

2005 Audit Committee  
Review and Recommendations  
Year Ending 12/31/2005

The Audit Committee completed the annual review of accounts and determined that account balances appear to be stated fairly.

The Committee reviewed progress on prior year recommendations. All but two recommendations for the prior year were completed satisfactorily. The two remaining have been subsumed into this year's recommendations.

1. The Committee recommends that Session form a committee or instruct the Administration and Planning Committee to develop and publish a policy regarding bequests. The goal of the policy should be to maximize investment performance while honoring restrictions set forth and to streamline/simplify the current portfolio of accounts through consolidation of those with balances less than \$5,000 and similar restrictions. Since many of the accounts are significantly restricted and currently yielding very small income, the Audit Committee urges prompt actions on the recommendation.
2. Investigate reduction of financial administration workload using software designed specifically for Churches that manages fund accounting and delivers effective monthly/yearly reporting.
3. Gift Cards received via donation or other means should be treated like cash and should be tracked as a separate line item on the books of every group within the Church.

As Chairperson of the 2005 Audit Committee, I would like to recognize the contributions of Ed Steenhuisen, Carlo Bjornsen and Roger Dreyling to this year's audit. A special note of thanks goes to Treasurer Margaret Hriczak for her time and diligence in working with the Committee throughout the audit process.

Respectfully,



Thomas J. Fordham