

## Agreed Upon Procedures

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- Select bank reconciliations that were prepared for 4 months for the checking bank account. Specifically, for the reconciliations selected, we would:
  - Agree the balance per the bank as indicated on the bank reconciliation to the bank statement.
  - Agree the general ledger balance as indicated on the bank reconciliation to the church general ledger.
  - Verify deposits in transit by tracing deposits of \$1,000 or more and all deposits in transit for more than three business days to the following month's bank statement.
  - Verify outstanding checks by ensuring the checks cleared the bank in the following month according to the bank statement.
- Randomly select 20 cash disbursements recorded in the accounting records (some of our selections will be expenses charged to the special funds).. For the items selected, we would
  - Agree the check to the related invoice to ensure there is appropriate support for the expenditure and the expenditure is for a valid business purpose.
  - Agree the check to the electronic image on the bank statement while matching the date, payee and amount to what the accounting records show. This procedure ensures that the amount, date and payee recorded in the accounting records matches the bank's records.
  - Review the signature(s) on the check to ensure it is signed by an authorized signer(s).
  - Ensure the expenditure was recorded to the proper expense account in the general ledger.
  - For the cash disbursements charged to a special fund, ensure that the proper fund was selected.
- Randomly select 10 Sunday collection dates. For the items selected, we would
  - Collect documentation from the counters to verify their accuracy.
  - Trace the total amount collected to the bank deposit slip and the bank statement.
  - Select one amount included on the deposit slip and agree that amount to the related supporting documentation (donor check copy, if available, related documentation) to ensure it matches.
  - Ensure the deposit was recorded properly in the general ledger (as an increase to cash and an increase to the proper revenue account).
- Randomly select 2 months and request those two monthly Church credit card statements. For the two months selected, we would:
  - Review the individual receipts to ensure that the credit card charges are all properly supported by a receipt and have a legitimate business purpose.
- Request the investment statement for the month of December for the investment account holding the three certificates of deposit. For the month selected, we would:

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- Trace the ending investment balance per the statement to the general ledger to ensure the balance agrees.