

February 12, 2017

### **District 55 Mid-Year Audit**

The Audit Committee met on January 28, 2017 with District Finance Manager Stephanie Bostick, CPA and reviewed the first six months (July-December) of District 55's financials. In general, the accounting records for District 55 were found to be in good order and well organized. Stephanie is to be commended for her work.

The Audit Committee confirmed that transactions appearing on the receipt registers and payment registers were accompanied by supporting documents. The Committee reviewed cancelled checks and confirmed that all but three checks were signed with two appropriate signatures. The committee reviewed all vouchers for reimbursement and verified that they were approved by the District Director and provided adequate supporting documents. The Committee reviewed all payments and verified that expenses were approved by leadership per TI rules and regulations. All mileage reimbursement requests were reviewed by the District Finance Manager and were adjusted if not correct and then were properly reimbursed.

#### **Audit Committee Comments and Recommendations:**

To improve the audit process, the Audit Committee recommends the District Finance Director use Duplicate/Carbon Copy Checks and attach the copy to the expense reimbursement or invoice. This would cut down on the need to take a picture of the check and then later print it or to download and print copies from the bank; a suggestion made by a previous audit committee. However, while a good suggestion, that process puts a financial burden on the District Finance Manager and is time consuming. Their suggestion was made because, as is typical, not all checks written in a month clear the bank in the same month. This makes it difficult for the Audit Committee to verify if the check was properly signed.

District 55 incurred a few returned check fees. These were due to a lack of knowledge regarding the timing of deposits and the timing of the length of transfer requests. In the beginning, she did not realize she could transfer cash from the conference account into the operating account. It was only later that she realized this. She will make sure that the next District Finance Manager knows this as well to avoid these fees in the future and to prevent delays in reimbursements and bills that need to be paid.

The Audit Committee recommends that requests for meal reimbursements include who was in attendance and the purpose of the meeting.

The Audit Committee includes the Certification for December 31, 2016, along with the narrative pages as part of the official mid-year audit report.

The Audit Committee appreciates the challenging job that the District Finance Manager, Stephanie Bostick, has in order to manage the District financial records and maintain full time employment.

Submitted by the District 55 Audit Committee

Cindy Cross, DTM – Audit Chair  
Heather Diehl, DTM  
Tim Williams, DTM

#### **Attachments**

- Audit Committee Guidelines
- Certification Page of Mid-Year Audit
- Narratives for December 31, 2016