

AUDIT REPORT
ON
DOUGLAS COUNTY MASTER GARDENERS
FINANCES

24 JULY, 2007

AUDIT COMMITTEE:

BUD CRUGER
CHUCK AIELLO

DCMG TREASURER:

DEBBIE FENZL

SUMMARY:

DCMG FINANCES ARE COMPETENTLY ADMINISTERED BY THE TREASURER. THE BOOKS ARE IN ORDER, PRACTICAL AND EFFICIENT ACCOUNTING PRACTICES ARE EVIDENT, AND DCMG CAN BE CONFIDENT THAT THE FINANCIAL STRUCTURE EXISTS TO MEET BUDGET AND CONTINUE TO PURSUE GROWTH POLICIES THAT REQUIRE PROPER FINANCING.

RECOMMENDATIONS:

1. ELECTRONICALLY BACK-UP FINANCIAL BATCH PROCESSES IN *QUICKEN* WHEN COMPLETED.
2. SEMI-ANNUALLY UPDATE THE DCMG OFFICE COMPUTER *QUICKEN* ACCOUNT.
3. EXPEDITIOUSLY:
 - COMPLETE FUND WITHDRAWAL FROM THE WELLS FARGO ACCOUNTS AND COMBINE THE CHECKING ACCOUNTS.
 - PLACE THE SAVINGS ACCOUNT INTO A CERTIFICATE OF DEPOSIT BEFORE THE END OF JULY.
4. WHEN LARGE CASH AMOUNTS (OVER \$5000.00) ARE DEPOSITED, THE TREASURER WILL OBTAIN THE ASSISTANCE OF ONE OTHER DCMG OFFICER TO VERIFY THE DEPOSIT AMOUNT.

DETAIL:

TREASURER WITH THE RECOMMENDATION OF THE WASHINGTON MUTUAL BANK HAS ESTABLISHED THREE \$1000.00 RESERVE ACCOUNTS. THIS PRACTICE ALLOWS DEPOSIT OF CASH FUNDS OVER \$5000.00 PER MONTH WITH NO SURCHARGE. (THIS PROCESS IS IMPORTANT DURING THE PLANT SALE OR ANYTIME AN OVER \$5000.00 CASH INCOME DEPOSIT OCCURS). ADDITIONALLY, THESE ACCOUNTS PROVIDE RESERVE LIQUIDITY IF NEEDED; FUNDS ARE EASILY TRANSFERRED TO/FROM MG CHECKING.

THESE RESERVE ACCOUNTS WERE ESTABLISHED USING FUNDS IN THE ACCOUNT KNOWN AS THE "SINKING FUND".

TREASURER USES A PRACTICE OF A "CASH ACCOUNT" IN *QUICKEN* THAT FACILITATES "CASHIER CASH" FOR ANY INCOME RAISING EVENT. FUND FLOW IS BETWEEN MG CHECKING AND THE CASH ACCOUNT WHICH IS ALWAYS ZEROED OUT WHEN THE EVENT FINANCIAL TRANSACTIONS ARE COMPLETED. THE EVENT ACCOUNT IS NOT AFFECTED WITH ANY OF THESE TRANSACTIONS AND THE FUND FLOW IS ENTIRELY TRANSPARENT (GOOD TRACEABILITY).

TREASURER MAINTAINS INCOME AND DEPOSIT RECORDS ELECTRONICALLY AND WITH PAPER FILES.

TREASURER UTILIZES THE OMGA RECORD RETENTION POLICY.

COMPLETION OF THIS FINANCIAL YEAR WILL REQUIRE PREPARATION OF THE SO CALLED "RED BOOK" OR LONG FORM FOR SUBMISSION OF TAX INFORMATION TO THE OMGA TREASURER. TREASURER IS PLANNING TO ATTEND THE OMGA MINI-COLLEGE LEADERSHIP CONFERENCE CLASS NEXT MONTH THAT WILL PROVIDE INSTRUCTION ON THIS SUBJECT.

END