE DISTRICT
TOWNSHIP OF WASHINGTON, GLOUCESTER COUNTY
NEW JERSEY**

Board of Fire Commissioners
P.O. Box 653
Turnersville, NJ 08012-0653

**FIRE DEPARTMENT POLICY #11-97
regarding
FIRE COMPANY FINANCIAL AUDITS**

Fire Companies:
Grenloch
Hurffville
Whitman Square

It is the policy of the Washington Township Board of Fire Commissioners to audit the financial records of the fire companies under their jurisdiction on an annual basis to ensure that funds disbursed to them by the Commission have been utilized in the manner intended according to and as documented by the annual individual fire company budgets approved by the Board.

The audits shall be conducted in accordance with the following procedural steps.

- I. Obtain the following items from the fire company.
 - A. Ledger
 - B. Canceled Checks
 - C. Invoices & Billings
- II. Compare the entries in each column in the ledger with the canceled checks and invoices or bills and:
 - A. Mathematically verify the subtotals of each column and the corresponding grand total of all charges in the ledgers.
 - B. Assure that the figures of each ledger entry match the figures on the checks and invoices or bills.
 - C. Disallow the following items if found:
 1. Payments for items which do not conform to the intent of the column heading. [NOTE: Before disallowing an item, verify that the item is not applicable to another column. If the entry is applicable to another column, relocate it as appropriate and correct the applicable column subtotals.]

2. Entries in the column which are not supported or verified by canceled checks and invoices or bills.

D. Re-total all column entries and the corresponding ledger grand total.

III. Compare each of the re-totaled column entries with the budgeted line item allocation approved by the Commission. Determine the under- or over-expenditures of each column.

IV. Summarize the results of Item III by tabulating in the following manner for inclusion in a report to the Commission and Fire Company.

<u>Description of Budget Line Item</u>	<u>Budget \$</u>	<u>Actual \$</u>	<u>Over*/Under Expenditure</u>
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The Fire Commission Treasurer shall perform the audits in accordance with the above procedure with assistance as required from the respective Fire Company Treasurers. A complete written report of the audit shall be submitted to the Fire Commissions for their review and approval. The report shall include a list of items found as a result of performing Step II C and the summary as defined in Step IV.

This policy was adopted at a regularly scheduled meeting of the Board of Fire Commissioners held on May 1, 1997.

BY:

Attest:


Edwin L. Etschman, Chairman


John F. Ryder, Secretary

Distribution:

Commissioners
Grenloch Fire Company
Whitman Square Fire Company
Hurffville Fire Company

Adoption Record:

Original: September 5, 1979
Revised: May 1, 1997