

REMOTE NONPROFIT RESOURCE

The Nonprofit Monthly Bookkeeping Readiness Checklist

A practical review for leaders who want cleaner books, more useful reports, and fewer surprises before the next board or operating decision.

Working audience: Nonprofits with approximately \$250,000-\$3 million in annual revenue

Use this checklist to identify which parts of the monthly bookkeeping process are clear and which questions may need a closer look. It is designed for an executive director, operations leader, finance committee member, or board treasurer who wants financial information that is current enough to support decisions.

Educational use only. This checklist provides general educational information. It is not individualized tax, legal, audit, investment, or financial advice, and completing it does not determine whether an organization needs a particular service.

1. Bank, credit-card, loan, and payment accounts

- ☐ Every active account is included in the bookkeeping process.
- ☐ Each account is reconciled through the latest completed month.
- ☐ Closed or inactive accounts are clearly identified.
- ☐ Outstanding deposits, transfers, checks, or payment-processor balances are understood.

Latest month fully reconciled

Accounts or questions needing attention

2. Unusual or unexplained activity

- ☐ Large, unfamiliar, duplicate, personal, or potentially misclassified transactions have been reviewed.
- ☐ Transfers between accounts are recorded consistently.
- ☐ Transactions waiting for supporting documentation are listed rather than left unexplained.

Items to review

3. Contributions, grants, and earned revenue

- ☐ Leadership can explain what the current revenue report represents.
- ☐ Contributions, grants, program revenue, reimbursements, and other earned revenue are distinguishable where applicable.
- ☐ Timing, restriction, or categorization questions are documented before leadership relies on the report.
- ☐ Outstanding grant, pledge, customer, or reimbursement balances are understandable where applicable.

Revenue questions

4. Expenses and functional reporting

- ☐ Recurring, one-time, reimbursable, and unusual expenses are distinguishable.
- ☐ Program, administrative, and fundraising classifications are understandable where the organization uses them.
- ☐ Shared costs or allocations that require judgment are documented and reviewed.
- ☐ Old vendor balances or reimbursements have a clear next action.

Expense or allocation questions

5. Payroll and contractors

- ☐ Payroll reports agree with the bookkeeping records for the latest completed month.
- ☐ Payroll liabilities and benefit-related accounts are understood.
- ☐ Contractor payments and supporting records are coordinated with the bookkeeping process.
- ☐ Known payroll corrections or timing differences are documented.

Payroll or contractor questions

6. Monthly financial reports

- ☐ Reports are delivered on a predictable monthly rhythm.
- ☐ Leadership can identify which reports are final and which still contain open questions.
- ☐ Actual activity can be compared with the approved budget at a useful level.
- ☐ Balance-sheet amounts that require explanation are discussed, not carried forward indefinitely.
- ☐ Reports are reviewed while they can still inform the next month's decisions.

Date of the last useful financial review

People who participated

Reports or explanations still needed

7. Board, grant, audit, and filing readiness

- ☐ Leadership knows which records or explanations remain open before the next board or finance-committee meeting.
- ☐ Grant or funder reporting requirements are identified where applicable.
- ☐ The organization can describe what remains unresolved before tax preparation, Form 990 work, or an audit where applicable.
- ☐ Sensitive records are shared only through the organization's approved process.

Next reporting or filing deadline

Open items

8. Decision readiness

- ☐ Leadership can name the next significant program, staffing, cash, budget, or board decision.
- ☐ The financial information needed for that decision is identified.
- ☐ Leadership knows whether the current books are reliable enough to support the decision.

Next important decision

Number, report, or explanation that would make it clearer

9. Communication and remote workflow

- ☐ Everyone knows who provides documents, who answers bookkeeping questions, and who approves decisions.
- ☐ The document-sharing and approval process is clear enough to use consistently.
- ☐ Questions have an agreed place to go and do not remain scattered across inboxes or informal messages.
- ☐ Leadership knows when the month is considered complete and what happens next.

Workflow issue that creates the most friction

Questions to carry into the next conversation

List the three items that would make the biggest practical difference if they became clearer.

1.

2.

3.

If several items are unclear, that does not mean the books are beyond repair. It may simply mean the current process needs a more dependable monthly rhythm. JRK Financial works remotely with select nonprofits and can talk through where things stand.

Talk through your books: Book a free consultation

Prefer to write: Send a message