

Potomac Area Technology and Computer Society (PATACS) Audit Review (2014-2015)

An audit review of NCTCUG/PATACS financial records for the fiscal years 2014 and 2015 was conducted during December 2015 and January 2016

The audit was accomplished by Nick Wenri – Director and Mel Mikosinski – Director (Spreadsheet developed from PO files).

The audit covered fiscal items noted in the audit checklist. An audit of PATACS equipment was not done, this will be subject of a separate inventory audit.

The audit did not utilize the physical checkbook register and direct Quicken financial data. It did utilize PO file data, copies of bank statements (checking accounts and CD account), Mel's spreadsheet analysis of the PO data, the fiscal year end treasurer reports, deposit slips, Pizza Sig donation records and financial tracking slips.

All cash receipt records agreed with deposit slips, the PO file, and bank statements.

All check receipts agreed with deposit slips, transition records and bank statements.

The PO file data agreed with bank statements and deposit slips. The physical checkbook register was not viewed. Information in the checkbook register is reflected in the PO files which are in agreement with bank records.

The financial tracking record sheets were reviewed. The FY 15 tracking sheets were fine.

The FY 14 tracking sheets had the following discrepancies:

The sheet for check 2051 (\$140 dated March 6 for the purchase of postage stamps) and the sheet for check 2052 (\$425 dated March 17 for State Farm Insurance) had only one approval signature. Check expenditures are required to have two authorizing signatures (initials).

The sheet for check 2066 (\$58.58 dated Sept. 22 for cables/AC surge suppressors) had no authorizing signatures (initials).

All issued checks did have the required two signatures. If the tracking sheet was reviewed by both parties that are signing the check, that should help verification that the tracking sheet has the required two approvals.

The tracking sheets were compared with bank statements (images of returned checks) and Quicken transaction reports. Again, the checkbook register itself was not viewed but should reflect data in Quicken and the various reports generated from the Quicken system.

In reviewing account balances at the end of the FY, the checkbook was not viewed, but both the FY 14 and FY 15 balances stated in the respective FY Treasurer's report (from

Quicken data) agreed with the amount shown in the bank statements when corrected for expenditures (checks) issued in the respective FY that had not yet been received by the bank by the end of the FY.

The PO Files, tracking record sheets and bank deposit records for the checking account were compared. Everything appears to be in agreement. Only problems encountered were minor ones comparing the PO file reports with deposit records in instances where there were a number of cash contributions from member dues, donations and Pizza Sig donations which were actually deposited in the form of a check which combined the cash receipts for that period. It was helpful that the deposit slips were almost all annotated with the cash amounts and source for membership dues and contributions. Mel's annotations on his spreadsheet were also helpful in showing where deposit amounts totals came from which multiple sources.

The current audit checklist refers to comparison of deposit slips and returned checks with the checkbook register. All data in the checkbook register should be reflected in the Quicken data/reports and if in agreement with the actual bank statements should suffice without physically viewing the checkbook register. Not having to have physical possession of the register would facilitate audits done independent of the presence of Treasurer since the register information (which is no more "official" than the Quicken data) is reflected in the Quicken data. The register might be in use by the treasurer for recording current ongoing transactions. The existing audit check list should be modified with a statement that the Quicken data/PO file data could substitute for the checkbook register.

The checkbook was not viewed when comparing year end balances, but both the FY 14 and FY 15 balances stated in the respective FY Treasurer's report agreed with the amount shown in the bank statements when corrected for expenditures(checks) issued in the respective FY that had not yet been received by the bank by the end of the FY.

This completes the end of the fiscal audit for FY 14 and FY 15

Nicholas Wenri

Nicholas Wenri
Director - 2014/2015 Audit Chairman