

Mount Zion Baptist Church of Greensboro, Inc.

MINISTRY DESCRIPTION

Ministry Title:	Internal Auditing/Safety Committee
Reports To:	Elders Council
Committee Member from Staff:	Director of Enabling
Date Prepared/Revised:	May 15, 2008

Ministry Purpose Statement

Provide assurance that the church is operating its activities in an effective and efficient manner, which demonstrates the wise stewardship of time and material resources.

Provide assurance that key risk areas of the church are being managed by the use of adequate internal control in its operational systems.

Provide assurance that the financial disclosures made by the management of the church reasonably portray the ministry's financial condition, results of operations, cash flow needs and long-term commitments.

Provide assurance the church is in reasonable compliance with pertinent laws and regulations, is conducting its affairs ethically, and is maintaining effective controls within leadership and employee conflicts-of-interest.

Provide assurance that adequate safety measures are in place to protect members, guests and staff while "on actual church grounds" or attending a church function at an off-site location.

Specific List of Responsibilities

- Review with church staff employees and other ministry leaders the importance of assessing material risk within the church's operations.
- Throughout the year, ask management about any possible risks or exposures they are aware of which might be negative to the church.
- Annually review and recommend updates to committee's responsibilities and duties.

- Review the organizational structure and operational systems of the church to determine which areas should be reviewed:
 - a) Governance and legal
 - b) Management and leadership
 - c) Finances and accounting
 - d) Personnel
 - e) Facilities
 - f) Computer information systems
 - g) Other significant organizational structures and operational systems, which might be unique to our church.

Prioritize areas with the highest degree of risk exposure first for review.

- Prepare, review or update each internal audit checklist, which is to be used in auditing the assigned area. Assure completion of coverage, reduction of redundant efforts, and the effective use of other audit resources. Consider scope of audit work for each area to review. Assignment of audit area should be based on the committee member's area of expertise. Remember that the committee's responsibility is to audit the organizational structure and operational systems of the church, not its financial statements.
- Perform internal audits on each of the areas as determined above. Review the reliability and integrity of financial and operational information; ensure compliance with church policies, plans, procedures, laws, and regulations which could have a significant impact on the church's operations and reports; review safeguards over church owned assets; and ascertain whether results of operations or programs are consistent with established ministry objectives and goals, and whether the operations or programs are being carried out as planned.
- Inquire of management regarding their findings in the internal audits and assist management in developing steps to be taken to eliminate or reduce such risks or exposures to the church in the future.
- Work in conjunction with management's requests to the committee for assistance in special reviews or studies.
- Review the church's monthly financial reports for irregularities. Obtain explanations of variances from appropriate staff or Finance Committee.

- Review the church's Organization Manual and Policies and Procedures Manual for adequacy and completeness annually.
- Review legal and regulatory matters, which could have a significant impact on the church's finances and related church compliance procedures. Correspondence received from governmental agencies should always be reviewed. The Director of Enabling and Chairperson of the Executive Council will furnish these notices to the committee when received.
- Report audit committee actions and findings to the Elders Council with recommendations as to what committee or group should be assigned the responsibility of correcting the finding(s).
- Meet jointly, at least once a year, with the ministerial staff and Executive Council.
- Communicate to the church membership annually as to what procedures were performed during the year and what improvements were implemented.
- Annually, perform a safety review of the church and hold a safety prevention seminar for staff and interested church members. Work in conjunction with the Facilities Committee.
- Meet periodically with the church's general legal counsel to discuss legal matters that may have a significant impact on the church's operations.
- The audit committee shall be empowered by the Elders Council to investigate any matters within the committee's scope or responsibilities. The committee will perform any other functions as assigned by the Elders Council.
- If the church has an external audit performed by an independent certified public accounting firm, the Internal Audit Committee shall inquire about significant accounting and reporting issues, which may affect the church.

Other general responsibilities:

- Provide reasonable assurance that the following church ministry objectives have been achieved in their specific ministry:
 1. Effectiveness in accomplishing the church's ministry purpose, objectives and goals

2. Efficiency in performing assigned responsibilities and duties
 3. Assessment of possible risks and exposures to the church
 4. Compliance with applicable governmental laws and regulations
 5. Reliability in the managing and reporting of church finances
 6. Observance of internal policies, standards and procedures
- Prepare the ministry's annual General Operating Budget request.
 - Present an Annual Report of ministry to the Elders Council.
 - Perform other duties as requested by the Elders Council.