

April 24, 2023

To: District 65 Officers

From: Audit Committee

Re: Mid Year Audit - July 1, 2022 thru December 31, 2022

The audit committee has completed its review of District 65's financial records for the period noted above.

Per Toastmasters International guidelines, the committee members reviewed all the individual expense reports and the supporting documents, monthly P&L Statements, Receipts Register, Check Register, Paypal Statements and District Reserve statements. The objectives of the audit were to ensure that (1) proper approvals were made to support the financial expenditures, (2) expenditures were properly and adequately supported by receipts, bills, invoices, etc., (3) expenses were in compliance with Toastmasters International guidelines, (4) expenses were in line with the approved budget, and (5) revenue was properly accounted for.

The committee found that:

- (1) Individual expense reports were properly approved
- (2) Expenditures were supported by receipts, bills, invoices, etc.
- (3) Expenses were in compliance with Toastmasters International guidelines
- (4) Expenses were in line with District 65's approved budget and variances were explained
- (5) Revenue was properly accounted for.

It should be noted that since expense reports and the P&L are handled through Concur, the possibility of math errors has been eliminated.

The committee would like to commend District Finance Manager, Lisa Garzynski for her excellent record keeping and diligence in organizing the records and preparing for the audit.

Listed below are some observations and suggestions which should be implemented to facilitate the record keeping and auditing process going forward:

- Per Toastmasters International guidelines, "any individual expense in excess of USD \$500 must be authorized in advance; there should be approval included in the supporting documentation and some indication of when the expense was approved (an email approving the expense is acceptable)." We recommend that this approval documentation be attached to the related expense report along with the required receipts.

- Since the PayPal account has been unused for well over a year, review the need for the District to have such an account.

The committee was pleased to note that some prior suggestions for improvement have been implemented:

- Clear and detailed comments have been included for each expense - including names, event names, purpose for purchases (awards, incentives, etc.)
- Expenses for meals, lodging, travel, etc. have been separated and submitted for reimbursement by individual name to aid the audit committee in assuring compliance with Toastmasters International guidelines.
- A reliable back-up record keeping system (Google.com drive) has been implemented to ensure vital District records are not accidentally lost and are easily accessible.

We appreciate the opportunity to serve District 65.

Sincerely,

Donna M. Sokolowski, DTM, PDG - Audit Chair

Melissa McDonald, _____

Nathan Rathburn, _____