

## AUDIT POLICY

### THIS POLICY IS REQUIRED FOR LEGAL COMPLIANCE.

The Sarbanes Oxley Act recommends that the Association Executive of Utah Chapter 33 attest or affirm to the board of directors, at least annually, that every aspect of the organization is properly managed through an audit process. The audit process is not limited to financial documentation. Utah Chapter 33 may conduct audits in the following ways:

- A. Monthly Financial Audit
  - a. Utah Chapter 33 requires that the elected Treasurer receive the following financial reports monthly, and that the reports are reviewed and approved to be accurate and in compliance with the direction prescribed by the board of directors:
    - i. Balance Sheet Summary YTD
    - ii. Accounts Payable Detail
    - iii. Accounts Receivable Detail
    - iv. Bank Statements for all open accounts and reconciliation
    - v. Budget vs Actual Report reflecting Month and YTD with variance comments
- B. Annual Internal Audit to be performed in January by Immediate Past President and Current President. Internal Audit will be acceptable as long as "a" and "b" exist.
  - a. Utah Chapter 33 operational budget is less than \$250,000.00 as determined by the annual budget.
  - b. Utah Chapter 33 Reserve Account is greater than \$30,000.00 as indicated by the statements provided in the financial reports monthly
- C. External Audit will be performed at least once every three years or if "a" and "b" exist.
  - a. Utah Chapter 33 operational budget exceeds \$250,000.00 as determined by the annual budget.
  - b. Utah Chapter 33 Reserve Account is below \$30,000.00 as indicated by the statements provided in the financial reports monthly

#### Audit Committee:

Utah Chapter 33 will consider the Immediate Past President, Current President, President Elect and Secretary Treasurer of the audit year to be the Audit Committee. This committee is responsible for identifying which of the annual audits Utah Chapter 33 may qualify for, hiring the outside auditor, or scheduling the internal audit.

Furthermore, the Audit Committee is responsible for ensuring that any recommendations resulting from the Audit, whether internal or external, are implemented within 90 days of the Audit conclusion.

Audit Completion: Annual audit of Utah Chapter 33, whether internal or external, should be complete no later than the last day of March of the following fiscal year. Internal Audits should be conducted outside the regularly scheduled meetings and/or events.

Approved: December 31, 2016