



**MCSCAAA**  
**OPERATIONAL POLICIES AND PROCEDURES**

**OPP No. 5 – Procedure For Conducting Annual Internal Financial Audit Or Review**  
**Revision 0**

**Date Adopted: September 15, 2023**

In general, the following procedure will be followed each year to conduct an Internal Audit or Review of the Association's financial records for the preceding fiscal year:

**AUDIT COMMITTEE:**

Prior to the July Annual Meeting each year, the MCSCAAA President is to appoint two to four MCSCAAA members as an Audit Committee to perform the annual Internal Audit or Review, one of whom is appointed as the Committee Chair. The President will announce the members of the Audit Committee at the Annual Meeting.

**MCSCAAA FINANCIAL DOCUMENTS TO BE AUDITED OR REVIEWED:**

All MCSCAAA bank accounts that were active during the fiscal year are to be examined by the Audit Committee. All bank accounts will be examined for each of the following transactions:

- All monthly credit transactions
- All monthly debit transactions

The Audit Committee will confirm that there is adequate and acceptable documentation in place for all transactions that have occurred during the fiscal period. This documentation will include copies of such things as checks received, donation forms, deposit slips, invoices received, payments made, Square transactions, Meeting Minutes as applicable, and the like.

Any discrepancies found with any transactions that are deemed to be of significance by the Audit Committee are to be noted, investigated, and brought to the attention of the MCSCAAA Executive Board immediately.

The Audit Committee shall also examine the annual MCSCAAA Tax Form that has been filed with the IRS for the fiscal year, and confirm that the Tax Form has been submitted.

**TIMING AND PROCEDURE FOR CONDUCTING THE ANNUAL INTERNAL AUDIT OR REVIEW:**

- The Audit Committee will begin their work not later than August 15<sup>th</sup> each year.
- The Audit Committee will issue a final written report of their Internal Audit or Review findings to the Executive Board not later than October 1<sup>st</sup> each year.

- The Audit Committee shall be prepared to verbally present the findings of their Internal Audit or Review to the members not later than the October General Meeting each year.

**PROVISION FOR EXTERNAL AUDIT:**

The MCSCAAA Executive Board may decide at any time that it is appropriate or necessary to obtain an External Audit of the Association's financial records for the preceding fiscal year.

If a majority of the voting members of the Executive Board decides it is prudent to obtain an External Audit, the Executive Board is to advise all MCSCAAA members that the Executive Board recommends that MCSCAAA have an External Audit conducted by an outside firm, and shall ask for membership approval of the funds necessary to secure the audit.

Absent such a decision by the Executive Board, the Internal Audit or Review shall proceed each year as outlined above.

END