

Episcopal Diocese of East Carolina In-House Audit Report

Church _____ City _____
Audit Year: _____ Dates of Audit: _____

General Review

1. Review of Last Audit

Obtain copy of the most recent audit report completed. Year _____

Source of audit: In-house Audit by Parish Audit by Diocesan Contract Auditor
 CPA Audit No Audit for Last Fiscal Year

Yes No Unknown

Copy of Auditor's report on any deficiencies and Vestry's response to deficiencies was sent to Diocesan office.

2. Vestry Minutes Review

Review vestry minutes for the year being audited and November and December of the prior year. Vestry minutes were found to include the following:

Yes No

Approval of budget
 Approval of monthly or quarterly financial reports
 Clergy salary and housing allowance resolution is correctly worded and approved in the prior year minutes (if applicable) [see background information in Appendix]
 Material expenditures approved
 Comments on extraordinary gifts or bequests
Explain any no's on Comment and Recommendation page

3. Insurance Records Review

See Appendix A for review guidelines

Name of Insurance Carrier _____ Policy Period Dates _____

Building and Contents Limits: _____ Liability Limits _____

Insurance coverage includes all areas listed in Appendix A
 Does Insurance limit cover replacement costs?
How often is insurance coverage reviewed and by whom. _____
 Does the Parish maintain a video inventory of property?
 The Parish adheres to the Diocesan policies and procedures requiring Sexual Ethics training and background checks for all employees and anyone working with children
Any comments should be noted on Findings and Recommendation page

4. Tax Status

Parish has letter from IRS assigning church its federal tax ID number and tax exempt status or
 Parish has copy of letter of National Church's Group Exemption Notice

If no to both, Parish must obtain a copy of church's Exemption letter from IRS or Group Exemption Letter from Diocesan House to have on file

Parish tax ID is verified from last parochial report filed
 Parish has State tax exemption letter [See background information in Appendix]
Any comments should be noted on Findings and Recommendation page

5. Use of Church Property by Other Organizations

Other organizations regularly use church property; (If no, skip to #7)
 Parish has current rental agreements between church and organizations on file
 Does the church require Certificates of Insurance and Hold Harmless agreements when outside groups use the church property?
 For groups who work with children, do they supply proof of Sexual Ethics training and required background checks on all employees/volunteers?

Any comments should be noted on Findings and Recommendation page

Episcopal Diocese of East Carolina In-House Audit Report

6. Church Sponsored Schools

- There is a church sponsored school or preschool on site (If no, skip to #7)
- The school has a separate Board of Directors and list of Board is on file
- There is a separate tax ID number _____
- The school is licensed by the state of North Carolina and copy of license is on file
- The school is accredited and copy of Accreditation Certificate is on file
- There are background screening procedures for teachers and copy is on file
- Property and liability insurance coverage of school is current
Date of last periodic fire department inspection _____
- Last annual audit of school _____
Last audit completed by _____

Any comments should be noted on Findings and Recommendation page

7. Parochial Report

- Parochial Report for year being audited has been filed
- Parochial report corresponds to the yearend income and expense statement.

List major discrepancies, if any, on Comment and Recommendation page

8. Property Report

- Annual Property Report has been filed
- All property on report is reflected in balance sheet items: Fixed Assets, Mortgages

Any comments should be noted on Findings and Recommendation page

Episcopal Diocese of East Carolina In-House Audit Report

Assets

1. List all checking, savings, investment, discretionary, guild and other church-related organization accounts in the table below. Review bank statements, passbooks, and investments for full year, plus December of prior year and January of succeeding year.

Account Name	Type: Checking Savings Investmnt Discretion Guild, etc.	Church Address		Church Tax ID		Statements Provided		Cancelled Checks		Bank Reconciliations Complete		12/31 bank balance agrees with year-end balance sheet	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If previous year was not audited, for accounts listed, obtain copies of bank reconciliations for month of December of prior year.

Yes No

- Bank reconciliations have been done on monthly basis on all accounts
- Bank reconciliation for December of prior year is accurate and agrees with January 1 beginning balance of current year.

