AUDITING COMMITTEE *(possible updated version July 2020)*

MEMBERSHIP:

Committee consists of two members that audit the SDLA books on the years that a professional audit is not done. Members serve two year overlapping terms.

Function:

- Maintain the continuation of this committee for the purpose of conducting an annual internal audit and filing the correct forms in a timely manner. The audit committee should contact the EST and arrange to audit the books between March 1st and March 31st.
- Check with the EST to make sure the books are submitted for a professional audit every 3 years or when the EST changes.

DUTIES:

The Auditing Committee serves immediately after its appointment and audits the books for the period ending December 31 of the current year. Audits are conducted on a 3-year cycle; two years by the volunteer committee and the third year by a professional or when the Executive Secretary/Treasurer position changes.

PROCEDURE:

Committee duties:

1) Bank statements for the general fund checking account and end-of-year statements of interest earned should be checked to verify the account balances.
2) The books should be checked to verify income and expenditures for the year under audit.
3) The committee verifies that the interest earned on the Certificates of Deposit is recorded as income. The interest may be left with the CD.
4) The audit committee reports a summary to the president of findings and recommendations when the audit is completed. This report is completed prior to the annual meeting.

EST duties:

1) The Executive Secretary/Treasurer shall submit a year-end budget report to the Board no later than the spring meeting and the board approves the end of the year budget.
2) EST will work with the audit committee to get necessary paperwork to them.
3) The Executive Secretary/Treasurer shall submit the yearend report and supporting documents for audit and tax return (990EZ).
4) The EST submits the tax return (990EZ) to the president for signature or files an extension by May 15th.
5) The interest earned on the Certificates of Deposit is recorded as income and may be left with the CD.