

**GRAND COMMANDERY OF KNIGHTS TEMPLAR
AND THE APPENDANT ORDERS OF
MASSACHUSETTS AND RHODE ISLAND**

Sir Knight James Ian Ogilvie
Right Eminent Grand Commander

Sir Knight Donald S. Stevens
Eminent Grand Recorder

October 28, 2023

To all constituent Commanderies within the Jurisdiction of, and holding allegiance to, the Grand Commandery of Knights Templar and the Appendant Orders of Massachusetts and Rhode Island:

GENERAL ORDER, NO. 6

Greetings Sir Knights,

As a means to give additional guidance to the Commanderies in our jurisdiction with respect to procedures to be followed in the performance of an audit of Commandery financials, it is hereby ordered that Exhibit A is to be used as an outline in preparing for the annual audit of your Commandery's Treasury and Invested funds unless you are employing an outside auditor to perform this important duty. In either case, Exhibit B is to be signed by the Eminent Commander, Generalissimo, Captain General, Treasurer and Recorder as well as the auditor(s) and submitted with evidence of filing your Federal Form 990 and other requested documents as required by your Inspecting Officer at the annual Inspection. These forms will be available for download on the Grand Commandery website.

This General Order will expire and is then null and void at the end of the 2023 – 2024 Grand Commandery Templar Year. However, this General Order is made jointly with the Grand Commander and the Deputy Grand Commander, and it is expected that the presumptive next Grand Commander will continue this program.

Attachment A – Commandery Audit Program
Attachment B – Reporting Form

Attachment A

COMMANDERY AUDIT PROGRAM

This requires that all annual reports including that of the Commandery auditors MUST be presented and approved before the Annual Inspection.

DOCUMENTS REQUIRED FOR AUDIT OF RECORDER AND TREASURER

1. Recorder
 - a. Cash book from November 1 through October 31
 - b. Minute book from November through October
 - c. Turnover receipts to Treasurer
 - d. Turnover receipts from the Treasurer
 - e. Copy of prior year's financial reports (in report of prior year's annual meeting)
 - f. Annual report of current year's receipts.

2. Treasurer
 - a. Cash book from November 1 through October 31
 - b. Turnover receipts from Recorder
 - c. Turnover receipts to Recorder (or receipt stubs in book)
 - d. Annual report of operating account receipts and disbursements which includes the beginning of the year and end of the year balances.
 - e. Annual report for all other accounts under the control of the Treasurer showing the beginning of the year balance, receipts, disbursements and end of the year balance.
 - f. Monthly or quarterly statements for all checking, savings and investment accounts and certificates of deposit under the Treasurer's control along with reconciliation of the year-end balance between the statements and the Treasurer's reports.
 - g. If available, copies of checks cashed by the bank.
 - h. Warrants with supporting invoices/documents for all disbursements during the year

PROCEDURES FOR AUDITING RECORDER'S AND TREASURER'S RECORDS

1. Select a sample of disbursements (usually 2 months) from the Treasurer's cash book and verify the following:
 - a. Expenditure was approved in the Recorder's minutes.
 - b. If an invoice should have been received, that the payee and the amount of the disbursement agrees with the invoice.
 - c. The amount withdrawn on the bank statement agrees with the Treasurer's cash book.
 - d. If checks or facsimiles are received from the bank, that the payee and amount agree with The Treasurer's cash book.
 - e. The payments were made in a timely manner.
2. Select a sample of monthly cash receipts (usually 2 months) from the Recorder's minutes book and verify the following:
 - a. The total amount from the minutes agrees with the turnover receipts from the Recorder to the Treasurer.
 - b. The total amount from the minutes agrees with the Treasurer's receipt to the Recorder.
 - c. The total amount from the turnover was deposited timely on the bank statement.
 - d. The categories of the receipts from the minutes agree with the categories in the Treasurer's cash book.
3. If the Treasurer has more than one account, verify that all transfers out of one account was promptly deposited into the other account.
4. Verify that the balance at the beginning of the year on the Treasurer's report agrees with the prior year's ending balance on the Treasurer's report.
5. Verify that all bank and investment balances at year-end are reconciled properly to the bank and investment reports.
6. Verify that the math on the Treasurer's report is correct.
7. Verify that the math on the Recorder's report of receipts is correct.
8. Verify that the total annual receipts on the Treasurer's report reconciles to the total on the Recorder's report of receipts.

PROCEDURES FOR ALL OTHER ACCOUNTS

1. General:

Each Commandery differs in the types of other bank and investment accounts and who is responsible for them. Many Commanderies have trustees who are responsible for certain bank and/or investment accounts such as the permanent funds and scholarship funds. In any case, all bank, investment and cash accounts of the Commandery must be audited and must be reported at the annual meeting and presented to the Inspecting Officer.

2. Records needed:

- a. Bank and investment statements from the Commandery's fiscal year.
- b. Cash receipts records for the year.
- c. Cash disbursement records for the year.
- d. Documentation to support all disbursements for the year.
- e. Annual financial reports for the year.
- f. Minutes of committee meetings for the year, if appropriate.
- g. Prior year reports for each account.

3. Audit Procedures:

- a. Verify that the beginning of the year balance on the report agrees with the prior year's ending balance.
- b. Verify that the end of year balance on the report reconciles to the bank or investment statement or cash fund held.
- c. Verify that the total cash receipts in the cash receipts records agrees to the annual report.
- d. Verify that the total cash disbursements in the disbursement records agrees to the annual report.
- e. Verify that the math on the annual report is correct.
- f. For any transfers to other Chapter accounts, verify that the amount is deposited timely in the other bank or investment statement.
- g. Select a sample of disbursements from the disbursement records, if any, and verify:
 1. The disbursement is properly supported by an invoice.
 2. The amount in the disbursement record matches the bank statement.

Attachment B

_____ Commandery, No. _____

Certification of Audit of Annual Reports
For the Period _____ 1, _____ through _____ 31, _____

To the Grand Commandery of Knights Templar of Massachusetts and Rhode Island,

I hereby certify that the attached Annual Reports of _____ Commandery, No. _____ are true, accurate and complete with all information required for this reporting period by the Grand Constitutions of the Grand Commandery of Massachusetts and Rhode Island.

I hereby represent that no material facts have been intentionally suppressed or misstated. I warrant that these financial statements present fairly, in all material respects, the financial position of this lodge.

I further warrant and represent that I am not responsible for, or have any knowledge of, any wrongful act or fact, circumstance or situation that might distort that financial position or result in a future insurance claim of any kind, e.g. property and casualty, liability, errors and omissions, fidelity, criminal acts, directors and officers, etc.

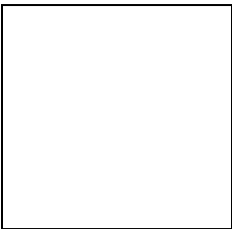
_____, Eminent Commander _____ Date

_____, Generalissimo _____ Date

_____, Captain General _____ Date

_____, Treasurer _____ Date

_____, Recorder _____ Date



Commandery Seal

We, the Audit Committee of _____ Commandery, No. _____, certify that we have carefully examined the records of the aforesaid Commandery including those of the Treasurer, Recorder and Trustees in accordance with procedures required by the Grand Commandery.

Chairman

Auditor

Auditor

Given under my hand and seal of the Grand Commandery of Knights Templar and the Appendant Orders of Massachusetts and Rhode Island, at Boston, Massachusetts, on this, the 28th day of October 2023, A.O. 905.

James Ian Ogilvie



GRAND COMMANDER

ATTEST:



Donald S. Stevens
GRAND RECORDER

