

Resolution #1

RESOLUTION #1

CPA FINANCIAL REVIEW

Resolution to Amend by Strikeout / Insertion

BYLAWS, ARTICLE ELEVEN, SECTION FIVE, PARAGRAPH A.

Needing a Two-Thirds Majority Vote

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46

WHEREAS, legal and institutional changes have substantially altered the audit industry, creating substantial work and liability to the CPA firm, and consequently, many CPA firms no longer provide full audit services; *and*

WHEREAS, these changes also make a full financial audit exceedingly expensive, costing the District approximately \$50,000 per year; *and*

WHEREAS, a full financial audit does not address the typical questions that our members are asking, and a financial review is deemed sufficient and is far less expensive; *and*

WHEREAS, it would be beneficial for the District Council to amend its bylaws to eliminate the full audit requirement and allow for an annual financial review; *therefore, be it*

RESOLVED, that District Council Bylaws, Article Eleven, Section Five, Paragraph A. be amended by *strikeout and insertion* as follows:

ARTICLE ELEVEN - FINANCES

Section Five: Audits

A. Regular Audits

~~1. The financial records of this District Council shall be audited~~ reviewed by a certified public accountant at the close of every fiscal year ~~evenly divisible by three~~, with the accountant’s report to be submitted at a date just prior to District Council Convention. The auditor shall provide a certificate of ~~audit~~ review, in duplicate, with one copy to be retained by the District Treasurer and the other to be placed and retained in the book of records of this District Council. ~~On the other two years a financial review by a certified public accountant shall be substituted for the full audit.~~

~~2. The year following a full financial audit, the District shall employ a law firm to perform a legal audit, investigating whether the District is in compliance with all relevant laws and with standard practices.~~

~~3. The year following a legal audit, the District shall employ a law firm to perform a liability audit, investigating whether the District has sufficient coverage and whether any District policies or practices expose the District to needless risk.~~

B. Special Audits

In event of a change of Treasurer, the Executive Presbytery may choose to request a full financial audit.

Sponsored by: Executive & District Presbytery

Presented: _____

Amended: _____

Referred: _____

Adopted: _____

Lost: _____