



BOY SCOUTS OF AMERICA®

LOCAL COUNCIL BUSINESS REVIEW

Provided as a service to the Council, #

Type of review completed:

- Business Practices Assessment
- Comprehensive Administrative Review
- Selective Administrative Review

Items labeled with ♦ represent those targeted for review during a Business Practices Assessment.

Review Team Members:

Date(s) of Review:

Council Business Practices Assessment

A Business Practices Assessment may be conducted by the Boy Scouts of America periodically for a council. It normally occurs after a Scout executive has been in his or her position for at least two years. However, this assessment may be conducted at any time by request of BSA or local council management. Some may be done remotely, if travel precludes an in-person assessment.

The purpose of this assessment is to provide an independent and detailed review of the council's business practices. While it does not cover all administrative functions (as some items in the Local Council Administrative Review described below), it examines critical finance, fundraising, membership, governance, and personnel functions. Besides a review of the questions contained herein, the assessment usually involves conversations with the various council staff members.

Council Administrative Review

An administrative review is conducted by the Boy Scouts of America when there is a first-time Scout executive in a local council. It normally occurs shortly after this new Scout executive assumes his or her responsibilities. In addition, a council executive board may also request this service at any time.

The purpose of this review is to provide an independent and detailed assessment of the council's operational practices to assist the Scout executive, staff members, and key volunteers in their management and governance roles. While not an in-depth or forensic audit, it does closely examine areas which include fiscal health and accounting, fundraising, membership and program delivery, corporate administration and office operations, and human resources.

It is important to note that an administrative review is not intended to be critical of those responsible for the council's governance. The review is simply an opportunity to alert the council's volunteer and professional leadership to issues of importance that might require corrective action according to the rules and regulations of the Boy Scouts of America, federal, state and local laws, and generally accepted accounting practices, while improving overall operations.

Selective Administrative Review

Many councils periodically review various aspects of their operation, and the Administrative Review questions are a great resource for this purpose. One or more sections may be selected for review and the council may either perform the review themselves or work with their area director for assistance.



Upon completing either the Business Practices Assessment or Administrative Review, several recommendations will be shared with council management. Some of these recommendations will be important, if not critical, and may require immediate attention. These may require corrective action according to the rules and regulations of the Boy Scouts of America, federal, state and local laws, and generally accepted business practices. Others are suggestions which the council should seriously consider as ways to improve general operational accountability to its donors and the community, program delivery to its customers, and job satisfaction for the council employees who work to serve its interests.

Both the Business Practices Assessment and Administrative Review are intended for the council to operate in such manner to achieve continuous improvement and growth. We hope you will find this process helpful.

Document updated: 6/22/20

Instructions for Using the Electronic Version

Click on the Y (yes) or N (no) check box. If the item is not applicable, check the N/A box.

- To add dates and other requested information, click in the gray box and type the information requested. The comments will appear in red. They will stand out if printing to a color printer. They will print in bold black if using a standard printer.
- Any item with a check in the red box should have an explanation.
- For questions, suggestions, edits, or other comments please contact the Strategic Performance Office at strategicperformance@scouting.org.
- The document formatting requires that there is a password. If you have a need to unlock the document to change page breaks before printing, the password is "bsa." Users are on Scout's honor not to use the password to change the document in any other way.

Compliance Notations:

Federal, state, local, and other regulatory entities: *These items have the notation of [Government].*
Rules, regulations, and policies of Boy Scouts of America: *These items have the notation of [BSA].*
Other items without notations are recommended as good business practices.

Outside Accounting Services:

As some councils are using third party services for selected accounting processes, this may be so indicated. [*3rd Party*].

Reference Materials:

Local Council Accounting Manual

https://filestore.scouting.org/filestore/financeimpact/pdf/Local_Council_Accounting_Manual_2014.pdf

Local Council Guide to the 20XX Audit

https://filestore.scouting.org/filestore/financeimpact/pdf/Local_Council_Guide_2019_Audit_20191231.pdf

Registration Guidebook

<https://www.scouting.org/wp-content/uploads/2019/06/Registration-Guidebook.pdf>

Preparing for the Review

The following is a list of items a council needs to have available for an *Administrative Review*. Those marked with a ♦ are needed for the *Business Practices Assessment*. The documents may be either printed and ready for the review team upon their arrival, sent remotely, or easily accessible during the visit.

All Sections

- ♦ Minutes of the last three annual meetings
- ♦ Minutes of executive board meetings for the past three years
- ♦ Minutes of executive committee meetings for the past three years
- ♦ Resolutions log
- ♦ Staff organization chart
- ♦ Executive board organization chart

Section A: Fiscal Health

- A-1 Statement of Financial Position for prior year-end
- A-2 Comparative Statement of Operations, Unrestricted, Fund 1 for prior year-end
- Comparative Statement of Operations, Unrestricted, Fund 1 for most recently closed month
- A-3 Statement of Financial Position for most recently closed month
- A-4 ♦ Finance committee roster
- A-5 Sample packet from recent executive board meeting
- A-6 Statement of Changes in Net Assets for prior year-end
- Statement of Changes in Net Assets for most recently closed month
- A-12 List of contents in safe deposit box, if applicable
- A-13 ♦ Copy of council trust agreement, if applicable – Form 990s for trust (See H-7)
- A-14 ♦ Trust advisory/investment committee roster
- Minutes of most recent trust advisory/investment committee meeting
- A-15 ♦ Investment policy
- A-16 ♦ Spending policy

Section B: Fiscal Records

- B-1 Detailed Statement of Financial Position, all Funds for prior year-end and most recently closed month
- ♦ Most recent statements of investments (summary pages showing fair market value)
- B-3 ♦ Fundraising reconciliation worksheets used by the council
- B-4 ♦ Last page of reports showing total values of year-end inventories
- B-9 Payables Open Liability Report for last closed month.
- B-10 ♦ Recent worksheet used to reconcile payroll deductions
- B-11 ♦ Recent worksheet used to reconcile Registration and *Boys' Life* accounts
- B-14 Temporarily Restricted Funds Report, all Funds
- B-16 ♦ Sample of general journal entries with approvals
- B-19 Project reports for three different special events held within the past year
- B-20 ♦ Sample year-end contribution statement for a donor in each special event
- Samples of promotional materials for special events

Section C: Cash Receipts

- C-7 ♦ Sample page from completed mail log
- C-8 Procedures for field receipts
- C-9 ♦ Last page of unit accounts listing showing total balance or worksheet used to reconcile them

Preparing for the Review (continued)

Section D: Cash Disbursements

- D-1 Procedures for purchase orders
- D-5 Most recent bank statement reconciliation for each checking account
- D-9 Vendor Liability Aging Report
Most recent state sales tax report (See H-2)

Section E: Properties & Fixed Assets

- E-3 Fixed assets listing of current net book value
- E-5 Copies of property deeds (first page showing ownership)

Section F: Budgeting

- F-5 Detailed Budget Analysis Report with year-end forecast and deferred amounts included

Section G: Audits

- G-1 Audit committee roster
 Minutes of the most recent audit committee meeting
- G-4 Two most recent audits
- G-5 Statement of Financial Position for prior year-end (See A-1)
 Statement of Changes in Net Assets for prior year-end (See A-6)
- G-6 Two most recent management letters from the auditor
 Council management's response to the letters from the auditor

Section H: Taxes & Government Reporting

- H-1 Federal exemption letter
 State exemption letter, if applicable
- H-2 Latest state sales tax report, if applicable
- H-3 Latest IRS Form 941, Employer's Quarterly Return of Taxes Withheld
- H-7 Last three council 990s (scan of first page, if sent digitally)
 Last three 990s for the council trust fund, if applicable (first page scan, if sent digitally)
- H-10 Active contracts for government funding, if applicable

Section I: Funding & Donor Development

- I-1 Campaign Progress Reports for active campaigns
- I-2 Friends of Scouting campaign committee roster
- I-3 Friends of Scouting steering committee roster
- I-5 District fundraising goals
- I-8 Endowment/Major Gifts committee roster
- I-10 Listing of permanent endowment donors
- I-12 Gift acceptance policy

Section J: Membership Administration

- J-2 Approved annual local council *Membership Validation Requirements* (online or signatures)
- J-6 Policy regarding council-assisted registrations
 Sample report of meetings, activities, advancement for units with council-facilitated leadership (Scoutreach) – may be summary report used with executive board
- J-10 Council merit badge counselor list(s)
 List of registered merit badge counselors from ScoutNET (names only, addresses unnecessary)
- J-14 Current criminal background check tracking report

Preparing for the Review (continued)

Section K: Program and Unit Services

- K-1 Current year camping budget
K-2 Summer camp attendance reports for most recently completed season\

