

CACHE MOSQUITO ABATEMENT DISTRICT

INTERNAL AUDIT FUNCTION AND AUDIT COMMITTEE

With the goal of lowering the risk of fraud, the Board of Trustees have adopted this CMAD Internal Audit Function, with the following list of actions to be performed as outlined:

- On a yearly basis (usually in January), the Internal Audit Function will be an agenda item for our board meeting, with time allowed for discussion on how well it is working and whether any changes should be made.
- Newly elected officers are to be formally authorized on the CMAD checking and savings accounts as soon as possible, but no later than 30 days following elections. New officers will work with previous officers in completing this transition as well as confirming that previous officer names have been removed from each account within 30 days.
- Officers will have online access to view CMAD Zions and PTIF accounts. Officers will check periodically to verify balances as well as deposits and withdrawals for each account.
- A formal Audit Committee will consist of the four elected CMAD officers. Each officer will work within established guidelines to oversee CMAD finances, including requiring two signatures on each CMAD check as well as proper accompanying invoices/paperwork.
- A monthly credit card statement for each of the employee credit card holders (Manager and Administrative Manager) will continue to be mailed from Zions to either the Treasurer or another officer as assigned. Credit card purchases will then be verified by that officer against the list of monthly bills authorized at board meetings.
- The Administrative Manager will have limited online access to view both Zions and PTIF accounts, and to transfer monies between them. However, there is no authorization for cash withdrawal of funds.
- Each trustee is responsible to monitor CMAD financial information. This includes monthly authorization of bill payments and other financial transactions, as well as verifying that expenditures are within authorized budgetary guidelines.
- Any trustee with concerns about financial information or transactions should immediately report those concerns to one of the officers. The officer will then notify all other officers as soon as possible, and discussion will be held among all officers about what steps (if any) should be taken to investigate those concerns. The officers will then report to the board at the next CMAD meeting any investigation which took place as well as the results of that investigation.