DATE: August 26, 2003

TO: Kellie Kaneshiro, President, Midwest Chapter, MLA
    Executive Board Members, Midwest Chapter, MLA

FROM: Rick A. Brewer, Chair, Audit Committee

RE: Audit Committee Report

The calendar year 2002 records of the Midwest Chapter were audited on Thursday, February 6, 2003.

After a thorough review, all expense reports were well documented including invoices, receipts and signature approval of the President, Jim Lander. All check disbursements matched the requested amounts and were processed in accordance with designated procedures. Membership and additional incomes were reflected accurately and substantiated with appropriate documentation. In addition, all bank statements and chapter records were reconciled in a timely and exact manner.

In conclusion, I find the records of Treasurer Christopher Shaffer to reflect the financial condition of the Midwest Chapter. In addition, nothing has occurred since the Spring Board meeting.

COMMENTS

1. Incorporation expenses were incurred during fiscal year 2002. Tax Form 990 was filed with the MLA on April 15, 2002.
2. Cash and checks were deposited promptly into the Chapter’s bank account.
3. A deposit correction was noted on February 4, 2002 and the appropriate account adjustment entered with supporting documentation from the bank.
4. A standardized Check Request Form was consistently used for all disbursements of payments. This form served as providing an audit trail with detailed and descriptive information. I recommend the continued used of this form.
5. Organization of accounts and spreadsheets were cross referenced and easy to follow and track recorded information as a result of the Treasurer devising a thorough accounting system for managing funds.
6. The Balance Sheet reflects an accurate financial position of the Midwest Chapter.

This report is informational and requires no action by the Executive Board.