

46th District Democrats 2008 Financial Review

On April 19, May 3 and May 9, 2009, a financial review team of Norma Miller, Barbara Pistoresi and recently elected District Treasurer Stan Moffett reviewed the financial transactions and financial controls for the 46th Legislative District Democrats for calendar year 2008. We found all book keeping and documentation intact, transparent and easy to follow.

We used a modified financial review process from *Auditnet.org* to guide the review. We made the following findings:

- Employing an Audit Sampling Random Number Generator methodology, the team reviewed 12 random deposits and bank statements and 14 checks from 2008 for a 95% confidence level that the remaining items NOT SAMPLED would have the same characteristics as the items that were sampled. **We found consistency between the checks, the check voucher, bank documentation and the budget expenditure/revenue recording of the deposits and expenditures.**
- We traced complete budget and expenditure documentation for two different months and found alignment. We checked PDC and bank statements for the same months to ensure consistency.
- Using Auditnet.org's audit methodology, we also reviewed the District's financial policies and procedures, including organizational mission, delegation of financial authority and the controls for financial management. According to the Auditnet.org methodology, the District is well organized for financial management and has adequate controls in place.
- A review of the 2006 Audit revealed one follow up item: Audit asked the District leadership to check whether an interest bearing account could further the goals of the organization. The Treasurer, Donna Boysen, did look into interest bearing accounts. Research revealed that our account balance could not sustain a minimum balance without incurring additional expense that negates any earned interest. The 2009 Audit committee accepts that analysis. No further action required at this time.
- A few minor recommendations based on our review of 2008 finances:
 1. While no problems were identified, the committee noted that the Treasurer was reimbursed a few times without oversight. **We recommend that all checks made payable to the District Treasurer (by the District Treasurer for reimbursement) should be signed by another authorized District signator to ensure proper oversight.**
 2. We also noted that the Treasurer often has to allocate funds against a budget account when a member makes an expenditure. **We recommend that the member who is making the expenditure (or asking for reimbursement) should be required to assign the correct budget account to confirm appropriateness with the membership-passed budget and that there are funds available to cover the expenditure.** The Treasurer can assist the identification of funds.

The District has adopted a new and approved budgeting-by- program/committee. The Audit committee finds this to be a terrific tool for committee accountability and tracking that our mission and goals are met.

In summary, we found all deposit and expense documentation for 2008 in order. No evidence of questionable practices was found and we are satisfied that the books for 2008 are complete, comprehensive and thorough. The District is very fortunate to have had Donna Boysen as Treasurer for 2006-2008. She has done a great job on your behalf and has mentored Stan Moffett so he can continue the tradition!

Sincerely,

The 2009 46th District Audit committee

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