

*ARMA Utah-Salt Lake Chapter
Audit Committee Report
July 26, 2010*

Executive Summary:

The Audit Committee is pleased to offer the following report to the ARMA Utah-Salt Lake Chapter Board of Directors with regards to the fiscal 2010 financial audit. In summary, we have had a good year with great attendance at all of our activities. We also had our Seminar in March which due to the economy didn't have as many attendees as we planned, but had the most vendor participation ever! We believe the Chapter is fiscally sound and able to achieve greater financial success in the coming year.

This is our financial summary as of the fiscal year-end.

- Beginning bank balance: \$19,954.14
- Ending bank balance: \$16,256.20
 - Total Debits: \$20,135.40
 - Total Credits: \$16,437.46
- Net decrease in bank balance: \$3,697.94

- Form 990 was completed by the Treasurer and the President and circulated to the Board for review. It was submitted to ARMA International by the August 1, 2010 due date.

Findings / Concerns:

The following concerns or problems were noted by the committee as a result of the audit.

- Disbursements are generally well documented but one disbursement lacked adequate information to show that a gift card was purchased for the person listed on the form. Additional information was later added to clarify.

- Discrepancy on a disbursement for invoice #207425 from Hedgehog Solutions paid on April 2, 2010. A duplicate payment was made per Hedgehog and an overpayment was made of aprox. \$82.01

Recommendations:

As a result of the audit, the Audit Committee respectfully submits the following recommendations for consideration and approval of the Board of Directors. Some of these recommendations have been considered and are supported by the Board but have not been implemented as of the date of this report. Such recommendations have been carried forward from the 2009 audit report to this report.

The following recommendations are made by this year's audit committee:

- Begin moving funds not required for day-to-day operations into an interest bearing account to be used for a "rainy day/scholarship" fund.
- Although the chapter did investigate the use of an outside auditor for the year-end financial audit as recommended in previous reports, it was difficult to find an outside CPA who was interested in performing an audit at a reasonable price. The audit committee is satisfied that good financial controls are in place and there is no critical need for an outside auditor as internal audits have been successful for the past three years. Therefore the recommendation has been updated: The committee now recommends that the board consider engaging an outside auditor each year to determine if the resource can be identified at a reasonable price and if funds are available to pay for the service.
- Amend financial procedures to require disbursements greater than \$500 to be reviewed by the Board of Directors prior to disbursement regardless of whether or not the disbursement is included in the approved budget.
- Make sure that the documentation on all disbursements includes a complete and satisfactory description for future reference.

This report is respectfully submitted by the ARMA Utah Salt Lake Chapter 2010 Audit Committee:

Kathleen Swapp, Chairman
Marcie Fujikawa, Chapter President
David Fleming, Past President

And assisted by:

Sue Richey, Treasurer