



Institute  
of Real Estate  
Management  
Chapter 53



## AUDIT POLICY

### **THIS POLICY IS REQUIRED FOR LEGAL COMPLIANCE.**

The Sarbanes Oxley Act recommends that the Treasurer of IREM Southern Colorado Chapter 53 attest or affirm to the board of directors, at least annually, that every aspect of the organization is properly managed through an audit process. The audit process is not limited to financial documentation. IREM Southern Colorado Chapter 53 may conduct audits in the following ways:

- A. Monthly Financial Audit
  - a. IREM Southern Colorado Chapter 53 requires that the elected Treasurer provide the following financial reports monthly, and that the reports are reviewed and approved to be accurate and in compliance with the direction prescribed by the board of directors:
    - i. Balance Sheet Summary YTD
    - ii. Accounts Payable Detail
    - iii. Accounts Receivable Detail
    - iv. Bank Statements for all open accounts
    - v. Budget vs Actual Report reflecting Month and YTD with variance comments
- B. Annual Internal Audit Criteria (when either a or b exist)
  - a. IREM Southern Colorado Chapter 53 operational budget is less than \$250,000.00 as determined by the annual budget
  - b. IREM Southern Colorado Chapter 53 Reserve Account is less than \$100,000.00 as indicated by the statements provided in the financial reports monthly
- C. Annual External Audit Criteria – Every Two Years (when either a or b exist)
  - a. IREM Southern Colorado Chapter 53 operational budget exceeds \$250,000.00 as determined by the annual budget
  - b. IREM Southern Colorado Chapter 53 Reserve Account exceeds \$100,000.00 as indicated by the statements provided in the financial reports monthly

#### Audit Committee:

IREM Southern Colorado Chapter 53 will consider the President, President-Elect, and Treasurer of the audit year to be the Audit Committee. This committee is responsible for identifying which of the annual audits IREM Southern Colorado Chapter 53 may qualify for, hiring the outside auditor, or scheduling and participating in the internal audit. Furthermore, the Audit Committee is responsible for ensuring that any recommendations resulting from the Audit, whether internal or external, are implemented within 90 days of the Audit conclusion.

#### Audit Completion:

Annual audit of IREM Southern Colorado Chapter 53, whether internal or external, should be complete no later than the last day of March of the following fiscal year. Internal Audits should be conducted outside the regularly scheduled meetings and/or events.

---

Approved: March 8, 2016