

# **Audit and Financial Review Procedure**

## **Organization: Red Mountain Community Social Club**

Effective Date: April 7, 2026

Approved by: RMCSB Board

### **1. Purpose**

The purpose of this policy is to ensure appropriate financial oversight and compliance with applicable federal, state, and funding-related requirements, while maintaining transparency and accountability in the organization's financial reporting.

### **2. Audit Requirement**

The organization will obtain an independent financial audit only when required by:

- Federal law or regulation, including the Single Audit requirements under Uniform Guidance (2 CFR § 200),
- State or local government funding agreements, or
- Grantor or funding agency requirements are tied to government assistance.

The organization is not required to obtain an audit solely based on internal revenue levels unless mandated by one of the above authorities.

### **3. Board Oversight**

When an audit is required:

- The Board of Directors approves the selection of an independent auditor.
- Audit results and any findings will be presented to the Board.
- The Board will oversee the implementation of any required corrective actions.

### **4. Financial Monitoring**

- When an independent audit isn't needed, the Board or Treasurer will maintain financial oversight with regular reports and reviews as appropriate.
- Policies and procedures are reviewed and revised at the direction of the Board President as needed or to align with changes in the law or changes in organizational practices.