Audit Committee
Guidelines

District #: 112

Circle one: Mid-year Audit or Year-end Audit

PROCEDURES TO BE COMPLETED	COMPLETED BY
A. ORGANIZATION	
1. Obtain all supporting documents for the Mid-year or Year-end Profit and Loss Statements from the district treasurer, and sort the documents in the following manner: ◆ Stack #1: Sort Profit and Loss Statements, bank statements and district reserve statements into separate groups, organize in chronological order and place in one stack. ◆ Stack #2: Sort all other supporting documents in the order they appear on the Receipt Register and Payment Register. Receipt supporting documents should be placed behind the Receipt Register, and payment supporting documents should be placed behind the Payment Register.	Completed by D112 Finance Manager
B. SUBSTANTIATING TRANSACTIONS	
2. To ensure that all transactions are adequately supported, perform the following procedures: ◆ Trace and agree all transactions on the Receipt Register and Check Register to their respective supporting documentation. ◆ Place a check mark (✓) on the Receipt Register and Payment Register next to each transaction that has supporting documents. The only transactions that should not be check marked are the ones missing supporting documents. ◆ For the transactions missing supporting documents, contact the finance manager and ask if such documents exist. If they do, request copies.	SMB MJB

PROCEDURES TO BE COMPLETED	COMPLETED BY
C. POLICY REVIEW	
3. To ensure that transactions were executed within the company policies, perform the following procedures: ◆ Review all cancelled checks and verify that they were signed by both the district director and finance manager (checks made payable to the district director or finance manager should be signed or approved in writing by the program quality director or the club growth director). ◆ Review all reimbursement requests and verify that they were approved by the district director. Ensure that all expenses on the request have adequate documentation (receipts or other supporting materials). Copies of credit card and/or bank statements are not valid receipts or documentation. ◆ Identify all payments in excess of USD $500 and verify that each expense was properly approved by the district director and at least the program quality director or the club growth director. Any individual expense in excess of USD $500 must be authorized in advance; there should be approval included in the supporting documentation and some indication of when the expense was approved (an email approving the expense is acceptable). ◆ Review all Debit Card transactions to ensure that all payments made by the district director were authorized in advance in writing by the finance manager and either the program quality director or the club growth director. Payments made by the finance manager must be authorized in advance by the district director and either the program quality director or the club growth director. ◆ Identify Other District Expenses (gifts, flowers, expressions of sympathy, etc.) to ensure they are not lavish or excessive and that they support the mission of the district. Tokens of appreciation are allowed up to $25. Donations are not permitted in lieu of flowers or to any charitable fund. ◆ Review all meal expense reimbursements for District Leader August and Mid-year trainings to ensure the district director, program quality director, and club growth director were reimbursed for their meals purchased, up to $30 a day with supporting receipts. (Meal expenses are NOT covered by a per diem.)	N/A D112 does not use cngs T SMB GJB T SMB GJB T SMB GJB T SMB GJB none noted N/A no training held in person 2020/2021

Sarah Bate SARAH BATE
AUDIT COMMITTEE MEMBER SIGNATURE

21 August 2021
DATE

Gail Black GAIL BLACK
AUDIT COMMITTEE MEMBER SIGNATURE

22 AUGUST 2021
DATE

AUDIT COMMITTEE MEMBER SIGNATURE

DATE