Financial Reviews
A Question and Answer Guide

How many financial reviews must be done yearly?
- At least two per bank account

Each bank account requires a separate financial review?
- Yes

When should financial reviews be done?
- At the end of a fiscal year (usually July)
- In the middle of the fiscal year (usually January)
- Whenever a check signer resigns or is removed from office
- Whenever mismanagement is suspected

Who conducts a financial review?

The elected or appointed financial reviewer. Financial reviewers may not be related to any check signers by blood, marriage or cohabitation.

Who appoints a financial reviewer if no one is elected?

The executive board appoints a financial reviewer and the association ratifies that appointment. Note: This is not how appointments are usually made. This is a special case so that a president, who is usually a check signer, is not appointing the person who will be reviewing the financial records.

What is a financial review committee?

- A financial review committee is a committee of at least two people (which may include the financial reviewer and/or other officers and members) who examine the financial review and any findings or recommendations BEFORE the financial review is presented to the executive board for review and adoption.
- Check signers may serve on the financial review committee but the committee must have a majority of non-signers. The treasurer/financial secretary may not serve on the committee.
- The financial review committee should sign the financial review form at the bottom of the page. The updated Financial Review Report in the Toolkit has space to record the date the review is examined by the committee and for committee member signatures. If using an older version of the form, the financial review committee should sign and date the form in the bottom margin.

Why do we need a financial review committee?

- It’s an insurance requirement. Insurance claims may be denied or coverage voided if financials are not reviewed at least annually by a financial review committee.
- A financial review committee is NOT required if the review is performed by a qualified accountant (paid or volunteer).
- A qualified accountant is someone who has been trained/licensed to conduct audits and/or review accounting records, such as a Public Accountant or Certified Public Accountant (CPA). They do not need to be currently employed in the field and may be paid or volunteer.
Do we need a financial review committee if our financial review is conducted by a council or district officer?

- Yes. A financial review committee is not required ONLY IF the financial review is conducted by a qualified accountant. Council and/or district officers may serve on the financial review committee for a unit in their council/district when necessary.

What are the steps in conducting and adopting a financial review?

- The financial reviewer conducts the review, completes the financial review form and checklist and notes any findings/recommendations. The financial reviewer signs and dates the review.
- The financial review committee (at least two people) examines the financial review. They should sign the bottom of the financial review form as described above.
- The financial review is presented to the president and treasurer, then to the entire executive board at a board meeting. The executive board examines and adopts the financial review. The date the financial review is adopted by the board is noted on the financial review form and in the meeting minutes.
- The financial review is presented to the association for adoption. The date the financial review is adopted by the association is noted on the financial review form and in the meeting minutes.
- The financial review (original) is filed with the treasurer’s records.
- A copy of the completed financial review is uploaded into MyPTEZ.
- The council or district is notified the financial review has been uploaded and/or sent a copy of the completed financial review.