

Bexar County Master Gardeners

SUBJECT:

F-11 – Financial Audits

POLICY:

Internal financial audits for the preceding two years should be performed biennially near the beginning of the fiscal year.

External audits, reviews, and compilations can be costly. These services should be performed when there is a concern about the effectiveness of an internal financial audit or the accuracy of financial statements that cannot be resolved internally.

The audit should follow financial transactions through the records to ensure that receipts are properly accounted for and expenditures authorized in the approved budget or by subsequent authorization of the board of directors. This process should review and test all bank and ledger accounts.

The Audit Committee, selected and approved by the Board President, should be composed of no less than three BCMG members who have knowledge of the organization's mission. The members of the Committee should have a financial background or experience sufficient to conduct the tracing of transactions, knowledge of BCMG policies and procedures, and the ability to review financial statements.

No one authorized to sign checks on any account may serve on the Committee. The current Treasurer, the Office Manager, and an outgoing Treasurer are not eligible to serve on the Committee. The Office Manager should be available to provide information and assistance in locating records, as appropriate.

The outgoing Treasurer is requested to be available for the review of years under his or her oversight.

A written report of all reviews and audits must be provided to the full Board as soon as possible after completion. Reports should include areas of concern and recommendations for improvement, if necessary. The report will be made to any member upon request.

RATIONALE:

This policy recognizes the need to verify the accuracy of the financial records of the BCMG organization, provide assurance that BCMG funds are managed properly within established policies and procedures, and, provide transparency in all financial matters.

DATE APPROVED: 9 July 2020

DATE REVIEWED: