

# Best Record Keeping Practices

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Student Organizations

# Why do you need it

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- Protects against loss of funds
- Provides accurate information for decision making, efficiency, and management
- Supports legal and operational requirements

# Income and Expenses

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- A general ledger should be kept of your daily expenses and deposits and updated regularly.
  - The general ledger proves the accuracy of all transactions and exposes discrepancies such as double billings or payments. It provides an internal and external **audit trail** that will come in handy if you are called upon to explain your organization's finances.
  - It will make monthly reconciliations of your bank statements faster and easier to reconcile.
- All income should be deposited and records kept of the deposits.
  - Cash deposits should be made daily
- All expenses should be paid with a check if possible. This provides a record of the transaction.
- If a payment has to be made in cash then a receipt should be acquired to prove the payment was made.
- All receipts (paid and received) should be kept for end of the year tax purposes and for documentation of all transactions.

# Monthly

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- Monthly statements of income and expenses should be shared with other officers/members of the organization
- Monthly bank reconciliations should be done at the beginning of each month for the prior month