

Audit of the Midyear Financial Reports for Toastmasters Intl. District 55
January 24, 2010

District 55 Treasurer: Tonia Norman, DTM
Audit Committee: Gypsy Ramsey, DTM, chair
Jo Condrill, DTM, PID
Desi Mora, DTM

The audit committee met on January 24, 2010 at the San Marcos Library to review the first six months (July 2009-Dec 2009) financial records and Midyear Audit for Toastmasters International District 55 for the fiscal year 2009-2010. The fiduciary duties of the Audit Committee are:

- To ensure that the audit accurately reflects district income and expenses.
- That all district expenses be documented with proper approvals and receipts.
- The records are accurate and appropriate.

We reviewed the treasurer's reports, midyear audit report, bank statements; cash receipt documents and cash disbursement documents. We did a random sampling of documents to look for proper approvals and receipts. We found only one document that did not have a signature on it, but there was an email giving authorization to pay the voucher. We suggest that the document be signed so there will be authorization on the payment request form in case the email gets separated.

Below are the other findings and recommendations of the committee.

1. The income from the Raffle and Auctions is currently listed under other income in the budget, but we feel that it should be reflected as a reduction against the Conference budget since the purpose of the raffle is to offset conference costs and that is where the actual funds and expenses have been reflected.
2. There seemed to be a large amount of funds used for the "Jack Rabbit Dash". We suggest that a member survey is conducted to see what really would motivate members to get new members to join and see if the costs for running this can be significantly reduced while still motivating participation in the contest.
3. There is a large budget under Marketing and Communications and Public Relations which we were told was for the improvement of the website. As of today, no plan has been submitted for approval. This needs to be revisited.
4. Over 50% of the budget for speech contests has been spent, but only trophies for the Fall Contests have been ordered. We suggest that all trophies for the entire year be ordered at the beginning of the year to save costs of shipping and ensure there are adequate funds to pay for the spring contests.

5. The Leadership Institute budget is broken out as a separate item on the budget instead of being included under the Education and Training budget as in prior years. Expenses for the officer training have been division sponsored and not TLI related for the first six month period. More funds will be spent in the second part of the year for TLI events to use the Leadership Institute budget.
6. TI is a sales tax exempt organization, but members have been reimbursed for tax on items they have purchased. Members should obtain a tax exempt letter prior to purchasing items for District 55, especially big ticket items.
7. Engraving for trophies has been done locally, but no bid solicitation process has been used. There needs to be at least 2 local bids on services like this to ensure that the district is getting the best price.
8. Over 50% of the travel budget has been expended already in the first six months. This is primarily due to a significant amount of travel by Division G staff(area and division governors) to visit their clubs and attend club and division contests and training sessions. It is also for attending District Executive Committee meetings. The District Governor has taken notice of this and has notified the Division G staff that for the second half of the year the district would only reimburse them for one trip to each of their clubs and that any other travel they make to their clubs will not be eligible for reimbursement from the District. When doing the annual budget, location of the conferences for the year also needs to be considered so that the travel budget covers all travel that will be necessary for that year.

The audit committee would like to thank Treasurer, Tonia Norman, DTM, for her excellent record keeping. It was very organized and made the job very easy and efficient.

Sincerely,
Gypsy Ramsey, DTM
Audit Chair