If bank reconciliations have not been done, prepare bank reconciliations for all accounts for the year being audited.

Any comments should be noted on Findings and Recommendation page

Episcopal Diocese of East Carolina In-House Audit Report

Yes No

3. Does the church have petty cash accounts for operating expenses or other church related organization accounts? If no, skip to #4

If yes, list the accounts in table below and test:

- Receipts in Petty Cash Box + Money on Hand = Original Amount
 Are there IOU's in Petty Cash box

How often is petty cash is reconciled (replenished) _____

Test petty cash reimbursements and determine that expenses are being charged to correct expense accounts and not to balance sheet account.

Name of Petty Cash Account (Operating/Organization)	Account on Balance Sheet Yes	Original \$ Amount	Receipts on Testing Date	Money on Hand on Testing Date	Receipts + Money	IOU's in Petty Cash Box Yes	When is Petty Cash Reconciled	Petty Cash Activity Charged to Correct Accounts
	<input type="checkbox"/>				\$0.00	<input type="checkbox"/>		<input type="checkbox"/>
	<input type="checkbox"/>				\$0.00	<input type="checkbox"/>		<input type="checkbox"/>
	<input type="checkbox"/>				\$0.00	<input type="checkbox"/>		<input type="checkbox"/>
	<input type="checkbox"/>				\$0.00	<input type="checkbox"/>		<input type="checkbox"/>
	<input type="checkbox"/>				\$0.00	<input type="checkbox"/>		<input type="checkbox"/>
	<input type="checkbox"/>				\$0.00	<input type="checkbox"/>		<input type="checkbox"/>
	<input type="checkbox"/>				\$0.00	<input type="checkbox"/>		<input type="checkbox"/>

Any comments should be noted on Findings and Recommendation page

4. What method is used to report Fixed (Capital) Assets on balance sheet
- Cost (actual value when purchased)
For year being audited, trace purchases to appropriate documentation
 - Fair market value at end of year
Review copy of documentation for fair market valuation and trace to balance sheet
 - Appraised value
Review copy of appraisal and trace to balance sheet.
 - No fixed assets on balance sheet; expensed through budget
 - Other: Explain _____
5. There are material receivables on the balance sheet? If so, list the material receivables and confirm the balance by sending a confirmation to the customer, or trace to subsequent deposits in the current year.
6. There are material prepaid expenses on the balance sheet? If yes, list the prepaid expense and confirm the balance by tracing to proper invoice. Determine if the expense should be designated as prepaid for the year being audited.

Any comments should be noted on Findings and Recommendation page

Fund Balances

- Review list of permanently and temporarily restricted funds, and unrestricted funds (See Appendix for definitions of different types of funds)
- For each fund listed, verify that the uses of principal and income have been honored, including proper documentation of expenses.

Episcopal Diocese of East Carolina In-House Audit Report

Cash Receipts

1. Are there proper safe guards and controls in place for plate collections and deposits :

Yes No

- Are the collection receipts counted and deposited so that the deposit equals the entire amount of receipts on a timely basis (e.g., at least weekly)?
- Are there at least two unrelated persons responsible for counting and depositing the collections?
- Are the persons responsible for counting receipts rotated on a periodic basis?
- Do the counters have a standardized form for recording the deposit information?
- Are the counters' sheets retained and reconciled with actual deposits, and are all discrepancies investigated?
- Is there a control prohibiting the cashing of checks from the currency received?
- Are all of the pledge envelopes or other memoranda retained and reconciled to the recorded amounts?
- Are all other cash receipts recorded and deposited on a timely basis?
- Are all checks received restrictively endorsed —for deposit only immediately upon receipt?
- Are all cash receipts deposited into the general operating checking account?
- Are periodic statements provided to donors of record, at least quarterly?
- Do acknowledgments of contributions in excess of \$250 include "any goods or services provided consist solely of intangible religious benefits"?

2. For **pledge receipts and plate offerings**, determine if deposits are made once a week, more than once a week or daily as checks are received in the mail.