Section L: Corporate Administration

- L Completed Scout executive's council governance survey
L-1 Council articles of incorporation with state approval
L-2 Current council bylaws with any amendments
L-4 Nominating committee roster
 Notice to members-at-large and chartered organization representatives prior to last annual meeting
 Nominating committee report presented at last annual meeting
L-6 Registration listing of executive board and advisory committee
L-7 Council executive board guidebook
L-8 Executive board orientation plan
L-10 Current strategic plan
L-11 Staff registration listing
L-12 Whistleblower policy
L-15 Crisis communications plan

Section M: Insurance and Risk Management

- M-1 Current Insurance policies (summary of coverages, if sent digitally)
M-2 Latest insurance appraisal
M-4 Risk management committee roster
 Minutes of most recent risk management committee meeting
M-8 Camp medical logbook(s) for the past year

Section N: Office Administration

- N-1 Office procedures manual
 Fiscal stewardship policies and procedures
N-12 Council business and technology recovery plan

Section O: Technology Administration

- O-1 Technology maintenance contracts
O-11 Procedures for managing computer passwords
O-14 Internet usage policy
O-15 Wireless security policy

Section P: Human Resources Administration

- P-3 Employee handbook (first page with date updated, if sent digitally)
P-8 Excess automobile reimbursement worksheet
P-11 Excess life insurance worksheet
P-19 Office safety procedures

Business Review Checklist

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Fiscal Management

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Funding

- Section I Funding & Donor Development

Membership and Program Services

- Section J Membership Administration
- Section K Program and Unit Services

Governance and Operations

- Section L Corporate Administration
- Section M Insurance and Risk Management
- Section N Office Administration
- Section O Technology Administration

Human Resources

- Section P Human Resources Administration

Section A: Fiscal Health

Chart A: Council Fiscal Health Overview (December prior year and most recent month-end)

Solvency	Last Year: 12/31/	Last Month:	Notes
Operating Unrestricted Net Assets			
Capital Unrestricted Net Assets*			
Endowment Unrestricted Net Assets			
Operating Net Asset to Expense Ratio			
Operating Fund Performance (YTD)			
Operating Actual Surplus (Deficit)			
Operating Budget Surplus (Deficit)			
Operating Actual Net Transfers			
Operating Surplus +/- Transfers			
Operating Cash Flow			
Operating Cash on Hand			
Normal Annual Operating Expenses**			
Number of Days Cash Available			
Council Debt Position	Same Mth LY:	Last Month:	Notes
Total External Debt (AP, ST, LT)			
Internal Interfund Loans***			
Total Debt			
Resources Available to Cover Debt			

* Exclude investment in fixed assets in capital fund.

** Subtract summer camp expenses to determine normal annual operating expenses.

*** Indicate formal interfund loans, plus negative cash balances in comingled accounts between funds that are informal loans.

Y N
A-1 ♦ Is there a positive unrestricted (without donor restrictions) net asset balance in each fund (operating, capital*, and endowment) for the most recent year-end? (See Chart A) [\[BSA\]](#)

Y N N/A
 If there is a deficit, is there a written plan to eliminate it?

Y N
A-2 ♦ The operating fund is ahead of budget for the most recent month, and the prior year-end has an excess of income over expenses (including transfers to meet the endowment spending policy, if appropriate with accounting practices). (See Chart A) [\[BSA\]](#)

Y N N/A
 If there is a deficit for prior year-end, is there a plan for correction?

Section A: Fiscal Health (continued)

A-3 ♦ The council’s external debt position is determined by summing the following lines on the Statement of Financial Position using the numbers in the Total All Funds column: accounts payable + notes payable + long term indebtedness. To determine total debt, add any interfund loans, *(Use the absolute value of largest amount shown, regardless of positive or negative numbers)* plus any negative cash balances in any of the three funds. (Checking accounts may be comingled among the funds and can represent informal borrowing.)

Y N N/A

Has the debt position decreased over last year at this same time? *(If the only debt consists of accounts payable that are all current then indicate “N/A.”)* (See Chart A) [BSA]

Does the council have sufficient cash, investments, accounts receivable, and pledges receivable to cover its debt? Funds that are temporarily or permanently restricted should not be counted. [BSA]

Y N N/A

If not, is there a written plan to reduce the debt?

Y N

A-4 ♦ Does the council have an active finance committee focused on asset management and budget oversight?

Y N

A-5 ♦ The officers and executive board members are presented with financial statements that are produced monthly and approved by the executive board or the executive committee. [BSA]

Y N

Statement of Financial Position

Statement of Changes in Net Assets

Statement of Operations for each fund with a budget

Detailed statements are reviewed monthly by the council treasurer in conjunction with the Scout executive and accounting specialist or accounting service provider. [3rd Party]

Y N

A-6 ♦ Are the most recently audited financial statements free of any unusual variances?

There are no adjustments to net assets or unbudgeted transfers on council financial statements. [BSA] If any, list:

Section A: Fiscal Management (continued)

A-13 ♦ Y N N/A
 The council has one or more trust funds and has copies of the trust agreements? *(If the council has trust fund(s) where current documents are not present at the National Service Center, then secure a copy of the agreement to be filed there. If the council is using BSAAM to hold its endowment without placing it in a trust, please explain.)*

Y N
 The trust fund(s) are being managed by a corporate trustee.
 The council has a current BSA-approved trust instrument. *(A copy of the document can be reviewed with the BSA Legal Department for help in determining whether or not it is current.)* [\[BSA\]](#)
 Date of BSA approval:

The council has a separate Employer Identification Number (EIN) for its trust.
[\[Government\]](#)

The council has filed a separate IRS Form 990 or IRS Form 990-EZ for its trust fund.
(See H-7) [\[Government\]](#)

All perpetually restricted endowment is in a trust fund.

A-14 ♦ Y N
 The council has an active trust advisory committee or investment committee (if it does not have a trust.) *(Verify resolution in Chart L1.)*

Review the roster and minutes of the committee.

Ask if the council has considered BSAAM for endowment funds.

A-15 ♦ Y N
 The council has adopted an investment policy within applicable standards under state law.
(Verify resolution in Chart L1.) [\[Government\]](#)

Y N
 The policy includes benchmarks with time horizons.

The policy includes asset allocation ranges.
 Equities range: Fixed investments:

Is the allocation of assets from the trustee statements and other investment statements within the ranges specified by the investment policy?
 Equities actual: Fixed actual:

The council has a process for tracking its investments.

Section A: Fiscal Health (continued)

A-16 ♦ ^Y ^N The council has adopted a spending policy that is consistent with its investment policy, trust document, and appropriate state law, including the enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). *(Verify resolution in Chart L1.)*
[Government]

^Y ^N The council has not exceeded its spending policy during the most recent year.
The spending policy investment base is defined as _____ .
The spending policy percentage distribution is _____ %.
The actual percentage distribution for the most recent year was _____ %.

The council properly records endowment support for operations and capital needs consistent with its spending policy. Amounts beyond the spending policy are done as board-approved transfers. *[BSA]*

A-17 ^Y ^N Has the council had an independent review of investment performance as it relates to established benchmarks?

Name of consultant:
 Date of review:

Section B: Fiscal Records

Print the Detailed Statement of Financial Position for All Funds. The council follows the standards of accounting in the *Local Council Accounting Manual* in recording and reconciling assets. [\[BSA\] \[3rd Party\]](#)

- B-1** ♦ Y N
 Short-term and long-term investments are properly recorded at fair market value for all three funds and supported with documentation.
- B-2** ♦ Y N
 Accounts and notes receivable are properly recorded.
- B-3** ♦ Y N
 Contributions receivable are properly recorded. *(Check for balances in 1300 accounts on the Detailed Statement of Financial Position for operating, capital, and endowment funds.)*
- Allowances for uncollectible pledges are properly recorded based upon past collection rates. (Monthly journal entries are required to record them when using Blackbaud.)
- Blackbaud fundraising reports are reconciled to the general ledger monthly for all active campaigns. *(Review the reconciliation worksheets.)*
- B-4** ♦ At the end of each year, the council adjusts the general ledger to match the value of the following physical inventories:
- Y N N/A
 Camp trading post resale items
 Scout store resale items
 Other: Specify:
- B-5** ♦ Y N N/A
 Interfund loans are properly recorded to show borrowing from one fund to another and net to "0" in the Total All Funds column on the Statement of Financial Position.
- B-6** ♦ Y N
 The council properly records deferred expense and income for camps, activities, and special events.
- Deferred income and expenses are recorded as current when appropriate.
- B-7** ♦ Y N N/A
 Prepaid expenses are properly recorded with supporting documentation.

