

To: Clergy in Charge, Wardens, Treasurers, and Vestries

Good Afternoon,

National Canons require all congregations to submit an annual audit to the Bishop's Office no later than September 30th of each year. This audit is required as part of our stewardship of funds given to the Glory of God and your local ministry. It is a report that produces trust by assuring all who give that the funds are handled with the integrity inherent in a religious organization.

The Preliminary Audit Report form is attached and we are asking each Parish to complete and return to the Diocesan Office by August 30, 2022. For your convenience the Audit Committee Guide and Audit Procedures List is also attached. These forms are for use by internal audit committees.

The audit process to follow includes five (5) steps:

Step 1: Vestries are asked to determine at their next meetings how they intend to comply with the canonical requirement of completing an audit of the previous year. Outside auditors, accountants or internal audit committees should be appointed at this time, if not done previously.

Step 2: Complete the Preliminary Audit Report and return it to the Diocesan Office by August 15, 2021. This form will advise the Diocesan Office that the Parish has recognized the audit requirement and taken steps to satisfy it. This form is an important part of the audit process and will keep the audit requirement in focus.

Step 3: Complete the audit by September 30, 2022 for the year 2021. If hiring an outside auditor, you should make him/her aware of the time requirement. If utilizing an internal audit committee, it may be appropriate to ask for a progress report to insure it is on track with the time requirements. If you find the work cannot be completed by this date, advise the Diocesan Office and ask for an extension

Step 4: The Auditor's Report, together with its recommendations and the annual financial statements are to be presented to the Vestry at a regularly scheduled meeting. Its recommendations should be discussed and an agreement reached regarding their implementation.

Step 5: The Auditor's Report, including the recommendations, any response to the recommendations, and the Financial Statements, are to be forwarded to the Diocesan Office within 30 days of the audit completion.

Also, if you have not forwarded your 2020(or other earlier) audit reports, please do so immediately. Thank you so much for your cooperation.