

## Section 11 Functions, duties, and characteristics of the Audit Committee:

1. The Audit Committee shall be appointed by the President and consist of three voting members of the congregation not currently serving on Executive Council. If possible, at least one of the appointees should have a financial/accounting background. The Audit Committee will meet once every three years after the books are closed for the year to begin the auditing process unless requested to meet prior to the third year due to extenuating circumstances. To maintain continuity, at least one member shall be reappointed for the subsequent audit; however, all members are eligible for reappointment. One person from the committee will serve as Chairperson selected by the three members.
- ~~1. Shall be appointed by the President and consist of three members of the congregation. Each member shall serve a term of three years and each member may be reappointed for additional terms with one member appointed or reappointed each year. One person from the committee will serve as Chairperson selected by the three members.~~
2. The Audit Committee is charged with following the guidelines as listed in the ELCA Congregational Treasurers' and Bookkeepers' Financial and Accounting Guide and the ELCA Congregational Audit Guide.
- ~~2. Review procedures for handling money,~~
- ~~3. Assure that current persons match authorized signatories for bank accounts,~~
- ~~4. Review insurance policy for reasonable coverage including bonds,~~
- ~~5. Verify balances of financial instruments and bank reconciliations have occurred,~~
- ~~6. Verify loan balance,~~
- ~~7. Audit and review payments from funds to assure that:
  - ~~1. Proper documentation exists,~~
  - ~~2. Sales tax exemptions were received, and~~
  - ~~3. Late fees and finance charges are kept to a minimum,~~~~
- ~~8. Review 1099s and W-2s for accuracy including a review of agreements/contracts for contractors,~~
- ~~9. Review the annual inventory of church property,~~
- ~~10. Review prior years recommendations to determine how and if previous recommendations have been implemented and are still pertinent,~~
3. Upon completion of the audit, the Audit Committee will provide a written report with findings and recommendations to the Executive Council. The Executive Council shall review the report and determine how to respond to any recommendations identified. The audit report shall be submitted by the Executive Council to the congregation at the next semi-annual meeting as appropriate along with any progress made on findings and/or recommendations.
- ~~11. Provide a written report with findings and recommendations to the Executive Council,~~
- ~~12. Submit to this congregation at its next semi-annual meeting as appropriate the findings and recommendation.~~
- ~~13. Audit and review all auxiliary organizations of this congregation such as youth, LYO, circles, guilds, etc.~~