

## **Audit/Finance Committee Minutes**

**May 12, 2005**

*Present: Gail Chiarello, Patrick Hogan, Marcia Bennison. Absent: Janice Murray, Jim Mullins.*

Audit/Finance Committee Background: Committee met at Gail's home from 7-8PM. Gail noted this might be the first-ever meeting of a formal Audit/Finance Committee. In early 2003 Marcia Bennison had sat down with Kristin Mitchell and Scott White to go over her 2002 audit recommendations but Marcia did not recall any other formal committee meeting.

Audit: Discussion of period to be covered by the audit. The new By-laws state "an Audit Committee shall ... review the District's financial records for the period since the previous audit and present a report to the membership no later than its June meeting." Marcia commented normal practice was to audit by calendar/fiscal year. Her expectation was that she would be auditing the 2004 books.

Previous audits: There is an audit report in the records for 2002, dated Feb. 20, 2003 with several recommendations, including obtaining QuickBooks Pro to track transactions. There is no written report for 2003. Marcia recalled that she had looked at the 2003 books, but it had been difficult to audit them because of difficulties matching up bank transactions with the Excel spreadsheet. Marcia ended up giving a verbal report to Kristin Mitchell last year; she doesn't remember if she gave a verbal report to the entire membership but thinks perhaps not.

Plan: Marcia's recommendation was to audit the 2004 books and just take a look at the 2005 books. Gail has entered all the transactions from 2005 in QuickBooks. It will be easier to do the 2004 audit if all those transactions are also in QuickBooks. Gail will enter all the 2004 transactions. Marcia will then audit the 2004 books with the goal of presenting a verbal report to the membership at the June 16th meeting. Marcia said that her "audit" would not conform to a standard CPA audit which involves contacting third parties--banks, customers, etc. The "audit" she has done in the past is more of a "review":

1. Are checks deposited in a timely way?
2. Is the account reconciled on a monthly basis?
3. Are bills paid on time?
4. Are transactions properly characterized to reflect the budget?

(UPDATE on Audit: Since this meeting, Marcia Bennison has had to deal with a family health crisis and cannot meet the June 16th deadline. Janice Murray has completed a review of the 2004 books and also looked at the 2005 records; report attached.)

Treasurer-in-Training/Deputy Treasurer: Scott White and Jan Ames are "Deputy Treasurers" as per the By-laws, allowing them to write and/or co-sign checks in the absence of the elected Treasurer. Gerry Pollet had suggested it would be a good idea to have a back-up Treasurer, who can file PDC reports, make bank deposits, enter data into Excel/QuickBooks, pay bills, etc. (UPDATE: Janice Murray would like to take on "Treasurer-in-Training. Gail and Janice will work together over the summer so that Janice is fully trained as a back-up.)

Fund-raising: Patrick's interest is fund-raising. Committee talked briefly about "Arabian Bordello" event at Pat Emerson's, possible "Chair's Breakfasts," and fundraising working with the Area Coordinators. We agreed to postpone further discussion of fundraising until after the audit is completed.

Gail Chiarello  
Chair, Audit/Finance Committee