

# [Church Name]

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## CHURCH AUDIT POLICIES AND PROCEDURES

### **Internal Audit Committee Purpose**

Members of the [Church Name] who have agreed to serve on the Internal Audit Committee will perform an internal audit to determine the validity of the financial statements and procedures. The result of the internal audit may be significant improvements in internal control and accounting procedures. A full financial review is to be conducted each year.

It's the visionary goal of the Internal Audit Committee to protect those persons elected to offices of financial responsibility from unwarranted charges of carelessness and improper handling of funds. It's in no way a symbol of distrust but rather a symbol of support for their work.

### **Internal Audit Committee Definition**

An internal audit should examine all financial records to assure the church that all records are accurate. An annual internal audit will reveal any errors and allow for correction before they become too complicated, assisting those who are responsible for financial record keeping in discovering new and better ways of doing their work.

Additionally, the audit should evaluate the system for handling funds and record keeping procedures and suggest ways to improve such systems. Once policies and procedures for these duties have been developed, the Internal Audit Committee monitors the systems to be sure it is what works best for [Church Name].

The Internal Audit Committee should be appointed by the Finance Committee and made up of individuals not related to any person who keeps financial records for the church and consists of no less than four members. Volunteers are selected from the session or general membership and should possess some familiarity with financial statements and understanding of the auditing process.

The committee should be concerned with the following items, at a minimum:

- The adequacy of internal control
- The accuracy of the records and reports
- The proper authorization of activities and expenditures

# [Church Name]

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When an organization doesn't have a good system on internal control, it's very difficult to verify that all transactions have been recorded properly. Certain tests and reviews should be completed to prove evidence of the completeness of financial statement account balances.

It's recommended that the Internal Audit Committee conduct their audit annually prior to the annual meeting so that the reporting can be included in the annual meeting reports.

### **Internal Audit Committee Reporting**

Upon completion of the audit, findings should be documented in a report manner using the Internal Audit Checklist and the checklist will also need to be presented in the meeting. Additionally, an overview of the findings and next year's goals will be included in the annual congregational report.

The Internal Audit Committee is not offering legal or financial advice throughout the checklist or as a result of any findings from the audit. It's recommended that the church should seek legal and/or financial assistance from local advisors when specific issues arise.

### **Accessibility Audit Committee Purpose**

Members of the [Church Name] who have agreed to serve on the Accessibility Audit Committee will perform an audit to determine the accessibility of the internal and external areas of the organization.

It's the visionary goal of the Accessibility Audit Committee to protect persons with disabilities who attend the [Church Name] whether are a member of the church or just visiting.

### **Accessibility Audit Committee Definition**

An accessibility audit should examine all areas of the church inside and out to make certain that there is access for persons with disabilities. An annual audit will reveal any errors and allow for correction before they become too complicated, assisting those who are responsible for accessibility in discovering new and better ways of doing their work.

I have read the Church Audit Policies and Procedures, I understand and I agree to abide by the terms.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date

Revised Date: \_\_\_\_\_