Section B: Fiscal Records (continued)

- B-8** ♦ Y N N/A
 Activity is recorded in the general ledger on any construction in progress. *(Check the balances in all 2-1841-XXX-00 accounts. Ask if any are completed.)*
- Detailed records on any construction in progress are kept in folders to match the records in the general ledger, which are delineated with project codes.
- Balances in unallocated asset acquisition accounts (2-1800-XXX-XX) are cleared and posted to appropriate fixed asset accounts.

The council follows the standards of accounting in the *Local Council Accounting Manual* in recording and reconciling liabilities. [\[BSA\] \[3rd Party\]](#)

- B-9** ♦ Y N
 Accounts payable and accrued expenses are properly recorded.
- Details of open liabilities are reconciled monthly with the account balance in X-2006-XXX-00.
- B-10** ♦ Y N
 There is a monthly reconciliation of the compensation & benefits invoice to individual payroll records and council payroll balances in the 2200 account series.
- B-11** ♦ Y N
 Custodial accounts (Registration, *Boys' Life*, unit accounts, Order of the Arrow, etc.) are supported by documentation and are reconciled monthly. *(Review worksheets used monthly to reconcile custodial accounts.)*
- Custodial accounts (2300 series of accounts) are not used for tracking income and expense for non-custodial groups, such as Wood Badge, Jamborees, and donor-restricted contributions.

- B-12** ♦ Y N N/A
 Notes payable and long-term indebtedness are properly recorded and supported with documentation. *(Verify resolution in Chart L1.)*
- Notes payable and mortgages are delineated between the short term (less than 12 months) and long-term portions.

The council follows the standards of accounting in the *Local Council Accounting Manual* in maintaining and reconciling net assets. [\[BSA\]](#)

- B-13** ♦ Y N N/A
 All transfer entries are in balance and properly documented. *(Verify resolution in Chart L1.)*

Section B: Fiscal Records (continued)

B-14 ♦ Y N N/A
 (Print the Restricted Funds Report that shows all three funds.) Each type of donor-restricted gift uses a specific project code.

Do the restricted totals match the donor-restricted gifts?

Are all balances positive? If not, what is the plan to reconcile?

There are files containing the details of the restrictions.

Funds expended have been properly released from restrictions.

B-16 ♦ Y N
 General journals are accompanied by appropriate documentation and indicate written approval by the Scout executive (or designee) and are stored in such a way as to be readily found and researched. *[BSA] [3rd Party]*

General Journal entries are recorded for the following:

Y N N/A

Cost of goods sold (office, camp, and products)

Prepaid insurance to current expense

Accrued taxes

United Way income or net assets released to current year

Movement of inventory (example: council to camp or council to activity)

Project shift of expenditures (example: activity postage or printing)

Depreciation

B-17 Y N
 Original registers of entry and posted journals are filed or are saved electronically. *[3rd Party]*

Y N N/A

Supporting documentation is scanned and attached to the journals.

B-18 ♦ Records are maintained on all fundraising campaigns. *[3rd Party]*

Y N

All original gifts are recorded in Blackbaud fundraising software.

Outstanding pledges, billings, and uncollectible write-off information have been entered and are maintained in the fundraising software.

Original pledge cards are kept in a secure, locked location. *[Government]*

If using payroll deduction, employee pledges/payments are recorded monthly or after each payroll. *[BSA]*

Any gift where the form of payment is a gift-in-kind is properly recorded both as a contribution and an expense. (A journal entry is required to move the expense from "other expense" to the appropriate account when using Blackbaud.)

Section B: Fiscal Records (continued)

B-19 ♦ Y N
Special fundraising event records show gross income, and direct benefits to the donors are shown as contra income. Costs that are not associated with direct benefits are recorded as expenses. *(Review a sampling of reports from the general ledger.)* [\[3rd Party\]](#)

B-20 ♦ The council complies with the latest IRS rulings on receipts for gifts as noted: [\[Government\]](#)

Y N
The council issues individual receipts or annual contribution statements covering any gift over the current IRS minimum (one-time payment of \$250 or greater).

The council identifies the deductible and non-deductible portion of any gift over the current IRS minimum (one-time payment of \$75 or greater) for gifts that include a benefit to the donor. Benefits received are listed on year-end contribution statements or promotional materials. *(Review a prior year special fundraising event contribution statement and materials to verify.)*

B-21 Y N
Electronic transactions from EFT, credit card, and online banking are kept in a safe place.

B-22 ♦ Y N
The council is in compliance with Payment Card Industry Standards, and credit card information is destroyed after the transaction(s) are completed. [\[Government\]](#)

Does the council have procedures for appropriately protecting credit card information written on FOS cards, event registration flyers, etc., that is collected prior to processing the transactions?

Section C: Cash Receipts

- C-1** ♦ Y N
 There is a locked cash drawer at each receipting station.
- Y N
 Each employee is responsible for all receipts and the balance of his/her own change fund.
- There is a periodic spot-check by management of these change funds.
- C-2** Y N
 (*Review the receipts system.*) Consecutive, numbered receipts are produced for all cash transactions, and a daily reconciliation is made with cash and checks. Each receipt lists all the items being receipted and identifies the person to receive credit for the payment, as well as the person making the payment. [\[BSA\]](#)
- Y N N/A
 If using point-of-sale software, each person uses a unique clerk ID.
- Someone other than the accounting specialist issues receipts.
- There is an effective system for receipting fundraising cash and checks.
- C-3** Y N
 Immediately upon receipt, are all checks, bank drafts, and money orders stamped “For Deposit Only”?
- Y N N/A
 If the council uses “banking desktop deposit” software or a check scanner, there is a process for the control of checks and the reconciliation of deposits.
- If yes, where are scanned checks stored?
- C-4** Y N
 Does the council’s cash receipting software and credit card terminals truncate credit card numbers to display only the last four digits (and no expiration date) on receipts? (*Review original and reprinted receipts.*) [\[Government\]](#)
- C-5** ♦ Y N
 Cash receipted is deposited regularly into a bank.
- Y N
 All receipts are deposited intact. (No payment is made, or checks cashed, from coin or currency received.)
- (*Review deposit book and receipts.*) Duplicate deposit slips are made.
- Someone who does not handle cash or perform cash accounting functions makes the deposits.
- Who makes the deposits?
- Receipts are returned the same day to:

Section C: Cash Receipts (continued)

C-6 Y N
 Cash receipts, including pledge payments, are entered into the cash receipts journal or trading post journal in the general ledger software and the contributions journal (fundraising software) within 24 hours of receipt.

Review receipts not yet entered.

C-7 ♦ Y N
 All council mail is opened by two persons (AICPA rule). [\[BSA\]](#)

Y N
 A daily log of all cash and its source is prepared. The log should contain the following: date, amount, distribution to whom, and a place for two signatures.

Review the log.

Question employees about the process.

C-8 Y N
 Council staff who receive cash (or cash equivalents) in the field use pre-numbered field receipts with original to payer, copy to office with the cash, and final copy kept in the book. Each staff member who handles cash issues receipts until a final receipt is issued. [\[BSA\]](#)

Y N
 The council has a system for tracking the distribution and use of field receipt books.

Field receipt books are retained two years after they are completed.

Review receipts and procedures.

Question employees about the procedures.

C-9 ♦ Y N N/A
 If the council uses unit deposit accounts, a separate record is maintained for each unit. [\[BSA\]](#)

Y N
 Is there a method for units to receive information on the balance in their accounts as transactions are completed?

Is there a notification distributed at least annually to all units with active accounts?

Are there procedures for the monthly reconciliation of unit accounts?

Section D: Cash Disbursements

D-1 Y N
 There is a system of controlling purchases with purchase orders or through pre-approvals for staff and volunteers. *[BSA]*

Review check requisition procedures.

D-2 Y N
 Approved invoices and check requisitions are entered into accounts payable upon receipt.

Review vendor files.

Review unpaid invoice file.

D-3 ♦ Y N
 All payments are supported by vendor invoices, receiving vouchers, payroll records, and check requisitions. *[BSA] [3rd Party]*

Is there a procedure for handling voided checks?

Is there a procedure for approving electronic funds transfers?

D-4 ♦ Y N
 Two approvals are required for all payments unless there is an executive board resolution allowing two or one-signature checks signed by staff that includes an authorized maximum for such checks. *(Verify resolution in Chart L1.) [BSA] [3rd Party]*

T F (True/False)

The council does not use a check signing machine.

Two signatures are required on ALL checks issued from any of its properties.

If single signature checks are permitted, electronic signatures may be used, or both signatures may come from staff, then list the maximum amount or other limitations and safeguards:

At the time of signing, all checks have proper documentation attached, including invoices, check requests, and payroll registers.

Review documentation attached to checks.

Review authorized signature list.

