



## San Antonio RoadRunners

PO Box 12474

San Antonio, TX 78212

SARR Policy 19-01

March 12, 2019

### **Audit Policy**

1. The Board of Directors for the San Antonio RoadRunners has voted and approved this policy letter. This policy is effective immediately and can only be changed or rescinded by a majority vote of the Board of Directors.
2. An audit determines the accuracy of the books, detects inconsistencies or errors, provides recommendations for corrective action, protects the financial officers, verifies that funds were sent through channels as appropriate, and assures that the association's resources were managed in a businesslike manner within the regulations established for their use.
3. The person conducting the audit should always be impartial and not related by blood or marriage nor reside in the same household as the president or other financial officers or any chairmen handling funds. Preferably, the audit should be conducted via the Finance Committee.
4. Preparation for an Audit – Collect the following information from the Treasurer:
  - a. Checkbook register and canceled checks (including voided checks); all documents can be computer generated if banking is largely done online.
  - b. Bank statements.
  - c. Deposits and supporting documents for the cash receipts.
  - d. Authorizations for payment with attached receipts.
  - e. Itemized statements and receipts of bills paid.
  - f. Monthly Treasurer's Reports.
  - g. Financial Report by category for the period of the audit with or without budget comparison.
  - h. Any other information requested by the auditor.
5. A minimum of two financial audits will be performed per year. Also, an audit must be performed when a new Treasurer is elected. The Finance Committee will conduct the audits and determine the dates.

6. A minimum sample of 10% of the total number of transactions will be reviewed for accuracy; the sample will be picked at random and include both deposits and payments; the sample size will increase to 25% if the audit is due to the election of a new Treasurer.
7. The following items are to be reviewed as part of the audit:
  - a. Verify there have been no ATM transactions.
  - b. Make sure sampled checks issued for the audit period are substantiated with an authorization for payment, the reason and budget line item for the disbursement, appropriate payee and a receipt or bill, and properly posted to the general ledger.
  - c. Check that all bank charges and interest earned are recorded in the general ledger and treasurer reports.
  - d. Verify sampled deposits are recorded and properly supported.
  - e. Other items as deemed necessary by auditor.
8. A final report is to be presented to the Board of Directors by the auditor or their designee at the next scheduled board meeting.



SCOTT PEACOCK

President

San Antonio RoadRunners