



# District 8

## Mid-Year Audit Committee Report

**Date: September 1, 2020**

**To:** District 8 Director, James Childress

**From:** District 8 Audit Committee of 2019-2020, Kathryn Mokriakow, David Mallory, Seth Jarboe

**Audit Period of Review:**

January 1, 2020 through June 30, 2020

**Objectives of Audit:**

To validate operational controls relating to district finances are in place and operating per District 8 Procedures Manual and Toastmasters International "Audit Committee Guidelines".

**Scope:**

Our scope included a review of the policies and procedures in place to ensure:

1. Accurate and timely processing of expense vouchers
2. Appropriate level of review and approval as evidenced by signatures and dates
3. Request for reimbursements were properly supported by receipts or other appropriate documentation
4. Transactions were executed according to District 8 procedures

**Observation Summary:**

The audit committee reviewed the District 8 financial records in accordance to established Toastmasters International and District 8 procedures and concludes that District 8 has maintained adequate financial controls to ensure proper usage of district funds. The District 8 Finance Manager, Tim Spezia and District Director James Childress, have kept proper records for district financial transactions per Toastmasters International standards for the first half of the Toastmasters year.

The audit committee did identify exceptions of consideration as noted below:

**January 2020 Findings**

*RJ Stratton missing one itemized receipt for food purchase. James Childress missing two itemized receipts for food purchases. Per Protocol 8.4, Number 4, Section K of the governing documents, Itemized point-of-sale receipts are required for all reimbursements. Credit card statements and bank statements are not receipts.*

**February 2020 Findings**

*Nicole Arms reimbursed over allotted amount for trophies. Per D8 Procedures Manual, Procedure A, Section 3, the district will reimburse area directors for trophies at area contests for a maximum of \$10 per trophy.*

**March 2020 Findings**

*James Childress missing one itemized receipt for food purchase. Per Protocol 8.4, Number 4, Section K of the governing documents, Itemized point-of-sale receipts are required for all reimbursements. Credit card statements and bank statements are not receipts.*

**April 2020 Findings**

None

**May 2020 Findings**

None

**June 2020 Findings**

None

**For TI Review Request:**

District credit card use for purchases less than \$1.00. The credit card is issued to the district director.

All purchases made at Office Max:

- 12/17/19 .36
- 2/4/20 .12
- 2/13/20 .24
- 2/23/20 .48
- 4/15/20 .84
- 4/23/20 .60
- 5/6/20 .24
- 5/21/20 .24

**References:**

- <https://www.toastmasters.org/Leadership-Central/Governing-Documents>
- <https://dist8tm.org/wp-content/uploads/2019/05/TM-D8-Procedures-Manual-2019.pdf>

**District 8**  
**Profit & Loss (Actual | vs. Budget Summary) (in USD)**

Month Ending 06/30/2020			07/01/2019 Through 06/30/2020			
Actual	Budget	Variance		Actual	Budget	Variance
			<b>District Revenue</b>			
988.03	1,365.00	(376.97)	Membership Revenue	36,517.82	43,111.84	(6,594.02)
0.00	0.00	0.00	Conference Revenue	0.01	13,255.00	(13,254.99)
0.00	0.00	0.00	Fundraising Revenue	0.00	1,800.00	(1,800.00)
0.00	0.00	0.00	TLI Revenue	(11.88)	0.00	(11.88)
0.00	500.00	(500.00)	District Store Revenue	732.44	1,500.00	(767.56)
<u>988.03</u>	<u>1,865.00</u>	<u>(876.97)</u>	Total District Revenue	<u>37,238.39</u>	<u>59,666.84</u>	<u>(22,428.45)</u>
			<b>District Expenses</b>			
328.40	0.00	328.40	Conference Expenses	1,483.12	12,452.00	(10,968.88)
1,296.00	3,930.00	(2,634.00)	TLI Expenses	5,298.31	7,760.00	(2,461.69)
529.68	0.00	529.68	District Store Expenses	2,208.02	600.00	1,608.02
1,364.52	2,500.00	(1,135.48)	Marketing Expense	1,813.14	29,300.00	(27,486.86)
96.73	250.00	(153.27)	Communications & PR Expenses	4,215.60	6,415.00	(2,199.40)
1,589.64	1,750.00	(160.36)	Education & Training Expense	4,135.34	6,604.00	(2,468.66)
0.00	0.00	0.00	Speech Contest Expenses	492.10	2,600.00	(2,107.90)
110.54	197.66	(87.12)	Administration Expenses	1,532.36	2,221.92	(689.56)
0.00	625.20	(625.20)	Travel Expense	12,464.71	20,708.00	(8,243.29)
329.06	179.06	150.00	Other Expenses	3,867.54	2,148.72	1,718.82
<u>5,644.57</u>	<u>9,431.92</u>	<u>(3,787.35)</u>	Total District Expenses	<u>37,510.24</u>	<u>90,809.64</u>	<u>(53,299.40)</u>
<u>(4,656.54)</u>	<u>(7,566.92)</u>	<u>2,910.38</u>	<b>Total Net Income</b>	<u>(271.85)</u>	<u>(31,142.80)</u>	<u>30,870.95</u>