

Douglas County Master Gardens
Audit Report
For the period Jan 1, 2010 to the date of the audit

The Audit was performed by Roger Sawyer and Toni Rudolph, (Toni is the incoming Treasurer), on July 22 in the kitchen of the Extension Office.

Others present: Karolyn Riecks, our current Treasurer.

Procedure:

The first thing we did was to reconcile the latest bank statement balance to the ending checking account register balance. This was successful.

The second step was to examine a sampling of transactions. We selected at random a check in the register, looked at the way it was charged to its respective category, then verified that an expense form was properly completed and signed by the category manager. No discrepancies were revealed during this process.

Having completed these steps we were satisfied that the Chapter's books are being maintained in accordance with accepted accounting standards and are accurate.

Recommendations:

For the purposes of being able to make the large volume of deposits at the time of the plant sale we maintain several minimum balance checking accounts. This is done to avoid extra bank fees, which are significant. Currently these accounts are referred to as Reserve accounts. We recommend that these accounts be renamed to reflect that they are in fact checking accounts a, b, c, or 1, 2, 3. Etc. In this way they are not confused with the actual special purpose reserve account.

Because we maintain and budget funds into a specific reserve account we would like to see that account separated and accounted for in the way that it was intended. These funds can still be held in a CD or series of smaller CD's and funds transferred between other checking and Savings accounts. Notations or descriptions can be used on these accounts to more accurately describe their purpose.

Treasurers Report format. It is recommended that an understandable format be developed and used by the Treasurer to better explain the flow of funds from one reporting period to the next. As a suggestion each new report would start with the previous reports ending balance, then an income section explaining the sources of income followed by a section explaining the expenses. The adding of the income and subtracting of the expenses should produce an ending balance that agrees with the combination of our several accounts.

When interest rates improve or funds are known to be un-needed for an extended period we suggest that short term CD's be used by laddering their expiration dates for short intervals. This practice will allow us to either roll over the CD on its expiration date or bring them to cash if the funds are needed.

Because of the larger volume of paper that is being generated as our Chapter's activities grow it is recommended that some records be tossed more frequently or a summary prepared and stored electronically. The detailed sales slips from the plant sale are one source that meets this situation.

Respectfully submitted

Audit Committee Chairman, Roger Sawyer