

**GRACE LUTHERAN CHURCH**  
St.Paul, Minnesota

Number 4.2.3  
Effective Date: 1-18-2011

## **AUDIT COMMITTEE**

### **Functions and Policies**

#### **I. ORGANIZATION**

The Audit Committee (hereafter referred to as 'the committee') shall consist of three (3) voting members of the congregation who have an understanding or interest in financial affairs and internal auditing practices and procedures. No member of the committee shall be a current member of the Congregation Council or Business Management Committee.

The committee shall elect from its membership a chairperson. The committee shall meet at least quarterly and perform its duties in accordance with generally accepted accounting practices for religious organizations.

#### **II. RESPONSIBILITIES**

The E.L.C.A. Congregational Audit Guide and the E.L.C.A. Congregational Treasurers' and Bookkeepers' Financial and Accounting Guide and other reputable reference material shall be utilized to the maximum extent possible.

Periodically examine selected income and expense account line items and supporting documentation in each established "fund", including all "dedicated", "clearing", and temporary or permanently "restricted" accounts.

Periodically examine appropriate supporting records to verify that all balance sheet asset and liability account line items have been properly reconciled and documented.

Quarterly, detailed findings, recommendations or questions shall be presented in writing and verbally to the appropriate staff and Business Management Committee members for discussion and resolution.

**Prepare in writing, submit and discuss a "summary " audit report with the Congregation Council at a regular meeting of the Congregation Council preceding the annual report for the congregation and the February semi-annual meeting of the congregation.**

**Prepare an annual written audit report for the annual report for the congregation. Prepare and deliver podium remarks relating to said annual report at the February semi-annual meeting of the congregation.**