

## **Audit Committee Guide**

Audits of the Parishes of the Diocese of Eastern Oregon may be performed by an Audit Committee. There should be a minimum of two members of this committee, preferably three. Note that no members of this committee may also be engaged in one of the following roles in the Parish: Clergy person, Treasurer, Parish Administrator, member of the Vestry, or member of the Finance Committee.

### ***I. Information and Records Necessary to Complete Audit***

For Operating, Restricted, Designated, Property and Endowment Funds; for ECW, Altar Guild or any other church-related organization; and for all Clergy Discretionary Funds, the following information is to be provided to the Audit Committee:

1. Reconciled bank statements and cancelled checks, savings passbooks and investment statements for all accounts indicating the activity for December of the prior year, all of the year of audit and January of the subsequent year.
2. List of authorized signatures for all accounts. Copy of bank signature cards for signature specimens.
3. Record of plate collections and corresponding deposits.
4. Description of procedures and control of plate collection.
5. Record of other cash receipts.
6. Paid invoices or other supporting documentation for expenditures in year of audit.
7. Cash receipts and cash disbursements ledgers for all accounts. General ledger for all accounts. Explanation of report preparation if there are no ledgers.
8. Financial reports and supporting documents to be reviewed during audit:
  - Copy of prior year audit report.
  - Copy of year of audit approved budget.
  - Copy of annual financial statements including balance sheet and income statement.
  - Details of any mortgages or other loans, original loan documents, copy of bank or loan statement showing principal due December 31 of the year of audit.
  - Evidence of property and liability insurance coverage. Any building appraisals or contents inventory prepared in the last five years.
  - Copies of Articles of Incorporation and By-Laws (if applicable).
  - Space use agreements and insurance certificates for regular users of the church property.
  - Quarterly IRS, state and local payroll reporting; W-2s and 1099s.
  - Vestry Minutes