- a. If pledge deposits are made once a week, choose 6 random deposits to test in the table below. Verify that journal entries match deposit slips.
- b. If pledge deposits are made more than once a week or daily, trace a random sample (10%) of cash journal entries to weekly cash receipts records.

Use table CR-2 on the following page to test these deposits.

Episcopal Diocese of East Carolina In-House Audit Report

Cash Disbursements:

1. Are there proper safe guards and controls in place for plate collections and deposits :

- Are all disbursements made by check, except for small expenditures made from petty cash?
- Are all checks pre-numbered and used in sequence?
- Is there a clearly defined approval process for all disbursements?
- Are all voided checks properly cancelled and retained?
- Are all checks made payable to specified payees and not to cash or to bearer?
- Are all disbursements supported by original documentation?
- Is the original vendor's invoice or other documentation cancelled at the time of signature to prevent duplicate payment?

2. Check signing:

- Is signing blank checks prohibited?
- Is using a signature stamp or pre-printed signatures prohibited?
- Does all supporting documentation accompany checks presented for signature?
- Are all account signers authorized by the Vestry?
- Is more than one signature required for any check?
- If not, do checks for more than \$500 require more than one signature?
- If signature imprint machines are used, are the keys kept under lock and key except when in use?
- Are all disbursements requiring special approval of funding sources or the Vestry properly documented in the Vestry or Finance Committee minutes?
- 10. Are there adequate controls and segregation of duties regarding electronic funds transfers?

1. Examine 10% of non payroll cash disbursements of \$500 or more and 1% of non payroll cash disbursements under \$500. You may use **Random Testing Calculations in Appendix B** to decide which checks are to be tested. Test the sample of cash disbursements for proper signature, correct amount per invoice, correct expense account per budget, and proper approval and record findings in Table CD-1 below

Any comments should be noted on Findings and Recommendation page

Episcopal Diocese of East Carolina In-House Audit Report

Cash Disbursements			Work paper CD-1			
Number of checks over \$500 _____			Year: _____			
Number to be tested (10%) _____						
Number of checks under \$500 _____						
Number to be tested (1%) _____						
Check #	Date	Payee	Proper Signatures	Amount Agrees with Supporting Document	Correct Expense Account	Proper Approval
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Episcopal Diocese of East Carolina In-House Audit Report

6. Determine that employees are properly classified as exempt or non-exempt (for overtime purposes)
- Non-exempt employees document hours worked via time sheets
- Overtime is being compensated correctly (Any hours worked over 40 per work week must be paid at time and 1/2 rate)
7. Test Clergy Pension Payments for the following:
- Clergy Pension payments equal 18% of salary, FICA allowance, other taxable allowances, and actual utilities and housing allowances (or 30% of salary and FICA and other allowances if parsonage is provided)
- Clergy Pension payments are up to date
8. Verify that the retirement plan for lay employees:
- Includes all lay employees who work at least 1000 hours/year
- Pension payments are calculated correctly
- Pension payments are up to date

Any comments should be noted on Findings and Recommendation page

Discretionary Funds

1. List all discretionary funds and clergy positions holding those funds:

	Name on 1 st Account	Name on 2 nd Account	Name on 3 rd Account
Clergy Person holding funds			
Fund in name of Parish	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Established by resolution of Vestry	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Church Tax ID # on account	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Did donors specify for Discretionary fund	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Were funds used for operating expenditures	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Were funds used for personal expenses subject to tax	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Were funds used for the purposes for which they were intended	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Were checks written to vendors and not individuals	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Were contributions deposited into the general fund, then transferred to the Discretionary Fund.	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>

It is important that the information reviewed for the discretionary funds remains confidential. No individual testing of disbursements will be made.

Any comments should be noted on Findings and Recommendation page

Episcopal Diocese of East Carolina In-House Audit Report

Findings and Recommendations

Auditor may choose to use a separate blank sheet of paper to list Findings and Recommendations if preferred.
(Cells will expand as needed when filled in electronically)

Area of Comment	Item #	Comment/Recommendation
<i>ex. General Review</i>	2	<i>No Clergy Housing resolution in place – Vestry should adopted resolution for 2015 and every year thereafter</i>