



Cobb County...Expect the Best!

INTERNAL AUDIT DEPARTMENT

Report Number 2015-017

***FINAL REPORT – Review of Selected Activities of the
Friendship Club for Calendar Years Ending
December 31, 2013 and 2014***

July 31, 2015

***Latona Thomas, CPA, Director
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COBB COUNTY INTERNAL AUDIT

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Director

July 31, 2015

MEMORANDUM

TO: David Hankerson, County Manager

FROM: Latona Thomas, CPA, Director 

SUBJECT: **FINAL REPORT** – Review of Selected Activities of the Friendship Club for the Calendar Years Ending December 31, 2013 and 2014

Attached for your review is the subject report. The overall objective of this review was to determine if funds of the Cobb County Employees' Friendship Club (the Club) had been properly accounted for and disbursements were properly documented and in accordance with the established by-laws. In addition, we determined if procedural or policy changes were made in accordance to established by-laws and if prior year recommendations had been implemented.

Impact on the Governance of Cobb County

The Friendship Club was formed as a cost-saving measure to provide charitable giving for the employees of Cobb County without the annual charity campaigns that were costly in terms of employee-hours required. This year's assessment of the controls over the Club's finances provides assurance to employees that their contributions are handled responsibly and make an impact in the lives of fellow employees and families in the community.

Executive Summary

Our review determined disbursements were generally made in accordance with the mission of the Club and that the Center for Family Resources (CFR) administered the Employee Emergency Fund (EEF) in accordance with established guidelines. As recommended in the prior year, revisions to the by-laws were published to the CobbWeb¹ and the Club enrollment form was updated with the correct minimum contribution in coordination with Human Resources.

¹ The CobbWeb is an intranet site used to provide information to employees.

However, the prior audit recommendation to develop written procedures for the Assistant Treasurer (AT) to follow when managing the Club's finances was not implemented. As a result, financial records were not maintained properly, account reconciliations were not performed, invoices were not paid in a timely manner, and the tax deductible portion of employee contributions was miscalculated. In addition, our current review determined that controls over bank account access need strengthening, segregation of duties practices need implementing, meeting minutes should be taken on a consistent basis to document the discussions and decisions of the Board of Trustees, and the President should seek Board approval for Employee Emergency Fund exceptions.

Recommendations

We recommended the Treasurer submit a revised expected completion date for the prior year audit recommendations to provide written procedures which include the addition of processes to ensure the account holder names are current, to protect the online login information, and periodically monitor banking transactions. We also recommended the Club Secretary designate an alternate to record minutes of meetings when the Assistant Secretary is unavailable, and the President seek full Board approval for exceptions.

Response

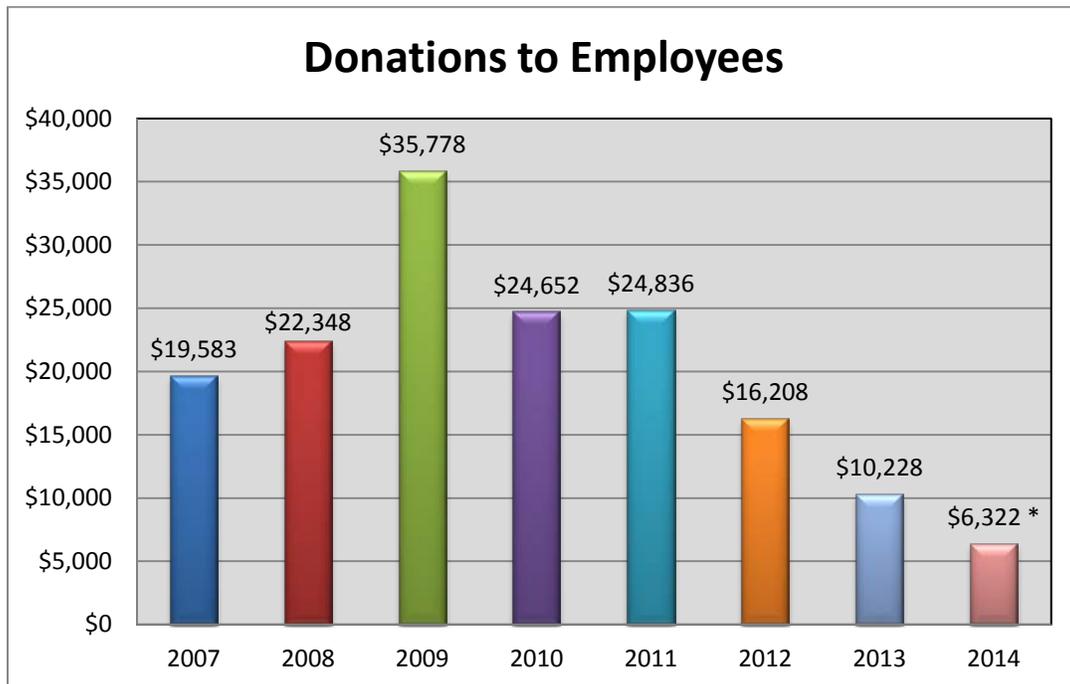
The Friendship Club President provided a consolidated response from the Treasurer, Secretary, and herself to our draft report. The three officers concurred with all four of our recommendations with corrective actions to be implemented by July 31, 2015. The complete responses to the draft report are included in Appendix VI.¹ We will perform a follow-up on the implementation of corrective actions during our review of 2015 Friendship Club activities. Please contact me at (770) 528-2559 if you have questions or Steven Harper, Auditor-in-Charge, at (770) 528-2557.