Section D: Cash Disbursements (continued)

- D-5** ♦ Y N
 All bank statements are provided to the Scout executive still sealed (or through direct electronic access) for review. *[BSA] [3rd Party]*
- They are each reconciled monthly by someone other than the cashier or accounting specialist.
- Each reconciliation report is reviewed and signed by the Scout executive or designee.
- Review the last several reconciliations.
- Y N
 Bank reconciliation software in the general ledger is used.
- D-6** The council maintains safeguards for all petty cash accounts.
- Y N N/A
 Each petty cash account and cash advance is in the sole custody of one authorized person to whom the check was written.
- Petty cash vouchers show the account to be charged, the amount, the signatures of both the receiver and the custodian, and are attached to receipts covering the amount.
- D-7** ♦ Y N
 Staff expense accounts are verified and approved by the Scout executive or designee. *[BSA]*
- The Scout executive's expense account, including use of council credit cards (the BSA strongly discourages possession of council credit cards) is approved by the council president or other authorized board member. *(Verify approval of any council credit card invoices and payments.)*
- Review Scout executive's recent expense reports.
- Y N N/A
 There is approved documentation for any large payments to the Scout executive or staff. *(Review Vendor History Summary query from PeopleSoft.)*
- Travel and conference reimbursement or advances are paid through accounts payable checks separate from the payroll.

Section D: Cash Disbursements (continued)

T F (True/False)

- D-8** ♦ Council credit cards are not in the possession of employees. (The BSA strongly discourages the possession of council credit cards.) *(Verify resolution in Chart L1.)* [BSA]

If "F", list employees and the type of card:

<u>Employee</u>	<u>Card</u>	<u>Notes</u>
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Y N

- Credit card statements are reconciled with charge slips.

- If credit cards are in the possession of employees, then list the controls:

- D-9** *(Review payroll reports, accounts payable, and sales tax records.)* The council is current (within vendor due date) with payments on the following: [Government]

Y N N/A

- (Check the 2200 series withholding accounts in the Trial Balance or Detailed Statement of Financial Position.)* Do the balances reflect credits equal to the amount withheld, but not yet forwarded or entered as accounts payable?
- The council's share and employee withholding for employee benefits are paid within five days of receipt of statement.
- Local tax withholding
- State tax withholding
- Federal tax withholding
- Social Security/Medicare
- Sales tax
- BSA National Supply and BSA service fees. *(Review any BSA delinquent reports on file at the National Service Center.)*
- Other vendors

Referencing the Vendor Liability Aging Report, list total amounts past due:

Amount aged more than 30 days \$

Amount aged more than 60 days \$

Amount aged more than 90 days \$

State and federal law requires prompt payment of voluntary employee payroll deductions as soon as they can properly be segregated from council assets, which should be no later than five (5) business days following the pay period.

Section E: Properties & Fixed Assets

- E-1** Y N
 The council executive board has established a minimum threshold for an item to be considered a fixed asset. *(Verify resolution in Chart L1.) [BSA]*
- Single item fixed asset floor: \$
Aggregate fixed asset floor for multiple items: \$
- E-2** ♦ Y N
 The council executive board approves property development plans and fixed asset purchases prior to starting any construction or making any contractual commitments. *(Verify resolution in Chart L1.) [BSA]*
- E-3** Y N
 A register of fixed assets is maintained for review. *(Verify resolution in Chart L1.) [BSA] [3rd Party]*
- Review fixed assets register.
Date of last update to the register:
- Y N
 Is the register maintained in the general ledger software?
- E-4** Y N
 The council has established a policy defining the useful life of the various categories of fixed assets to determine the rate of depreciation.
- Y N
 Is depreciation calculated and recorded monthly?
- E-5** Y N
 Council has clear ownership and its legal name on property deeds. *[Government]*

Section F: Budgeting

F-1 ♦ *Planned Budgeting* methodology is used in developing the council's annual budget.

Y N

- The budget is aligned to the council's strategic plan with defined annual goals and objectives.
- The council holds a staff planning conference where council programs are reviewed in order to meet the goals and objectives. A proposed council calendar and service plan is developed. Any major changes to the council program or structure are approved by the executive board.
- Volunteer committees are assigned portions of the council budget where they review past performance and future programs in order to make recommendations to the council budget/finance committee. Council staff members support these committees with performance reports and planning materials.
- The council budget/finance committee reviews the budget proposals and develops the final complete budget with guidance from the Scout executive. Budgets are developed for the operating fund, the capital fund (if there are expenditures other than depreciation), and endowment fund (if there are expenditures other than trustee management fees.)

Most recent budget committee meeting date:

F-2 ♦ The council executive board has adopted the following budgets (including camps, activities and special events) prior to the start of the current year: *(Verify resolution in Chart L1.)* [\[BSA\]](#)

Y N N/A

- | | | |
|--|-------------------------------|----------------|
| <input type="checkbox"/> <input type="checkbox"/> | Current-year operating budget | Date approved: |
| <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | Capital budget | Date approved: |
| <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | Endowment budget | Date approved: |

Y N

F-3 ♦ Funds for items/initiatives not covered by the budget or in excess of the total budget are expended only after authorized by the executive board or executive committee. *(Compare the budget with the actual on the Statement of Operations.)* *(Verify resolution in Chart L1.)* [\[BSA\]](#)

Y N

F-4 Preliminary budgets for future years are developed.

Y N N/A

- Are these future budgets in line with the council's strategic plan?

Section F: Budgeting (continued)

F-5 ♦ All approved budgets have been entered into the general ledger software for each individual account.
[BSA] [3rd Party]

Budget values are entered in the accounting software for the following:

Y	N	N/A	
<input type="checkbox"/>	<input type="checkbox"/>		Individual projects (cost centers)
<input type="checkbox"/>	<input type="checkbox"/>		Provision for uncollectible pledges
<input type="checkbox"/>	<input type="checkbox"/>		Direct benefits for special events
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Supply sales cost of goods sold
<input type="checkbox"/>	<input type="checkbox"/>		Product sales cost of goods sold
<input type="checkbox"/>	<input type="checkbox"/>		Product sales commissions to units
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Net assets released from restrictions (reclassified)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Transfers between funds

F-6

Y	N
<input type="checkbox"/>	<input type="checkbox"/>

 Volunteer and professional staff are held accountable for self-sustaining events.

Y	N
<input type="checkbox"/>	<input type="checkbox"/>

 Project codes (cost centers) are assigned to staff members?

Section G: Audits

Comparing Financial Statements Generated by Council Software to Most Recent Audit [3rd Party]
Year compared:

Chart G1: Surplus (Loss) Reported on Council Statement Compared to Auditor’s Statement

Operating	Council	Audit	Notes
Unrestricted Surplus (Loss)			
Donor Restricted Surplus (Loss)			
Capital			
Unrestricted Surplus (Loss)			
Donor Restricted Surplus (Loss)			
Endowment			
Unrestricted Surplus (Loss)			
Donor Restricted Surplus (Loss)			

Chart G2: Net Assets Reported on Council Statement Compared to Auditor’s Statement

Financial Statement	Fund 1 Unrest	Fund 1 Rest	Fund 2 Unrest	Fund 2 Rest	Fund 3 Unrest	Fund 3 Rest
Council						
Audit						

G-1 ♦ Y N
 The council has an audit committee that meets the qualifications outlined in the current Audit Committee Matrix. The committee members should have in-depth business knowledge and familiarity with not-for-profit accounting practices and concepts. *(Verify resolution in Chart L1.)* [BSA]

T F
 The audit committee does not include any council officers or council staff members.
 Minutes from the audit committee meetings are recorded and retained.
 Most recent audit committee meeting date:

G-2 ♦ Did the audit committee take action and approve the following? [BSA]

- Y N
- Place the audit out for bid. Year of last request for bids:
 - Define the scope of the audit.
 - Review the letter of engagement and present it to the executive board for approval. *(Verify resolution in Chart L1.)*
 - Review draft audit statements.
 - Review final audit statements.
 - Did the chairman or designee present the audit to the executive board for approval? *(Verify resolution in Chart L1.)*

Section G: Audits (continued)

G-3 Y N
 The accounts and records of the council are audited annually by an independent certified public accountant. [\[BSA\]](#)

T F
 The audit has not been performed by the same audit partner more than three years in row.

The auditor is not affiliated with an officer or board member of the council.

G-4 ♦ Review most recent audits. Years reviewed:

Y N
 The auditor gave an unmodified opinion regarding the financial statements.

