

American Martyrs Finance Council

Audit Committee Charter

Amended and Adopted on November 12, 2014

Purpose –

As a committee of the American Martyrs Finance Council (“Council”), the Audit Committee’s (“AC”) purpose is to assist the Pastor in overseeing and controlling the financial affairs of the parish, school, pre-school and major ministries by monitoring the financial reporting to the Archdiocese of Los Angeles and to the Parishioners, and providing advice and recommendations with respect to the accounting policies and procedures and related internal controls over the recording and reporting the financial activities of the parish, school, pre-school and ministries.

Membership –

The AC shall consist of up to one-half of the number of members of the Council, each of whom shall have some expertise in financial management, accounting principles, policies and procedures, and related internal controls, and auditing standards and procedures.

- At least one member of the AC should be a CPA.
- The Council will appoint the AC members, with the Pastor’s approval, whose terms on the AC shall run concurrent with their terms on the Council.
- The members of the AC shall annually elect a chairperson of the AC.

Meetings –

The AC shall hold meetings, in person or telephonically, as circumstances dictate to fulfill the AC’s responsibilities. Formal minutes of meetings are not required, however, notes may be taken for purposes of periodic reporting of the AC’s activities to the Council.

Responsibilities –

The AC shall:

- Monitor annual self-audits by the parish and school finance personnel to determine that reasonably adequate procedures and internal controls are established.

- Self-audits are to be monitored by review of questionnaires and surveys, and by interviews with, and inquiries of, the finance personnel.
- Physical counts of some major scrip inventory shall be conducted periodically and results compared to the perpetual inventory records.
 - The scrip cycle counts adjustments log maintained by scrip personnel, shall be reviewed for large variations and trends. Inquire about the reasons for such discrepancies and changes subsequently implemented and/or actions to be taken to improve controls over the physical inventory of scrip and to mitigate future differences.
- Perform such other duties as directed by the Council with the Pastor's approval.
- Briefly report about the AC's activities since the last Council meeting.

Limitations on Responsibilities and Authority –

See the “Limitations on Responsibilities and Authority” section in the Council charter, as amended and adopted on November 12, 2014.

Resources –

The AC shall have the resources and authority appropriate to discharge its responsibilities, including full access to parish and school staff.

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