

Financial Confidence

A photograph of a white Gothic Revival church with a tall, white steeple. The church has a dark grey roof and several arched windows. In the foreground, there is a cemetery with several white crosses. The scene is surrounded by lush green trees under a clear blue sky.

Robert Becker 3/21/09



Background

- Requested by the 2007 Financial Officer's Day Meeting
- Formed as a subcommittee of the Diocese Audit Committee
- Supported by the 2008 Convention
- Status Report to 2009 Financial Officer's Day



Today's Objectives

- Feed Back from Diocese Audit Survey
- Status of Audit Training Program



Survey Summary

- Sent by the Bishop to all 164 congregations in October, 2008
- 55 Responses (34%)



Audit Status (% of Respondents)

- 62% have had an audit after 2007
- 95% have had an audit after 2001
- 5% have not had an audit



Internal Committee Audits

- 62% use an Internal Audit
- Average time per audit: 30 hours
 - 3 hours minimum
 - 145 hours maximum



External Resources

- 33% Use External Resources
- Average time per audit: 20 hours
 - 4 hours minimum
 - 50 hours maximum
- Average Cost \$3,300



Audit Reports to Trenton

- 42% sent reports to Trenton
- 36% did not send reports to Trenton
- 22% did not know if reports had been sent

72% of Respondents Use a Computer Based System





Did Your Audit Provide Value?

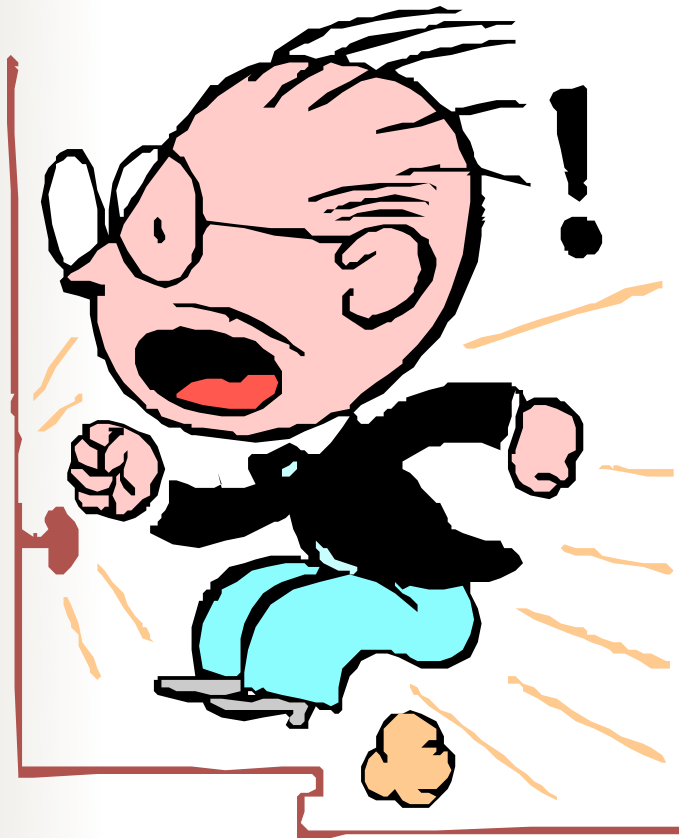
- 53% of participants that used an external resource obtain positive benefit
- 73% of participants that used an internal based process had positive benefits




Examples of Benefits

- Improved internal controls
- Established a computer based system
- Confirmed integrity of program
- Our treasurer is doing a great job
- More members understand our process
- Identified areas to reduce cost
- Improved communication

Other:



- We paid that much money to have our math checked!



Do we need a program to develop an Internal Audit capability?

- 64% of respondents who currently use an internal program would participate.
- 60% of respondents who currently use an external resource would participate.
- 25% of respondents agree to help on the project.



Why do we need to audit?





Why do we need to audit?

