

INFORMAL AUDIT/REVIEW
Guidelines and Procedures
First Christian Church
Sebring, FL 33870

An informal audit of the funds of First Christian Church, Sebring Florida will be conducted at least annually but no more than quarterly. The Chair of the Board, with consensus by the Church Board will designate in the minutes two people to conduct this audit. Once the inspectors are appointed, they will coordinate with the Pastor and Staff the date and time they will conduct the audit.

Procedures for the Audit;

- The inspectors shall examine no more than two months of records, but usually one month is preferred.
- The inspectors will conduct the audit in another room other than the office with supplied paper copies.
- The time length of the audit will be no longer than three hours.
- Inspectors can ask for clarification of actions/entries during the audit but should limit those as much as possible to avoid excessive interference with routine needed office operations.
- Questions or comment inspector may have while reviewing the records will be presented in writing to the staff. The staff will provide answers when appropriate but may reserve the right to research the issues and provided at a later date. If answers to the questions require revisiting the records, an agreeable time will be scheduled and documentation provided.
- The appointed inspectors will provide a written copy to the Board at the next meeting. Any critical issues that may require immediate attention will be provided in a timely manner to the Board Chair.
- If at all feasible, the inspectors will not conduct more than three audits in a row, with rotation of other individuals.
- The inspectors will always remain courteous to the office staff and any issues will be addressed to the Pastor and/or the Board Chair.

Scope of the Audit;

The scope of the audit will have three main objectives;

1. Are adequate internal controls in place if resources are available OR are steps being taken to address those areas and personnel away to be very aware of those shortfalls? (The attached Audit Checklist will be filled out and signed by both auditors.)
2. Is there an accounting of all funds during this period as noted by standard practices for bookkeeping, i.e. financial reports with the correct beginning and ending balance that matches the records of the financial institutions?
3. After conducting spot-checks of transactions, are those receipts/expenditures reflected in the budget, accurately recorded, properly documented, and appropriately processed?
4. Are designated and special funds accounted accurately and identifiable?