

GENERAL INSTRUCTIONS LOCAL CHURCH AUDIT PROCESS

Rationale: Audits are for the benefit of the local church. They are our first line of defense against the possibility of funds being misused. The *2008 Book of Discipline* ¶258.4 (d) instructs the Finance Committee of each local church to provide for an annual audit of each local church account and report findings to the charge conference.

It is strongly recommended by the Cabinet that the audit be done by a non-member of that particular church, with the Guideline sheet being signed by that person, and mailed by that person to both the District Office and the local church Finance Chairperson. Suggestion: Churches barter with each other for use of personnel to conduct the audit, i.e., “I’ll do yours, if you will do mine.” If a member of the church being audited is chosen to do the audit, that member **MUST** be a person who is not currently a financial officer of any of the accounts, nor the spouse or immediate family member of any such financial officer. Churches with budgets in excess \$200,000 are urged to pursue a professional audit. Church members doing audits are also asked to provide a copy of the Guideline sheet to both the District Office and the church Finance Chairperson.

Please attach to each Guideline sheet, the end-of-year treasurer’s report for that account.

Deadline for audits on all accounts: July 1st of the following year.

Revised April 2005, updated December 2009