

September 10, 2014

Summary Report from the 2014 Internal Audit of Community United Methodist Report of the Church's 2013 Financial Statements and Accounting Records.

Auditor: Kathy Kiefer, CPA

The items below reflect a summary of the audit. For a copy of the full audit please obtain it from the minutes of the August meeting of the Finance Committee.

Cash & Bank Issues: Items that began three years ago are now satisfactory to the finance committee. While we have minor items of concern to the auditor (e.g., two or more counters accompanying the collection to the bank), we accept those limitations. Sample bank reconciliations were completed without deficiencies or exceptions.

Income & Donation Receipts: The two items of concern is our (the Church's) definition of "donation" is reflected in our policies and practices. That is, determination of the types of gifts that go to the Foundation versus the church. The finance committee will address that in subsequent conversations. All other items from past audits were resolved.

Cash Disbursements & Bill Paying: All tests on random expenditures were verified and designated gifts had been distributed and allocated appropriately.

Payroll and Payroll tax records: All tests and verifications of payments were reconciled and correct; all appropriated amounts for tax payments were reported and reported correctly.

General Items: Auditor followed up on item from last year regarding key control. Trustees is addressing that. SPRC is working on the employee handbook.

The finance committee was more than satisfied with the results of the audit, the professionalism brought by the auditor and the recommendations for continued diligence of our financial "house". Of particular satisfaction to myself as chair was the confirmation that we reconciled all of our contributions. That is, what you gave was reconciled with what we received. While that might not seem to be a difficult thing, it is. Confirming all the money, in all the forms it is received, with all the allocations, distributions, requests, transfers and "oh, I changed my mind" that accompanies managing the plethora of donations to the church reconciles to that which we report and report accurately, is a tribute to our staff.

Richard Kaffka, Chair
CUMC Finance Committee