¹ Although not signed, the response was received electronically on July 27, 2015.

Background

On March 28, 1972, the Board of Commissioners for Cobb County passed a resolution to establish a voluntary payroll deduction fund named the Cobb County Employee Friendship Club (the Club). The purpose of the Club is to reduce the number of direct solicitations to employees for contributions to charitable organizations and save on the associated cost of employee-hours required to address them. Currently, a twelve-member board, representing employees of eight county agencies, administers the Club and determines the disbursement of awards to the various charitable causes. The trustees are nominated and elected by members of the Club (employees who contribute to the Club). The Club's Board has four subcommittees that oversee the elections of board trustees, changes to the by-laws, solicitation and maintenance of membership, and allocations to charitable organizations. Since its inception, as of December 31, 2013 and 2014, the Club has disbursed **\$2,057,664** and **\$2,154,486**, respectively, to charitable organizations, employees or other causes³.

In 1990, the Club expanded its mission and established the Employee Emergency Fund (EEF) to provide financial assistance to Cobb County employees. The assistance is provided confidentially through an arrangement with the Center for Family Resources (CFR) who administers the program free-of-charge, governed by a set of guidelines that determine eligibility and monetary assistance limits. As of December 31, 2013 and 2014, the CFR has distributed **\$356,742** and **\$363,065**, respectively, to employees in need.



Source: Assistant Treasurer Financial Documents

*October 2014 CFR invoice totaling \$1,139.40 was excluded as it remained outstanding as of May 2015.

³ Over the years, the Board has authorized miscellaneous donations directly to employees and causes that were not part of the allocations to charities or assistance provided through the Employee Emergency Fund. In response to recommendations made to the Board in our previous year's report, the by-laws were changed to disallow similar contributions in the future.

Our audit period covered Friendship Club activities during calendar years 2013 and 2014. Detailed information on our audit objective(s), scope, and methodology is presented in Appendix I. Major contributors to the report are listed in Appendix III.

Results of Review

During 2013, the Club distributed a total of \$95,028 — **\$84,800** to 30 charitable organizations and **\$10,228** to 12 individuals through the Employee Emergency Fund (EEF). During 2014, the Club distributed a total of \$96,822 — **\$90,500** to 24 charitable organizations and **\$6,322** to nine individuals through the EEF. We also determined that:

- As of December 31, 2014, \$19,747 was in the Club's bank account. Checks outstanding totaled \$2,000. Available funds were \$17,747.
- Established guidelines for providing assistance to employees were followed. We confirmed no employee received more than the allocated \$1,000 per assistance, \$2,000 per year limit. Case files contained copies of documents solicited from employees to support their request for assistance, and the case managers analyzed the financial conditions to determine whether assistance should be provided.
- Checks to the Center for Family Resources (CFR) and charitable organizations were confirmed to be received and/or endorsed by the payee.

