



We hope this newsletter will provide answers to questions that you may have in your Council in regards to the Constitution and By-Laws.

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If you have any questions whatsoever regarding information printed in this newsletter, please do not hesitate to contact the State Advocate or the State Deputy.

Feel free to e-mail the State Advocate at mbourgoïn@tamc.org if you wish to see a specific issue addressed in this newsletter.

Semi-Annual Audits

As State Advocate (and a long standing Trustee in my council), I have been fortunate to get an opportunity to review some of the forms (specifically semiannual council audits) that are submitted to the State Deputy (with his permission of course).

Though the Maine State Council has repeatedly advised local councils on how to complete these forms, a significant number of those trustees “entrusted to conduct the audit” are not doing it correctly. We also hope that the Financial Secretary and Treasurer are not completing these audits themselves, as this would be a violation of the Supreme By-Laws.

As excerpted in Section 145 of the said By-Laws: The Grand Knight along with 3 elected Trustees (one trustee to hold office for one year, one trustee to hold office for two years, and trustee one to hold office for three years) are to conduct the audit every 6 months in January and July. The Trustees shall have supervision of all financial business of the council.

Trustees must pay Special Attention to following Items

Schedule B – Cash Transactions

Financial Secretary - Cash on hand at the beginning of the period should be zero.

Cash Received from other sources (explain kind and amount) - is where you show your fundraising efforts, Bingo Programs, etc. However, if you conduct a Tootsie Roll Drive, those monies CANNOT be listed on the audit as revenue.

The State Community Director thoroughly explains this in his newsletters. Once monies are raised, you must convert this to a money order or cashier’s check; then send it to the State Council.

Financial Secretary – Cash on hand at end of period MUST be the same amount listed as
Treasurer – Cash on hand at beginning of period.

Treasurer – Net balance on hand MUST be the same amount as the next audit’s **Treasurer** – Cash On hand beginning of period. (Show as a revolving account from one 6 month period to another.)

Interest earned on Investments – if you show “interest earned” of more than a (say) fifty dollars, this means your council must have a significant amount of money in stocks, bonds, savings, certificate of deposit (CD), etc. This “investment” must be listed in **Schedule C – Assets & Liabilities**.

Transfers To and/or From Savings/Investments Accounts – if you transfer to and/or from savings/ investments, stocks, bonds, CDs, etc. it must be reflected in **Section C – Assets & Liabilities**.

Schedule C – Assets and Liabilities

Investments: Real Estate CANNOT be listed on the audit as local councils CANNOT own property. If the local council meets in a hall and the hall is owned by a home corporation; this CANNOT be documented on the council’s audit. However, councils can list furniture such as tables and chairs if used solely by the council and not owned by a home corporation.