G-5 ♦ Do the following on the most recent audited financial statements match the comparable BSA system-generated financial statements? (*See Chart G*)

Y N
 Statement of Changes in Net Assets
 Statement of Financial Position

G-6 ♦ Review the most recent auditor's management letters and council management's response to the letters. (*Verify resolution in Chart L1.*) [\[BSA\]](#)

Y N N/A
 The council has taken steps to correct deficiencies and adhere to the recommendations included in the auditor's management letter.

G-7 None of the following accounting functions are performed by the auditor:

T F
 Reconciliations
 Receivables
 Endowment
 Fixed assets
 Insurance
 Excess reimbursement
 Depreciation
 Write downs
 Allowance for uncollectibles

G-8 For the most recent audit, the council provided a copy of the following items to the National Service Center: [\[BSA\]](#)

Y N
 Audited financial statements
 SAS 115 (AU-C § 265) auditor's management letter
 Management letter response addressing all advisory comments
 Required documents were submitted to the National Service Center by July 31st.

Section H: Taxes & Government Reporting

H-1 Y N
 The council has the current federal tax exemption letter [501(c)(3)], a letter from the BSA, the most recent IRS group exemption information to tie the council to the BSA exemption, and state exemption documents (if applicable) on file in the council office. [\[Government\]](#)

H-2 ♦ Y N N/A
 The council has the state sales tax regulations available. [\[Government\]](#)

The council separates taxable sales from non-taxable sales and complies with state or local laws with the collection of sales tax on:

Y N N/A
 Trading post or Scout shop sales
 Camp trading post sales
 Vending machine sales
 Ticket and product sales
 Boys' Life subscriptions
 Camp fees
 Other sales from the council office
 Is the *Retail Sales Tax Permit* displayed at service center?

Date of last sales tax payments:

H-3 Y N
 The council promptly files the Employer's Quarterly Return of Taxes Withheld, Form 941 (and the state equivalent if required). [\[Government\]](#)

Date last filed:

Y N
 A copy of the form is on file in the council office.

H-4 Y N
 W-2 forms are mailed or handed to all employees by January 31. [\[Government\]](#)

H-5 ♦ Y N N/A
 The council issues 1099 forms to any vendor who meets the IRS criteria for 1099s. [\[Government\]](#)

Y N N/A
 Does the council maintain a file of W-9s from these vendors?
 Does the council backup withhold for vendors with missing or incorrect taxpayer identification numbers?

Section H: Taxes & Government Reporting (continued)

H-6 The council completes necessary IRS forms relative to noncash gifts: [\[Government\]](#)

Y N N/A

The council or its representative has filed IRS Form 1098-C, listing the gross proceeds from the sale of donated cars, boats and airplanes valued over \$500, and has provided the donor with Copy B, C & D of Form 1098-C within 30 days of the sale of the vehicle.

Y N

If the council or its representative prepared any Form 1098-C(s) during the year, it has also filed IRS Form 1096 by February 28 of the following year.

If requested by the donor, the council has signed Part IV of Section B, IRS Form 8283 for all noncash donations (except publicly traded securities) valued at over \$5,000.

Within 125 days of disposition, the council has filed IRS Form 8282 for any donated property (except publicly traded securities), valued at more than \$500 that it has sold, exchanged, or disposed of within 3 years of the contribution, and has provided the donor with a copy of Form 8282. In addition, cars, boats and airplanes are reported on Form 1098-C.

H-7 ♦ Review IRS Forms 990 that were prepared for the council and trust fund. (*Verify resolution in Chart L1.*)
[\[Government\]](#)

Council years reviewed:

Trust fund years reviewed:

Who signed the forms?

Y N N/A

Is Schedule 'R' attached to council 990, if it has a trust as a separate entity?

The signed form for most recent year was filed by May 15.

Y N

If not, was it filed with an approved extension using IRS Form 8868?

A copy was submitted to the National Service Center by June 1 or the approved extension.

Forms from the last three years are available for public inspection (required by law).

Was the council's tax preparer provided with the most recent version of the *Local Council Guide to IRS Forms 990 and 990-EZ*?

Y N N/A

H-8 The council pays the required taxes on unrelated business enterprises. [\[Government\]](#)

List any unrelated business enterprises (e.g. advertising):

Y N

If yes, did the council file IRS Form 990T?

Section H: Taxes & Government Reporting (continued)

H-9 Y N N/A
 The council has filed state financial returns by May 15 or approved extension.
[Government]

H-10 Y N N/A
 If the council receives any government funding, there is a board-authorized contract for such funding. *(Verify resolution in Chart L1.) [Government]*

Review the contract(s).

Y N
 If audits of the funding are required, they were filed on time.

Any compliance reports were filed on time.

Section I: Funding and Donor Development

Chart I: Fundraising Performance - Council-Generated Contributions

Year-to-Date Total Dollars	Prior Year-End:	Last Month:	Notes
Most recent year-end/period			
Prior year – same period			
Two years prior			
Three years prior			
Percent growth over three-year average			
Fundraising – Volunteer Manpower			
Volunteers Engaged	Current Year:	Notes	
Number on council FOS committee			
Number on major gifts/endowment cte.			
Number of districts			
Number with community FOS chairs			
Number with family FOS chairs			
Fundraising – Executive Board Engagement			
Board Members Engaged	Current Year:	Notes	
Percent making an annual gift			
Percent securing gifts from others			
Percent participating in special events			

- I-1 ♦ Y N
 The council shows improvement in its fundraising results. *(See Chart I)* For the last closed month, council-generated contributions in the operating fund increased over the prior three-year average at this same time. Council-generated contributions include FOS, project sales, net special events, foundations and trusts, and other direct support. These include reclassified gifts that were temporarily restricted. [\[BSA\]](#)
- I-2 ♦ Y N
 The council has an active Friends of Scouting campaign committee. *(See Chart I)*
 Name of Council FOS Chairman:
- I-3 ♦ Y N
 The council utilizes the steering committee process in its council and district fundraising efforts? Describe the process:

Section I: Funding & Donor Development (continued)

- I-10 ♦ ^Y ^N The council has a plan for tracking perpetual (permanently) donor restricted endowment and deferred endowment/major gifts (life insurance, bequests from wills, etc.) and maintains files with supporting documentation.
- ^Y ^N ^{N/A} There is a signed donor intent form on file for all current endowment pledges listed in the fundraising system.
- There are files for each planned giving gift showing the commitments made by both the council and the donor, and these are kept in a secure location.
- The value of the perpetually restricted net assets in the endowment fund is correctly stated on council financial statements and supported with documentation.
[Government]
- I-11 ♦ ^Y ^N Is the council registered in every state where it is actively soliciting charitable contributions (including direct mail campaigns), as may be required by individual state law? *[Government]*
- I-12 ^Y ^N The council has adopted a gift acceptance policy. *(Verify resolution in Chart L1.)*
- I-13 ♦ ^Y ^N Has the council completed any capital improvements in the past five years?
If 'Y', what is the funding source?

Section J: Membership Administration

Chart J: Membership Growth

Youth Served	Prior Year-End:	Recent Year-End:	Notes
Cub Scouts			
Scouts BSA			
Venturing: Venturers and Sea Scouts			
Explorers and STEM Scouts			
Total Members			
Learning for Life: Curriculum Participants			
Community Impact: Total Market Share			
Units			
Total Units			

J-1 ♦ The council keeps three separate files on each unit: [\[BSA\]](#)

Y N

- 1. Copies of charter renewals, youth and adult applications, receipts, and the new rosters for current and past three years.
- 2. History file with unit expiration roster for each charter year (may be kept electronically.)
- 3. Advancement file with advancement reports (may be kept electronically.)
- Criminal background check authorization forms are retained in a separate file and filed alphabetically.
- The council safeguards all personal information with procedures designed to ensure privacy of all personal information for leaders, members, and organizations, including locked files and limited employee access on a “need to know” basis. [\[Government\]](#)

J-2 ♦ The council has adopted and agrees to follow the membership registration procedures in the *Registration Guidebook*. [\[BSA\]](#)

Y N

- Membership Ethics Training* is completed annually by the council and district Key 3s, other council professional staff, support staff, and program aides.
- Additional staff members hired during the year complete *Membership Ethics Training*. (NOTE: New executives will take the training as part of online training prior to DOB)

Section J: Membership Administration (continued)

J-3 ♦ The council meets BSA membership registration procedures regarding units. [\[BSA\]](#)

Y N N/A

There is an Annual Charter Agreement form present in files for all traditional units, signed by the chartered organization and commissioned professional or key council/district volunteer.

Files for Learning for Life groups contain a *Memorandum of Understanding* and counts of participants certified by a school official. (*Verify resolution in Chart L1.*)

There is a new unit application or charter renewal roster present for all units, signed or approved electronically by the chartered or participating organization.

New unit welcoming calls are completed and documented by a staff member not involved in organizing the new units.

An annual unit health review is completed for all units.

