

Please add this document as treasurer's response to 2021 audit.

Thank you. Will scan and send you the September data tomorrow.

Jane

----- Forwarded message -----

From: **Bobbie Redington** <[vinesampler@gmail.com](mailto:vinesampler@gmail.com)>

Date: Mon, May 9, 2022 at 10:15 AM

Subject: Re: 2021 Raindrop Chapter Audit Response

To: M Jane Smith <[smithmjgw@gmail.com](mailto:smithmjgw@gmail.com)>, Emma Bleich <[emmableich@q.com](mailto:emmableich@q.com)>, Lisa Ludwig <[deadpainter@icloud.com](mailto:deadpainter@icloud.com)>

Hello All,

I will respond to the Yellow inquiries to me below.

On Sat, May 7, 2022 at 4:56 PM M Jane Smith <[smithmjgw@gmail.com](mailto:smithmjgw@gmail.com)> wrote:

Thank you ladies for your hard work and thorough review while performing the 2021 audit. Your report is useful and I have cut/pasted your audit report and provided comments/explanations in red. I am also providing 7 attachments as additional support. I will also send these to Monica and request that she add them to the audit folder. Bobbie will need to chime in with a few comments I could not address and those are highlighted in yellow.

It will be up to you to decide if you wish to re-do a final report indicating if there are any unresolved issues. Please feel free to let me know if you have any questions or concerns.

The report/comments follow:

The audit committee was composed of Treasurer Jane Smith, Emma Bleich, and Lisa Ludwig. The following are questions we have regarding the Account Summaries and Statements for January 2021-December 2021.

Our review included each member of the committee reviewing the monthly Summary Statement and comparing it with the bank statements and expense documentation. This information was compiled by the current treasurer and posted in the chapter members-only section of the chapter website in a secure location noted as Audit.

The following is our observations, questions and recommendations:

In January Bobbie purchased brushes for people who participated in the Palate Potpourri – then - \$217.00; how many were bought, and are we still sending them? **If this is still happening and will continue, we recommend that it be included in future budgets as a line item.** I have scanned the receipt and Labeled it **Exhibit A** for your review. You can see how many brushes were purchased. I know we are no longer sending them because so many broke in transit. As to the plans for those that remain or if it will continue, a question for Bobbie.

Postage – there was a significant expenditure for postage in January; upon review, we only found documentation for \$125.60, but the line item for Jan is \$154.85. We believe the excess is from an expense in December.

We

recommend that we change the misc. Postage for Feb, which was deemed to be the mailbox rental to the section for rent and not postage misc. unless there was a reason.

No reason that I can see, and before my time. The reason for an audit. We can't change financial statements after published and year closed. No impact to the bottom line. However, agree it is important to properly state. A note has been made and is included with the expenditure as well as a note to the year end statements disclosing the discrepancy/mis-classification.

In February, we made a donation of \$500.00; there is no documentation to show to whom this was sent. We believe this was the Women's Shelter Donation, but there is no attached documentation. If

this

was to the Women's Shelter, we recommend that it be listed under the heading of donations. Also, this

donation was increased by the chapter for the current year only, and that documentation should have been included as well. This was before my time and I have nothing. I have included a copy of the cancelled check and it was a 2020 expense and should have been included in 2020.001 have labeled it **Exhibit C**. It did end up being shown as a donation and with the 2022 budget, the account was renamed. The meeting minutes reflect the membership voting to the 2020 donation increase and I will request a copy of those minutes and include it in the notebook.

US Bank Checking account

was closed on Feb 18, 2021, and the ending balance of \$20,297.52 was deposited in the Key Bank SAVINGS account. This information was not reflected in summary. Why was this money not put into our checking account since it was chapter checking? Then it appears that \$1000 was transferred from savings to checking via internet transfer. We should see those changes documented on the form and reference to the meeting where this decision was made. We recommend that the \$20,297.52 (less any additional internet or other transfers) be returned to our checking account. We also feel that any transfers from savings to checking be noted on the monthly and year-end statements. I am not aware of why there was so much in the US Bank checking....but the notes I got for the procedures was to keep a minimal amount in the checking and transfer funds from savings as needed. So, can only assume that was the reasoning. I was not on the board when that occurred. Bobbie, can you shed some light? Going forward, we have transfers covered. The board members approve transfers from savings. As I recall, we moved funds from US Bank checking into Key Bank Savings to take advantage of higher interest rates. The checking account is a high yield account. We decided to keep majority in savings for that reason.

Statement from Key bank

showed a deposit of \$279.09 when we closed out pay pal account in February – there is no reference to this money in Revenue. It needs to be reflected as income. It was recorded to the

appropriate income account (dues) by the treasure into quickbooks. **Exhibit B** shows the transactions (all dues).

The revenue appears to have been recorded appropriately and this was simply a transfer from the Pay Pal account to the bank account. Unfortunately the PayPal account was not under our control and I believe Bobbie and Mary completely scrutinized it prior

to closing it. **Bobbie, can you shed some light?** I'm not sure what the questions is. It appears you have what is needed here.

[Quoted text hidden]