Sun City Festival Softball Club Financial Audit Procedures

Original Document*: February 28, 2014*
Revised and Updated*: January 28, 2025*

Requirement: Conduct the audit in accordance with the current SCF Softball Club Bylaws Article V to include the Addendum to Article V Section B dated February 19, 2024.

Supporting Documentation:

- Bylaws Sun City Festival Softball Club Chartered Club (Amended February 14, 2023); Article V, Section B Addendum dated February 19, 2024
- Sun City Festival Community Association, Inc., Chartered Clubs Rules and Procedures Manual, August 15, 2023 (HOA CCRP)

Responsibilities:

- Softball Club Board Officers: responsible for obtaining member volunteers to serve on the Audit Committee. Two members, each serving alternately, for two years.
- Softball Club Treasurer: responsible for (1) completing the semi-annual physical inventories, and (2) preparing and submitting the semi-annual reports to the HOA as detailed below. The HOA reports shall be reviewed by all Board officers.
- Softball Club Secretary: responsible for retaining a copy of the current Audit Report within the Club's master records.
- Audit Committee: responsible for completing the annual audit as described below.

Audit Procedure

1. Administrative
   a) Review the current version of the Sun City Festival Community Association Chartered Club Rules and Procedures Manual and the current Sun City Festival Softball Club Bylaws to ensure Bylaws comply with latest Rules and Procedures Manual.
   b) Update the steps and procedures in this program as deemed necessary to conform to HOA CCRP and Club Bylaws.
   c) Prepare the annual Audit Report and submit to the current Softball Club Officers for their review. Present a summary report to the Club members at a monthly membership meeting. The latest copy of the audit report shall be posted on the Club website.

2. Reporting
   a) Determine if the following forms were submitted to the Lifestyle Director at the appropriate time with the required Board member signatures and with any supporting documentation per the current SCF Community Association CCRP Manual:

By mid-January

1) Form CC-4, Semi Annual Membership Roster (CCRP Appendix D)
2) Form CC-5, New Club Officers (CCRP Appendix E)
3) Form CC-6, Incident/Accident Report (as required during the last 6 months, CCRP Appendix F)
4) Form CC-7, Financial Report (CCRP Appendix G)
5) Physical Asset Inventory (CCRP 4.6 A(5))

6) Form CC-9 (as required, CCRP Appendix I)

By mid-July

1) Form CC-4, Semi Annual Membership Roster (CCRP Appendix D)
2) Form CC-6, Incident/Accident Report (as required during the last 6 months, CCRP Appendix F)
3) Form CC-7, Financial Report (CCRP Appendix G)
4) Physical Asset Inventory (CCRP 4.6 A(5))
5) Form CC-9 (as required, CCRP Appendix I)

Determine that updated copies of the physical asset inventory were completed by the Treasurer and attached to the mid-year and year-end HOA reports to the Lifestyle Director. This attachment should include the disposition of old equipment and the acquisition cost, physical description and life expectancy estimate of new equipment (Ref CCRP Form CC-9).

- Obtain the most recent physical inventory completed by the Treasurer for the period being audited.
- Review the inventory of all assets over $500 in value, with a life longer than one year, to verify the assets are on hand and the inventory used is accurate.
- Review a sample of all assets listed to verify accuracy.

c) Verify that a financial audit was completed annually and that:

- Two Club members, other than Club officers, conducted this audit with auditors serving two-year terms, on rotating out each year.
- Audit results were presented to the general membership and recorded in the meeting minutes.

d) Verify that the Treasurer provided Club members with a financial summary report showing revenues, disbursements and bank account information at Club membership meetings, and that the reports were recorded in meeting minutes. This financial summary may also be provided via electronic distribution. This electronic distribution of financial information shall be retained by the Treasurer for audit purposes.

3. Disbursements

a) Review disbursements for individual expenditures in excess of $500 since the last annual audit.

- Verify that these expenditures were approved by a majority vote of the general membership either by electronic vote (retained by Treasurer for audit purposes) or as recorded in the minutes of the meeting at which the vote occurred. Per the February 19, 2024 Addendum to Article V Section B of the Club Bylaws, items approved in the annual budget do not require a second vote to execute those purchases even if they exceed $500. The budget approval vote is the basis for those purchases. Verify that two Executive Board officers approved all checks over $500.

- Review the supporting invoice or other documentation and compare the invoice amount and payee information to the check.

b) Review a sample of all disbursements made since the last audit (at least 10%).

- Review the supporting invoice or other documentation and compare the invoice amount and payee information to the check.

4. Income

a) Membership Dues

- Review the financial records and determine that all member dues have been recorded and deposited into the Club's bank account.
- Compare the list of members who paid memberships dues for the relevant year to the Club's membership Master list. Identify any discrepancies and verify accuracy of the membership dues recorded in the Club's financial records.

b) Other Income

- Determine that all income received from other sources (WVSSL and Tournament registration entry fees, sponsors, sale of Club items, etc.) have been recorded in the Club's financial records and deposited into the Club's bank account.

5. Bank Reconciliations
   a) Review bank reconciliations to determine if the Club's bank account is reconciled monthly.
   b) Review all reconciliations since the prior annual audit and determine its accuracy.
   c) Trace cash balances to Club financial records.

6. Record Retention
   a) Verify that financial records are retained for a minimum of seven years.