Y N

Detailed assessments are recorded to document the unit health reviews.

J-4 ♦ The council meets membership registration procedures regarding youth and adult registrants. [\[BSA\]](#)

Y N

Applications (paper or from approved online systems) are present for all new youth members and are signed (or approved electronically) by unit leaders and parents. The council follows procedures as outlined in the *Registration Guidebook* with properly signed documentation for council paid or third party paid membership.

Applications (paper or from approved online system reports) are present for all new adult leaders, complete with background information and the applicant's signature. The chartered or participating organization has approved all unit adult leader applications.

The Scout executive or designee has approved all applications for council/district volunteers or staff.

J-5 ♦ The Scout executive provides signature of approval in compliance with BSA membership registration procedures in the following situations: [\[BSA\]](#)

Y N N/A

Units with less than five paid or more than 100 members?

Units with more than a 50% drop or no changes at rechartering?

All adults in a unit are multiples?

Registration of staff members in units where they do not have a child in the program?

When council (or third-party) is paying all or part of the membership fee, after all other necessary approvals have been obtained?

Section J: Membership Administration (continued)

J-6 ♦ The council meets BSA membership registration procedures regarding Scoutreach programs. [\[BSA\]](#)

Y N N/A

Does the council have an active "Scoutreach" committee with a chairman or vice president reporting to the executive board? Chairman or VP name:

At one executive board meeting each year (but NOT at the council annual meeting), a summary sheet of specific assistance funds spent on registration detailing the units, the number of youth registered, and the dollar amount spent must be in the agenda for approval or in the minutes as reported during the membership report. It must also be documented at this board meeting that the board has reviewed the curriculum established for all the Scoutreach units, ensured that it meets the BSA minimum program requirements, and approved these units and curriculum for the year.

Year reviewed:

Authorized amount for registration: \$ Actual spent: \$

Records are maintained of meetings, activities, advancements, etc. for all units where the council is providing leadership.

Y N

J-7 ♦ Is there an Unregistered Unit Report (#28-403Q or #524-403) in the unit file for each dropped unit, signed by the chartered organization representative, a council representative, and approved by management? [\[BSA\]](#)

Y N

J-8 Is the council registrar fully trained for the duties of his/her position?

Y N

Has the registrar completed a BSA Registrar Certification course?
Date certified:

Y N

J-9 A yearly check is made to be sure only current registration forms are kept in stock. *(See stock of forms.)*

Y N

J-10 All merit badge counselors are registered with the BSA (fee payment is optional). [\[BSA\]](#)

Spot-check merit badge counselor rosters with registration rosters.

Y N

J-13 ♦ The council has an established plan to transmit new registrants to the criminal background check vendor and reviews results weekly. *(Look for the submitted file.)* [\[BSA\]](#)

Section J: Membership Administration (continued)

J-14 ♦ ^Y ^N (Print and review the Criminal Background Check Tracking Report.) None of the background checks are past due.

Number past due 15+ days:

Number past due 30+ days:

Number past due 45+ days:

J-15 ^Y ^N Criminal background check submittal edit lists are shredded immediately after use. [\[BSA\]](#)

J-16 ^Y ^N A locked confidential file is maintained consisting of the reports from the CBC vendor of criminal records of individuals that were not placed on the Ineligible Volunteer File. These files are kept as long as an individual is registered or active. [\[BSA\]](#)

J-17 ^Y ^N The council promptly reports and sends all membership denial or revocation actions to the Membership Standards Team (Ineligible Volunteer File, including criminal background checks and locally reported issues). [\[BSA\]](#)

Review the list of files sent to the National Service Center (no completed files should be found in the council office).

Section K: Program and Unit Services

Chart K: Council Camping Report – September 1 – August 31

Number of Youth Camping	Prior Year:	Recent Report:	Notes
Cub Scouts			
Scouts BSA			
Venturing: Venturers and Sea Scouts			

K-1 ♦ Procedures for good fiscal stewardship are applied to council programs. [\[BSA\]](#)

Y N

- All events, activities, and camps follow the appropriate policies related to cash advances, the use of field receipts and gross accounting. *(Review policy.)*
- Operating committees, such as activities, advancement, camping, and training, review budgets and financial performance using project management reports from the general ledger.
- Activities with associated income or expenses have an approved budget that is shared with the volunteer chairman and operate with positive net revenue over expenses.
- Income and expense documentation is normally submitted within two weeks of an event's closing.
- Camping programs collectively operate with positive net revenue over expenses, including providing for indirect administrative expenses and professional staff with camp responsibilities.
- Summer camp budgets provide funds for routine capital improvements.

K-2 Successful summer programs are provided for all age groups. *(See Chart K)* [\[BSA\]](#)

Y N

- During the most recent year, at least 40% of registered (as of June 30) Cub Scouts attended a day camp, family camp, or resident camp.
- During the most recent year, at least 57% of registered (as of June 30) Scouts BSA attended a long-term summer camp, high adventure experience, jamboree, or served on camp staff.
- During the most recent year, Venturing crews/Sea Scout ships participated in a long-term camping or high adventure experience.

Y N

K-4 Documentation of attendance is maintained for district and council outdoor programs. [\[BSA\]](#)

Y N

K-5 The Order of the Arrow custodial accounts and financial activities are reviewed quarterly by the OA Key 3.

Section K: Program and Unit Services (continued)

- K-7 Y N
 An active commissioner staff is involved with supporting units in providing a quality program. There is at least one unit commissioner registered for every six units. [\[BSA\]](#)
- The council uses *Commissioner Tools* to record contacts to units by commissioners and sufficient contacts have been recorded for at least 10% of units.

Section L: Corporate Administration

Chart L1: Items Recorded in Minutes of Annual Meeting, Executive Board, or Executive Committee

Item	Financial Resolutions	Meeting Date	Notes
A-12	Access to safe deposit box		
A-13	Members of investment or trust advisory committee		
A-15	Investment policy		
A-16	Spending policy		
B-12	Authorization to borrow funds		
B-13	Transfers between funds		
D-4	Check signers and controls		
D-8	Credit card controls		
E-1	Capitalization policy		
E-2	Capital development plans & fixed asset purchases		
E-3	Approval to sell a fixed asset		
F-2	Approval of operating budget		
F-2	Approval of capital budget		
F-2	Approval of endowment budget		
F-3	Funds beyond budget		
G-1	Members of audit committee		
G-2	Auditor letter of engagement		
G-2	Acceptance of audit		
G-6	Acceptance of management letter		
H-7	Approval of IRS Form 990		
H-10	Approval of government contracts		
I-12	Gift acceptance policy		
J-3	Learning for Life license fee		
J-5	Council-assisted registration budget and procedures		
	<i>United Way partnership agreement</i>		

Item	Records	Meeting Date	Notes
N-2	Records retention policy		
N-2	Public inspection policy		
O-14	Internet, voicemail, email policies		
O-16	Personal information security policy		

Section L: Corporate Administration (continued)

Resolutions Recorded in Minutes (continued)

Item	Council Governance	Meeting Date	Notes
L-2	Approval of council bylaws		
L-2	Appointment of board committees		
L-2	Authority of Scout executive		
L-4	Members of nominating committee		
L-4	Election of members-at-large		
L-4	Election of associate and honorary members		
L-4	Election of executive board		
L-4	Election of advisory council		
L-4	Election of national representatives		
L-4	Election of officers		
L-4	Election of district chairmen to the executive board		
L-4	Approval of commissioners		
L-10	Council Strategic Plan		
L-12	Whistleblower policy		
L-15	Crisis communications plan		
L-17	Conflict of interest - board		
M-4	Members of risk management committee		
	<i>Renewal of council charter</i>		
	<i>Approval of annual report</i>		
	<i>Code of Ethics policy</i>		

Item	Personnel	Meeting Date	Notes
L-11	Approval of staff organization chart		
L-17	Conflict of interest - employees		
	<i>Scout executive compensation and expense reimbursement</i>		

Section L: Corporate Administration (continued)

L-3 ♦ The council is organized as prescribed in its bylaws. [\[BSA\]](#)

Y N	Bylaws Item	Bylaws Specification	Actual
<input type="checkbox"/> <input type="checkbox"/>	Regular board members	Board size:	Actual count:
<input type="checkbox"/> <input type="checkbox"/>	Council officers	Vice presidents:	Actual count:
<input type="checkbox"/> <input type="checkbox"/>	Committees of the board	No. specified:	No. with chairs:
<input type="checkbox"/> <input type="checkbox"/>	Meetings of the board	Minimum:	Actual last year:

L-4 ♦ The council follows its bylaws regarding the nominating committee and annual election. [\[BSA\]](#)

Y N

Prior to the last annual meeting, the appointment of the nominating committee was done within the prescribed time period and is recorded in executive board or executive committee minutes. *(Verify resolution in Chart L1.)*

Legal notification was made through methods approved in the bylaws to members-at-large and chartered organization representatives within the required time frame.