Prior Audit Recommendations Need to be Fully Implemented

Each year the Internal Audit Department reviews the Club's activities and if necessary, makes recommendations to improve or implement controls to better safeguard assets and improve efficiency. As such, we have incorporated a follow-up of the actions taken to implement the prior year's audit recommendations. The recommendations to publish amended by-laws to the CobbWeb and revise the enrollment form to show the minimum contribution amount were completed. The recommendation to document operational procedures for the AT position was not. As a result, the following control weaknesses continued with the appointment of a new AT.

The check register was not maintained properly

The check register is kept in an Excel worksheet by the AT to record all deposits, checks, and miscellaneous transactions to the Club's bank account. It should provide the balance of funds available for use by the Club's Board. We found, starting in December 2012, checks were input to the register based on the date they cleared the bank and not when issued. This concern was noted and corrected during the previous year's audit but the practice resumed in December 2013.

In addition, the check register was not properly documented to show the cancellation and reissuance of three un-cashed checks written in 2012. The cashier stopped payment on and reissued the checks. Instead of putting an entry, or entries, in the register to add back the total amount of the cancelled checks and itemizing and deducting the amount of the reissued checks, the cashier altered the register so the amount of the reissued checks were not deducted from the ongoing check register balance.

Posting transactions in this manner causes the register balance to be inaccurate, outstanding checks to go unnoticed, and reconciliations to be performed incorrectly. An accurate balance is necessary for the Board to make decisions about disbursements from the Club's account. All transactions should be completely, accurately, and promptly recorded as they occur to maintain their relevance and value to the Club's Board in controlling operations and making decisions. The absence of accurate balances could also lead to unnecessary fees such as insufficient funds.

Bank reconciliations were not performed correctly or consistently

Reconciliations from January through March 2013 were performed incorrectly due to the check register not being maintained properly (See Page 3). As noted in the previous audit, four checks totaling \$4,000, issued in 2012, remained outstanding through May 2013. These checks were not included as adjusting items on the reconciliations noted. As such, the three reconciliations performed in 2013 reflected properly approved reconciliations but were deemed invalid as adjusting items had not been properly included. Also, without a complete and accurate check register, no reconciliation was possible.

In addition, there was no evidence of reconciliations performed beyond March 2013. The AT indicated that he was not aware of specific requirements or the necessity of a subsequent supervisory review/approval.

Monthly reconciliations of the bank account are a fundamental control that helps to ensure the Club's funds are accounted for and facilitates the monitoring of revenue and disbursements of the Club. Reconciliation is a process that explains the difference between the bank balance and the corresponding amount shown in an organization's accounting records at a particular point in time. Differences may occur from one of three scenarios: (1) a check or list of checks issued has not been processed by the bank, (2) a credit received or a charge made by the bank has not yet been recorded in the organization's books, or (3) the bank or organization has made an error. The reconciliation process is essential in ensuring the check register balance accurately reflects the Club's available funds.

CFR invoices were not paid accurately or in a timely manner

The AT is responsible for receiving and initiating the payment of CFR invoices for the reimbursement of EEF funds. When CFR makes a disbursement, an invoice should be submitted monthly for Club Board approval. As found in the previous audit, invoices from November 2012 through March 2013 were not paid until April 5, 2013, although CFR made disbursements from the EEF. Subsequently, the April and December 2013 invoices were paid three and two months, respectively, beyond the invoice dates. Also, the April balance was double paid when funds were remitted to the CFR. Credit for the overpayment was given on the following month's invoice. In 2014, the October invoice remained unpaid as of May 2015 and the July 2014 invoice was overpaid by \$1,604 with recovery remaining pending as of May 2015. Subsequent to the issuance of the draft report, an invoice totaling \$1,604 from June 2014 was provided which negated the overpayment.

The timely recording of transactions, reconciling of the bank account, and payment of invoices by the AT are essential to the accountability of the Club's funds. It also helps to ensure complete and accurate financial information is available for the Club's Board to make operational decisions. Detailed guidelines for these and other expectations of the AT function should be documented and clearly communicated in policies and procedures.

