

Rocky Mountain Mission Center
Congregational Auditor
Position Expectations (January 1, 2006)

General Description:

The Congregational Auditor is normally a member of the congregation who is familiar with good accounting practices and ***not the Financial Officer nor the pastor***. Each year the Auditor reviews the books of the Congregational Financial Officer and reports to the congregation their opinion on the accuracy and completeness of the financial records. If the congregation is unable to select an appropriate auditor, the mission center financial officer will assist in identifying someone. A copy of the audit statement is sent to the Mission Center Financial Officer

Desired Outcomes:

The desired outcome of the audit is for the Auditor to add a statement to the annual financial report similar to the following: "I reviewed the income and expense entries and the account balances of the (year) financial records for the (name) congregation, and, to the best of my knowledge and understanding, they accurately reflect the financial activity [except for – (list)]."

Basic Audit Guidelines:

- a. Reconcile the December 31st bank statement(s) with the booked account balance(s).
- b. Reconcile the contributions recorded on the church receipting system [MIS-Shelby] with the bank deposits for the year.
- c. Reconcile the 'other income' recorded on the congregational financial records with the bank deposits.
- d. Spot check the large dollar amount checks and reconcile with the proper congregational line items in the budget.
- e. Spot check a few of the large budget line items and reconcile with the record of checks written.
- f. Confirm, for at least a 3-4 month period, all checks have appropriate vouchers, receipts, invoices or other documentation.

EXAMPLE FINANCIAL REPORT

Example Congregation

Beginning Checkbook Balance, January 1st \$ 5,000

Income:

Contribution Income \$10,000

Other Income \$ 1,000

Total Income \$11,000

Expenses:

Administrative Expenses \$ 700

Worship Materials \$ 400

Christian Education Materials \$ 600

Youth Activities \$ 800

Congregational Fellowship \$ 500

Community Outreach \$ 800

Utilities and Building Maintenance \$ 5,000

Mission Center Assessment \$ 1,000

Total Expenses \$ 9,800

Ending Checkbook Balance, December 31st =====
\$ 5,200

Building Fund Beginning Balance, January 1st \$10,000

Building Fund Income \$ 2,500

Building Fund Expenses \$ 1,000

Building Fund Ending Balance, December 31st \$11,500

Affiliate Investment Pool, Beginning Balance \$15,000

Investment Earnings \$ 1,500

Affiliate Investment Pool, Ending Balance \$16,500