There was a legal quorum at the last annual meeting based on the council bylaws.
The percent required is: The number required for a quorum is:

Date of meeting:

Total number of chartered organization representatives: No. in attendance:

Total number of members-at-large: No. in attendance:

Were proper election procedures followed? *(Verify resolution in Chart L1.)*

Y N

L-5 ♦ Minutes of the annual meeting, executive committee meetings, and executive board meetings are kept in a secure location in an appropriate binder. Signed copies of the minutes and resolutions should be kept in a binder separate from meeting packets. [\[BSA\]](#)

Minutes contain the following key elements:

Y N

Date, location, start and end times

Attendance and a statement of quorum

A listing of all actions taken

Council president or presiding officer's signature

Scout executive's signature

Executive committee minutes are approved by the executive board.

Annual meeting minutes are approved at the next annual meeting.

A resolutions log is maintained.

Section L: Corporate Administration (continued)

- L-6** ♦ Members of the executive board and advisory council are registered with the BSA. [\[BSA\]](#)
- Y N
 When comparing BSA records with a “board list,” are all executive board members registered?
Number of executive board members:
Number of executive board members registered:
- Are all advisory council members registered?
Number of advisory council members:
Number of advisory council members registered:
- Y N
L-7 The council has an executive board members’ guidebook.
- Y N
L-8 The council conducts an orientation for all new executive board members, council officers, and district chairmen. *(Review the materials/plans.)*
- Date of the most recent orientation:
Number of new executive board members within the past year:
Number of new executive board members receiving orientation:
- Y N
L-9 The executive board has completed a board self-assessment within the past three years.
- Date completed:
- Y N
L-10 ♦ The council has a current strategic plan (focus.) *(Verify resolution in Chart L1.)*
- Date of current plan:
- Y N
 Has the council completed a properties-needs assessment?
- Y N
L-11 The council has on file a current council professional/staff organization chart. *(Verify resolution in Chart L1.)* [\[BSA\]](#)
- All commissioned professional staff members and staff having direct contact with youth, such as camp rangers are registered.
- While not required, office staff are offered the opportunity to register.
- Y N
L-12 ♦ The council has a whistleblower policy. *(Verify resolution in Chart L1.)* [\[BSA\]](#)
- Y N
L-13 ♦ The current Scout executive has been registered with the secretary of state or other state agency as the corporation's registered agent. [\[Government\]](#)
- Y N N/A
L-14 ♦ Files are kept on each matter of pending legal litigation. [\[BSA\]](#)

Section L: Corporate Administration (continued)

L-15 ♦ ^Y ^N A crisis communications plan is available where specified team members are aware of their responsibilities and have access to the plan. *(Verify resolution in Chart L1.) [BSA]*

L-16 ♦ ^Y ^N The council has a written plan to improve the diversity of its staff and executive board.

^Y ^N The council nominating committee represents the diversity in the council's territory. List members:

L-17 ♦ ^Y ^N The council has conflict of interest policies for its executive board members and employees. *(Verify resolution in Chart L1.) [BSA]*

^Y ^N A file is maintained containing signed agreements of compliance from each of the executive board members.

There is a signed agreement of compliance in each employee's personnel file.

L-18 ♦ ^Y ^N There is a succession plan for key officers, such as the council president and commissioner.

Section M: Insurance & Risk Management

M-1 ♦ The council has insurance coverage in its legal name for the following:

Y	N	N/A	
<input checked="" type="checkbox"/>			General liability
<input checked="" type="checkbox"/>			Excess liability
<input type="checkbox"/>	<input style="border: 1px solid red;" type="checkbox"/>	<input type="checkbox"/>	Property/buildings and contents
<input type="checkbox"/>	<input style="border: 1px solid red;" type="checkbox"/>	<input type="checkbox"/>	Business interruption
<input type="checkbox"/>	<input style="border: 1px solid red;" type="checkbox"/>	<input type="checkbox"/>	Blanket crime policy covering employees, council treasurer and any assistants.
<input type="checkbox"/>	<input style="border: 1px solid red;" type="checkbox"/>	<input type="checkbox"/>	Vehicles: \$1,000,000 liability owned/non-owned, hired and leased, including coverage for volunteers <i>[BSA]</i>
<input type="checkbox"/>	<input style="border: 1px solid red;" type="checkbox"/>	<input type="checkbox"/>	Directors and officers (ask about coverage beyond that purchased by the BSA)
<input type="checkbox"/>	<input style="border: 1px solid red;" type="checkbox"/>	<input type="checkbox"/>	Workers compensation
<input type="checkbox"/>	<input style="border: 1px solid red;" type="checkbox"/>	<input type="checkbox"/>	Council accident and sickness
<input type="checkbox"/>	<input style="border: 1px solid red;" type="checkbox"/>	<input type="checkbox"/>	Event cancellation
<input type="checkbox"/>	<input style="border: 1px solid red;" type="checkbox"/>	<input type="checkbox"/>	Flood
<input type="checkbox"/>	<input style="border: 1px solid red;" type="checkbox"/>	<input type="checkbox"/>	Earthquake
<input type="checkbox"/>	<input style="border: 1px solid red;" type="checkbox"/>	<input type="checkbox"/>	Other: specify

M-2 Y N
 Has a new or updated insurance property appraisal been completed within the last five years on all buildings and equipment?

Review the latest appraisal. Date of the appraisal:

Y N
 Are all buildings and contents insured at replacement value?

M-3 Y N
 Insurance coverage has been reviewed within the past five years for appropriate coverage and pricing. Date of most recent review:

M-4 ♦ Y N
 The council has an active enterprise risk management committee, including a chairman. *(Verify resolution in Chart L1.) [BSA]*

Name of chairman: Date of last committee meeting:

M-5 Y N
 The council maintains, and the insurance or enterprise risk management committee reviews, a ledger of all insurance policies indicating the coverage, broker, where to reach the broker, and the insurance companies' names.

Y N
 An insurance schedule is maintained to allocate and track insurance expenses on a monthly basis.

Section M: Insurance & Risk Management (continued)

M-6 Y N
 Within the last three years, the insurance or enterprise risk management committee has reviewed the services and arrangements with the council's insurance agents.

M-7 ♦ Y N
 All injuries, illnesses, and incidents requiring the intervention of a medical provider beyond basic Scout-rendered first aid are reported to BSA Riskconnect using MyBSA-Resources-Incident Reporting within 72 hours. Serious youth protection violations, membership standards infractions and near misses are also reported. Serious incidents will need to be reported to the regional and area director and to pr@scouting.org as soon as reasonably possible, and incident reports will need to be submitted online within 24 hours. *[BSA]*

 Y N
 Key staff members have access to the Incident Reporting tool. The following individuals are assigned a license to access the tool: , , ,
(Each council is given four licenses. Verify with council administrator.)

Incident Reporting kits (#680-147) are assigned to all field staff and selected office staff.

A system is in place for reporting incidents at council activities (including camps), as well as collecting reports from unit leaders.

M-8 Y N
 Medical log books (bound) for each camp are kept in a secure file in the council office.
[Government]

 Review log books.

M-9 ♦ The council secures a certificate of insurance or has purchased additional liability coverage when leasing or renting its properties/facilities to non-Scouting groups. *[BSA]*

 Y N N/A
 The council obtains a "qualifying" certificate of insurance from the lessee or secures event insurance for all non-Scout use of council facilities, equipment or properties.

Please contact Risk Management at the National Service Center for resources and assistance in addressing any of these questions.

Section N: Office Administration

N-1 ♦ Y N
 The council has a service center policies and procedures manual.
 Date Updated:

As part of the office procedures manual or as a separate document, the council has created and distributed a set of fiscal stewardship policies and procedures to all regular employees, using the guidelines recommended by the BSA.

N-2 Y N
 The council maintains an effective filing system. Important fiscal, membership, and administrative records are retained for easy reference and public inspection. (*Verify resolution in Chart L1.*)

N-3 ♦ Critical office functions are assigned to a trained employee who has a trained back-up.

Y N	Office Function	Assigned Person	Back-up Person
<input type="checkbox"/> <input type="checkbox"/>	Accounting		
<input type="checkbox"/> <input type="checkbox"/>	Accounts Payable		
<input type="checkbox"/> <input type="checkbox"/>	Payroll		
<input type="checkbox"/> <input type="checkbox"/>	Fundraising		
<input type="checkbox"/> <input type="checkbox"/>	Membership		
<input type="checkbox"/> <input type="checkbox"/>	Trading Post/Cash Receipts		
<input type="checkbox"/> <input type="checkbox"/>	Phone/Reception		
<input type="checkbox"/> <input type="checkbox"/>	System Administrator		

N-8 Y N
 The council has a policy regarding reimbursement and use of cell phones for business purposes. [*Government*]

N-9 Y N
 The office internal appearance presents both a public and professional environment as well as pleasant, safe working conditions.