The non-tax deductible percentage of employee contributions was calculated incorrectly

The AT is responsible for calculating the percentage of employee contributions which are not tax deductible. The information is provided to Human Resources who in turn create individual letters to each Club member indicating the amount of their donation which is tax deductible. We reviewed the calculations for both calendar years and found 2014 was incorrectly calculated. The AT had understated the charity donations by \$3,000 and overstated employee emergency assistance by \$1,604 resulting in the non-deductible percentage calculation of 6.74%. The errors were due to outstanding checks which were not accounted for (due to improper maintenance of the check register outlined previously on Pages 3-4) and overpayment of the July CFR invoice. When the errors were corrected, the percentage changed to 4.95%. As noted in the prior section, an invoice for June 2014 was subsequently provided which negated the overpayment to the CFR. As such, the revised non-tax deductible percentage is 6.53% and requires notification to the affected employees.

The continuing concerns noted above could have been mitigated had the prior audit recommendation to document operational procedures for the AT been implemented. The procedures provide a reference point for the AT to know the expectations of the function and instructions for performing the operational duties. Documented processes also aide in the transition to a new AT when personnel changes occur. In addition to the concerns discussed, we found additional control weaknesses which need to be addressed to improve accountability over the Club's funds.

Additional Controls Over the Club Account are Needed

The Club maintains savings and checking accounts at a credit union. Employee payroll deductions are electronically deposited into the savings account and transferred to checking as needed to cover distributions. Controls over the bank accounts are critical to ensure the funds are appropriately managed and available for Club activities.

Bank account authorization should be changed when staffing changes

Although the online access authority was updated to the current AT, the former AT name was still listed on the bank statement as a person who could perform financial transactions. In order to minimize the risk of fraudulent activity, access to the bank account should be limited to employees authorized to manage the Club's account. All changes in bank account authorization should be made in a timely manner anytime there is a change in staff.

Online account access needs to be managed

Online access to the account needs to be managed by the Treasurer to ensure he has continual access in order to monitor activity; ensure adequate segregation of duties; provide back-up support if needed; and ensure the password is changed periodically, especially when a new AT is appointed. Currently, the AT is the only one with the password. Historically, the online access was used to monitor the bank balance and transfer funds from savings to checking prior to distributions. Managing the online access is another control activity to ensure that the Club funds are properly safeguarded against misappropriation.

Management oversight over the fund needs to be reemphasized

Additional controls are necessary to ensure the AT is performing their assigned responsibilities consistently and appropriately. Inadequate oversight, monitoring, and lack of segregation of duties of the AT activities have contributed to the issues addressed in this report.

The by-laws assign the responsibility for maintaining the Club financial accounts to the Treasurer who delegates his responsibilities to AT. However, the Treasurer retains the fiduciary responsibility to properly account for and safeguard the Club funds. The Treasurer needs to document, approve and monitor the AT activities to ensure that the Club's account is properly maintained.

Management reviews and monitoring at a functional level is a basic internal control activity which compares actual performance to planned or expected results. Adequate documentation is necessary to provide evidence of execution of these activities. The review activities include approvals, authorizations, verifications, reconciliations, and the creation and maintenance of related records which provide evidence of execution of these activities as well as appropriate documentation.

Recommendations

The Friendship Club Treasurer should:

Recommendation 1: Implement the prior year's audit recommendation to document procedures for management of the Club account including additional processes to:

- Ensure account updates are made when staff changes occur;
- Safeguard the login and password to the online account; and
- Monitor Assistant Treasurer activities.

Auditee Response: Concur

- Ensure account updates are made when staff changes occur:
 - ◆ Upon the designation of the new Assistant Treasurer we noticed that the account had not been updated as well. We are in the process of having the necessary paperwork filled out currently and should have that completed by July 31st 2015.

- Safeguard the login and password to the online account:
 - ◆ Consequent to the designation of the new Assistant Treasurer the password was changed along with the security questions. We have also set up a separate login and password for the Treasurer to have access and be able to monitor activity in the accounts.
- Monitor Assistant Treasurer activities:
 - ◆ In order to concur with this recommendation we will store more of the necessary documents electronically so that they will be readily accessible to the Treasurer. The items stored here will include things like the Treasurer's report, bank statements, and the minutes from the club meetings. Along with having access to this electronic file the Treasurer now has access to the account online so that they can verify and monitor activity there. The Treasurer will also be provided the needed supporting documentation when approving the semi-annual allocation to the charities.

Recommendation 2: Verify the non-tax deductible percentage to include the June 2014 employee assistance previously omitted and provide the information to the Human Resources Department. Also, in conjunction with the Human Resources Director, determine the best course of action to notify affected employees.

