**NLN Affiliated Constituent League**

**Policy and Procedure**

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| policy number | **4.8** |
| policy name | Financial Audit |
| **date of origin** | (Date) |
| purpose | Delegates certain responsibilities to the audit committee and requires periodic rotation of the auditors. |
| 1. **policy** | The financial records of XYZ shall be audited annually by an independent CPA firm that has a significant group of nonprofit clients. The finance committee shall be responsible for selecting the audit firm to conduct the annual audit. If the same audit firm conducts the audit for more than five consecutive years, the finance committee shall review the firm’s services and decide if the firm or the audit partner needs to rotate.  The audit firm will not be hired to perform non–auditing services, except for tax preparation and Form 990 preparation and shall not perform substantial services for any officer or director personally. The audit firm shall be engaged to present annual audit findings to the chief executive and the finance committee, and if needed, the board. The finance committee shall review the audit and make its recommendation to the board. |
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Revision Dates: