

AUDIT PROCEDURE

1. Starting with last audited bank balance(s), add book receipts and subtract book expenditures (month by month) to confirm record of book balance(s).
2. Examine latest bank account reconciliations; verify balance(s) shown on published statement.
3. Examine savings and loan record books (passbooks); verify balances shown on published statement.
4. On a selective test basis, compare amounts in book accounts with published statement.
5. Verify contents of safe deposit box(es).
6. Determine any other assets, e.g. certificates of deposit, money market funds, securities, equities, properties, etc.
7. For securities and others counted as assets, consider market values in relation to book values and comment on significant differences or problems.
8. Test check receipts items, verifying book entries against deposit records, receipt vouchers and/or other supporting documentation.
9. Test check expenditure items, verifying book entries against canceled checks, expenditure vouchers and/or other supporting documentation.
10. Comment on adequacy of procedures being followed by the Treasurer in carrying out the functions of her/his position.
11. Comment on the adequacy of the procedures used by the staff and members of the church to maintain fiscal responsibility and integrity.
12. Prepare and submit, through the Finance Committee, to the Board of Directors a written report based on the items described above and on any other observations and recommendations related to the financial matters of the church.