

Audit Guidance for Volunteer Fire Departments (VFD) and Rescue Squads (RS)

Some items listed below may not be applicable and other items may be needed due to the unique circumstances of each individual VFD/RS. The following are not meant to be an all-inclusive listing of the items to be tested for legal compliance:

- Compliance with *Financial and Compliance Guidelines for Volunteer Fire Departments* issued by the Department of Examiners of Public Accounts and available for review at www.examiners.alabama.gov
- **Payroll Related Regulations**
 - IRS Regulations
 - Form W-2
 - Form 1099
 - Form I-9
 - Form 941
 - Form 990
 - Selective Service Registration
 - State of Alabama Regulations
 - Department of Industrial Relations – New Hire Reporting Form
 - Compliance with *Code of Alabama 1975*, Section 17-17-5, which states a governmental entity cannot have payroll deductions withheld for entities which perform political activities
 - E-Verify of all employees
 - Entity Specific
 - Pay rate/salary in compliance with Board approved salary schedules/pay rates
 - Compliance with VFD/RS bylaws and policies
- **Purchasing Regulations**
 - Federal purchasing regulations, if applicable. Examples OMB Circular A-133; OMB Circular A-87; and Common Rule
 - State of Alabama Purchasing Regulations
 - Competitive Bid Law (*Code of Alabama 1975*, Section 41-16-et al)
 - Public Works Law (*Code of Alabama 1975*, Section 39 et al)
 - Compliance with the Beason-Hammon Alabama Taxpayer and Citizen Protection Act (*Code of Alabama 1975*, Section 31-13 et al)
 - Entity Specific
 - Compliance with VFD/RS bylaws and policies
- **Construction Regulations**
 - Public Works Law (*Code of Alabama 1975*, Section 39 et al)
 - Alabama Building Commission Regulations
- **Debt Regulations**
 - Debt Covenants
 - Compliance with VFD/RS bylaws and policies
- **Miscellaneous Items**
 - Compliance with *Code of Alabama 1975*, Section 9-3-17
 - Compliance with SAFE requirements (*Code of Alabama 1975*, Section 41-14A et al)
 - Compliance with Alabama Ethics Commission requirements