



## TEXAS J REGIONAL ADVISORY COUNCIL

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[www.texasjrac.org](http://www.texasjrac.org)

### Standard Operating Procedure

FINANCIAL SOP:	<b>Internal Audits</b>
SOP NUMBER:	<b>F # 9</b>
SOP EFFECTIVE DATE:	10/09
SOP REVIEWED:	11/09; 8/10
SOP REVISED:	8/10

#### SOP AUTHORITY STATEMENT:

As stated in the By-Laws in Article IX.1 The Board of Directors may authorize any Officer or agent of the Organization to enter into a contract or execute and deliver any instrument in the name of and on behalf of the Organization. This authority may be limited to a specific contract or instrument of it may extend to any number and type of possible contracts and instruments.

As stated in the By-Laws in Article VII.7 The Treasurer shall perform the following:

- A. Have charge and custody of and be responsible for all funds and securities of the Organization.
- F. Maintain the financial books and records of the Organization.

#### OPERATING PROCEDURE:

1. Bank Statements, Credit Card Spreadsheet and Purchase Order Spreadsheet will be emailed to the Treasurer by the seventh of each month.
2. The Treasurer will conduct a monthly Internal Audit. Treasurer will review:
  - each item on the Bank Statement with the corresponding check, verifying the signatures are from valid signers.
  - the credit card spreadsheet verifying the paid items by initialing & dating the item.
  - the Purchase Order Spreadsheet with explanation of banking transfers against the Journal Entries.
3. The Treasurer will take appropriate action to clear any deficiencies identified through the Internal Audit.
4. Treasurer will return the completed reviews to the RAC Office by the tenth of each month .
5. RAC office staff will reconcile in the financial software to clear the debts and credits to zero the balances for the Finance Committee meeting each month.
6. The Treasurer will report monthly to the Finance Committee and Executive Committee the findings and actions taken during the Internal Audit.