

## **Report from District 35 Audit Committee**

Thomas F. Rozga, DTM – Chairman,

Laurie Baker, DTM & Justin Gottfried, DTM

### **Audit – February 9, 2017**

The District is now using the Concur Expense Reporting system for reimbursement processing.

During the audit we did find an audit issue with the approver control within the Concur system.

International policy requires all payments in excess of USD \$500 be properly approved by the District Director and at least the Program Quality Director or the Club Growth Director.

We did find five entries in the Concur system, in excess of USD \$500, which only had one director approval. The District Program Quality Director will need to go into the system and approve one of those five, and the Club Growth Director will need to approve the other four entries.

In a follow up with Greg Wingrove, Senior Accountant – Districts, at headquarters, he acknowledged the issue and stated the following “....within the expense report...there should be a third approval. We see the third approver coming in the form of an email chain and uploaded as a receipt.”

The district will need to comply with this process until such time that the approver control issue is addressed.

Per International policy, ALL reimbursement requests MUST have appropriate approvals and adequate documentation.

The District Finance Manager has written some traditional paper checks. None of them have Voucher Approvals, one is in excess of USD \$500 and will require two approvals. The Finance Manager should get the appropriate approvals for all of these expenses.

**Item #1** – Ensure that all expenses are tax exempt. Do not reimburse sales tax for any expense. We are tax exempt and should use our Wisconsin Tax Exempt Number for all purchases. Ensure we have our tax exempt number on file with Office Max, state-wide.

The district is doing a very good job of following this procedure.

Overall, the committee would like to compliment the District Finance Manager, Ryan Frank, for the good job of record keeping and accuracy of the reports. The presentation of documents is well organized.