

Crafton Hills College Foundation

AUDIT POLICY

Adopted by the Board of Directors: September 16, 2010

Whereas: The Crafton Hills College Foundation seeks to adopt an audit policy;

Whereas: An audit should be prepared by an independent and licensed certified public accountant, conducted in accordance with auditing standards generally accepted in the United States of America, and must include the independent auditor's report; statement of financial position; statement of activities; statement of cash flows; and notes to the financial statements.

Whereas: An audit or financial review is a mark of responsibility, good stewardship, good governance, and a message to donors and supporters.

Whereas: An audit or financial review builds the trust and confidence of financial supporters of the Crafton Hills College Foundation in the way their money is being accounted for.

Whereas: An audit or financial review sets habits of fiscal responsibility to assure that , even with turnover in personnel, there will be continuity in accountability.

Whereas: An audit or financial review provides the best assurance that gifts made with restrictions are consistently administered in accordance with the donors' instructions.

Whereas: An audit or financial review protects the board, staff, and volunteers of Crafton Hills College Foundation from unwarranted charges of careless or improper handling of funds.

Whereas: Only charitable corporations with gross revenues of \$2 million or more in a fiscal year are subject to an independent audit requirement and such audit must be reported to the State Attorney General's Office no later than nine months following end of said fiscal year.

Be it Resolved: That, taking all of the above into consideration, the Crafton Hills College Foundation will have its financial records audited every other fiscal year with a financial review in between fiscal years.