- Diocesan Canon 18 requires Annual Audits
- Prove integrity and accuracy of our people and process
- An opportunity for improvement
- Maintain member confidence
- Affirm the accuracy of the data (reports)



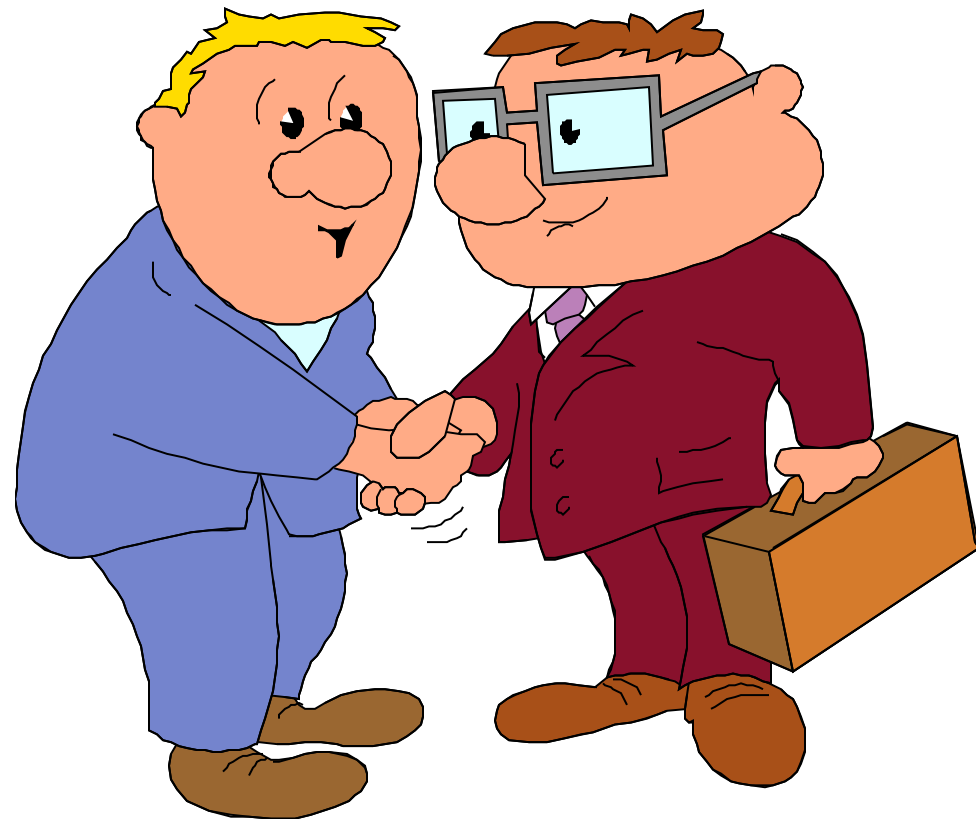
Next Steps

- The Diocesan Audit Committee is preparing a day-long interactive workshop
 - To assist churches to establish an internal audit committee
 - To provide a benchmarking experience for those already using an internal audit committee

Financial Audit Committee Member Training

Prepared by the Subcommittee of Audit Training
Episcopal Diocese of New Jersey Audit Committee

1/27/2009





Workshop Content

- Forming the Audit Committee
- Scope of the Audit
- Accounts to be audited
- Contents of the Audit Report
- Pre-audit planning
- Step by step audit process
- Computer system controls
- Random sampling and sample size
- Forms and checklists



When and Where

- Three sites (North, Central and South)
- In time for year-end 2009
- Please complete the sign-up sheet
- The Audit Committee thanks you for your support
- Please see me if you are interested ub
 - reviewing training material
 - being a presenter and trainer (CPAs welcome)

Indemnification

For those organizations covered by the Church Insurance Group of the Episcopal Church, under Directors and Officers coverage, church members are protected against any liability for participation in audits of their church or other churches.

It is the responsibility of each participant to verify coverage with their church's insurance program.