N-10 Y N
 The office grounds, parking lot, landscaping, lighting, and the building's exterior are well maintained and aesthetically pleasing.

N-11 Y N
 In the reviewer's opinion, has the council made a reasonable attempt to make the service center accessible for a person with physical disabilities. (E.g. office is wheelchair accessible, there are handicap stalls in the restrooms, and hallways and doorways are 36" wide.) [*Government*]

N-12 Y N
 The council has a business recovery plan. [*BSA*] Date Updated:

The council has an effective technology disaster recovery plan.

Section O: Technology Administration

- O-1** Y N N/A
 The council has a maintenance contract with a local service provider on critical council equipment including computer systems, printers, security system, and phone system.
- Review the contracts for cost, expiration date, and contractor information.
- O-2** Y N
 The council has a dedicated telephone line and modem connected to the National Council-supported Net Screen firewall. *(The council may know what this phone number is or it may be listed on the modem itself. If not, call National Member Care and ask for the "out of band" modem phone number. Dial that number and listen for a fax tone. If tone, mark yes, if not, mark no and notify security@netbsa.org.)*
- O-3** Y N N/A
 The council file server is located in an area that is locked with access only to authorized personnel. [\[BSA\]](#)
- O-5** The council has a system for backing-up computer data.
- Y N
 There is a daily back-up local network computer data directories and server systems.
 There is a daily back-up of point-of-sale data.
 Back-up files are stored off-site.
- O-8** Y N
 All workstations and laptops have the latest version of anti-virus software (Trend Micro 10.0) updated to the current pattern.
- All servers have the latest version of anti-virus software (Trend Micro 10.0) updated to the current pattern.
- O-9** Y N
 The council has implemented Internet Content Filtering, a service offered by the National Council, to block inappropriate and offensive Web sites. (Using a council computer, try to log into www.777.com. If blocked, answer is yes; otherwise, no.)

Section O: Technology Administration (continued)

O-11 The council has procedures for managing local passwords?

Y N

Are local passwords changed on a regular basis?

Are complex passwords required?

Passwords are not openly displayed at or near the workstation.

Y N

O-12 The Scout executive reviews and certifies user roles in PeopleSoft on a semi-annual schedule. *[BSA]*

Y N N/A

If the council is using SharePoint, a review has been completed of current users and their roles. *[BSA]*

Y N

O-14 The council has a policy regarding internet usage at any of its facilities with internet access. *(Verify resolution in Chart L1.) [BSA]*

Y N N/A

O-15 The council's wireless solutions meet the National Wireless Policy. *[BSA]*

Y N N/A

If there is an internal wireless network, access is limited to employees.

If there is an external wireless network available to volunteers and others, it is located outside the council's internal network. (The BSA can assist in setting-up a visitor's network on the council's firewall.)

Y N

O-16 Is the council web site protected by a firewall? *[BSA]*

Y N N/A

If the council collects personal information through its web site or through a third-party web site, do the web pages display a security policy protecting this information and provide the rules governing data collection from minors? *(Verify resolution in Chart L1.) [Government]*

Section P: Human Resources Administration

P-1 ♦ Y N
 The official personnel files of the council employees are securely maintained in the council office. The information in the files is released on a “need to know” basis, and only to the current supervisor of the employee or to an interviewing supervisor with the approval of the office manager.

The following are examples of routine information maintained in each employee’s file. (Some may be maintained electronically.):

- | | |
|--|--------------------------------------|
| Job profile | Proof of auto insurance |
| Performance reviews | Memos of commendations |
| Résumé | Employment referral awards |
| Attendance records | Training records/certificates |
| Changes of name/address | Updated educational records |
| Letter of employment | Approved vacation carryover/payments |
| Verbal and/or written reprimands | New hire form |
| Handbook signature receipts | Change of position/salary notices |
| Conflict of interest signature receipt | Salary change notices |

P-2 ♦ The following types of documentation are maintained in separate file folders in a secure location:

- Y N N/A
- I-9 Employment Eligibility Verification forms for individuals employed after 11/06/1986. For employees completing forms after May 7, 2013, Form I-9 (Rev. 07/17/17) must be used. These forms are signed by the council. [\[Government\]](#)
- Illness reports and/or family medical leave documentation. [\[Government\]](#)
- Notes, reports, and other products related to an investigation involving an employee.

P-3 ♦ Y N
 The council has a current, locally adopted employee handbook that outlines all human resources policies and practices. Handbook is in accordance with the suggested National Council guidelines for exempt and non-exempt employees and has been reviewed by a local labor attorney. [\[BSA\]](#) Last revision date for handbook:

Y N
 There is a signed acknowledgement of receipt in each employee’s personnel file.

P-4 Each council employee has a letter of employment and a current job profile that has been mutually agreed upon. [\[BSA\]](#)

Y N
 Each employee has a letter of employment on file for his/her initial hire with the council.

Each has a job profile in line with his/her current position’s responsibilities.

Section P: Human Resources Administration (continued)

P-9 ♦ ^{Y N}
Each employee who is in a regular, year-round position, scheduled to work at least 30 hours a week, (21 hours for anyone hired or rehired before June 1, 2004) is offered employer-paid benefits.
[Government]

List any benefits outside the standard BSA package:

^{Y N N/A}
When computing retirement benefits and life insurance value, the council reports the fair market value of any housing provided to a camp ranger or other employee where such housing is required for employment with the council.

P-11 ♦ ^{Y N}
The council calculates life insurance and the Scout Executives' Alliance amounting to over \$50,000 for each employee and, if required, shows amounts of imputed income on the employees W-2 form. This is calculated on employer paid and employee pre-tax contributions. (IRS requirement) *[Government] [3rd Party]*

P-12 ♦ ^{Y N}
The council uses a formal process for onboarding new employees.

P-13 ^{Y N}
The Scout executive and key staff members have access, can demonstrate accessibility, and actually utilize *The Briefcase*. *[BSA]*

P-15 ♦ ^{Y N}
Federal rules are followed for exempt and non-exempt employees regarding payments for overtime. (*Ask if "comp time" is used. If so, then top management should be alerted that federal law prohibits this practice beyond the work week. Laws vary in some states, such as California or Colorado.*) *[Government]*

Review time clock records and overtime payments.

^{Y N}
Are employees properly classified?

List any non-commissioned, exempt employees:

P-16 ^{Y N}
Individuals providing services as independent contractors are properly classified.
List any independent contractors: *[Government]*

P-17 ^{Y N}
The council has an adequate first aid kit in its office that includes protective gloves.

Section P: Human Resources Administration (continued)

P-18 All charts and notices required by federal and state law are posted. (Resources for updated and consolidated posters: www.allinoneposters.com or www.postercompliancecenter.com.) *[Government]*

Y N Federal Posters

- Employee Polygraph Protection Act
- Equal Employment Opportunity Act – Includes Genetic Information Nondiscrimination
- Fair Labor Standards Act – 2009 Minimum Wage
- Family and Medical Leave Act
- OSHA Job Safety Health Protection
- Uniformed Services Employment and Reemployment Rights Act

Y N State Posters

- Wage and Hour Laws, Overtime Laws
- Workers' Compensation
- Unemployment Compensation
- Other state-required item: Specify:
- Other state-required item: Specify:
- Other state-required item: Specify:
- Other state-required item: Specify:
- Other state-required item: Specify:
- Other state-required item: Specify:

P-19 The council has established written safety policies, rules, procedures, and training which meet minimum federal and state OSHA requirements for the following: (Reference: A Guide to OSHA Plans 19-431A and OSHA laws that affect camps and conferences 19-450A. Numbers in brackets reference OSHA's Occupational Safety and Health Standards.) *[Government]*

Y N

Emergency Action Plan [29CFR 1910.38]

Y N

- Fire evacuation plans are posted with a designated assembly area.
- There is a log or documentation of fire drills.

Fire Prevention Plan [29CFR 1910.39]

Fire extinguishers are certified annually and inspected monthly.

Hazard Communications Plan [29CFR 1910.1200]

Safety Data Sheets (SDS) are on hand and up-to-date for each hazardous substance used by the council.

Lockout/Tag-Out Program [29CFR 1910.147]

Blood-borne Pathogens [29CFR 1910.120]

Review the knowledge and understanding of blood-borne pathogen procedures with employees located in reception area.