

**PORTLAND BEAD SOCIETY  
STANDARD OPERATING PROCEDURE  
AUDIT CHAIR AND AUDIT COMMITTEE**

- The Audit Committee Chair(s) in accordance with the PBS By-Laws shall:
  - Assume leadership of the Audit Committee and appoint its members to audit the financial records following established procedures.
  - Prepare and promptly present reports to the Board.
  
- As a Board Member, the Audit Chair shall:
  - Comply with the PBS by-laws.
  - Adhere to the PBS Code of Conduct and to the provisions outlined in the Board approved modification of the “Internal Revenue Service Good Governance Document”.
  - Write and /or update the Standard Operating Procedure for this position.
  - Prepare an annual budget to be presented at the yearly Budget Meeting. Be responsible for the budget for the position. All over expenditures will be brought to the Board for review and approval. All receipts, invoices, and expenditures will be documented in accordance with PBS financial procedures.
  - Attend Board and General Meetings on a regular basis. Arrange for a substitute at these meetings when appropriate. If circumstance prevent a Co-Chair from regularly attending Board and general meetings, then attendance at these meetings by the other Co-Chair will suffice.
  - Consult with the Certified Public Accountant as needed.
  
- The purpose of the Audit Committee is to review the financial records of the Portland Bead Society to verify consistency, accuracy, and legal compliance.
  
- The Audit Committee shall:
  - Be comprised of a minimum of three people to include one Board member and one non-Board member.
  - Have a minimum of three members present when auditing records.
  - Meet a minimum of once a year.
  - Call meetings as indicated.
  - Acknowledge that the President may conduct an unofficial audit at his/her discretion.
  - Review PBS invoices, bank statements, receipt books, and other financial records.
  - Review, pre-approve, and initial Itemized Expense Vouchers prior to Treasurer dispersing monies for reimbursements.
  - Pre-approve all checks written to members.
  - Authorize the Treasurer to disperse monies without Audit Committee approval for repeating invoices (such as PO Box annual fee, postage, and printing for the newsletter.)
  - Verify ballot results from votes cast by the general membership.

Revised and approved by the PBS Board, Oct 15, 2013

Approved by the PBS Board

Date: March 21 2012