Auditee Response: Concur

Due to the fact that we have a new Assistant Treasurer since this was previously calculated we felt that in order to ensure we have the correct non tax deductible percentage we would have to research again the computation and the amounts used to derive this number. In order to do that, we requested back up documentation that we did not have on the semi-annual allocations. We just received that and should have the recalculated percentage to HR before the end of day July 17th, 2015. The Treasurer and Assistant Treasurer will also work hand and hand with HR in determining what would be the most efficient way to get the updated percentage out to the affected employees.

Club Secretary Duties Need to be Fulfilled

We were only able to obtain minutes for January through April 2013 and February through April 2014. The Assistant Secretary stated he was unable to attend meetings due to scheduling conflicts and no alternate person was assigned his duties in his absence nor did any of the attendees of the meetings take minutes. The minutes are the only evidence of Board discussions and decision and are critical to support their directives. Without the minutes we were unable to verify the Board's approval of donations to charities, ratification of invoices to the CFR, or if changes to by-laws or procedures occurred.

The Club by-laws designate the Human Resources (HR) Director, or designee, as Secretary of the Board. The Secretary of the Board of Trustees shall keep and record the minutes of all meetings of the Board of Trustees and shall distribute copies of the minutes to all Trustees before the meetings.

Meeting minutes are the official record of the proceedings at a meeting of the Board. They document discussions, decisions, and approvals made during the meetings and provide documentation to support activities. Although the responsibilities of the Secretary have been assigned to the designee, the Secretary is responsible for ensuring someone attends the meetings if the designee is unable.

Recommendation

The Friendship Club Secretary should:

Recommendation 3: Appoint an alternate person as Assistant Secretary to attend meetings and take minutes in the absence of the primary designee.

Auditee Response: Concur

The Secretary designee was changed in January 2015 back to be the Administrative Specialist III for Human Resources. Karlie Brooks, HR Specialist, currently is an elected Board Member and has been assigned to serve as backup for the Administrative Specialist III during her tenure on the Board. A backup will be reassigned in the future should Karlie Brooks not continue to serve on the Board.

The President Should Obtain Board Approval for Exceptions

The EEF was established to assist County employees who experience financial emergencies and are unable to pay bills such as rent, mortgage, utility, or medical bills. The program is administered by the CFR as their staff is trained to interview and make a determination of the need for financial help. The EEF guidelines provide general policies for the program and states, "Exceptions to these guidelines will be reviewed on a case-by-case basis by the CFR. Any exception recommended by the CFR will be presented to the Board of Trustees, and approval will require a majority vote of the quorum of the Board."

In July 2014, CFR staff contacted the President of the Club requesting approval for the EEF to provide payments for items outside of the guidelines of the plan. The President, in conjunction with the CFR, approved giving assistance for an expense within the guidelines in lieu of the requested ones. As the intent of the EEF is to assist employees through financial hardships, the CFR acted appropriately in seeking approval, however the President should have obtained subsequent ratification from the Club's board as required.

The by-laws and guidelines are in place to ensure no one is acting autonomously and misappropriating the intent or assets of the Club. The President is authorized to approve exceptions but his actions must be ratified by the Board as a safeguard against abuse. The President should seek the Club's Board approval and maintain documentation therein for all exceptions.

Recommendation

The Friendship Club President should:

Recommendation 4: Ensure they solicit the Friendship Club's Board concurrence on any exceptions made to the stated by-law guidelines and ensure adequate documentation is maintained.

Auditee Response: Concur

All board members will be consulted regarding any business conducted and documentation (minutes, emails, etc.) will be maintained by the secretary to reflect decisions made. This was discussed and put into effect during the meeting held June 16, 2015.

Detailed Objectives, Scope, and Methodology

We conducted this review as part of our annual audit plan. Our audit period covered an analysis of financial transactions and business operations of the Friendship Club for calendar years 2013 and 2014.

The objective of our audit was to determine if funds of the Friendship Club had been properly accounted for and disbursements from the Club were properly supported by adequate documentation and in accordance with established by-laws. In addition, we determined if procedural or policy changes were made in accordance with the established by-laws and if prior year recommendations have been implemented.

In order to accomplish our objectives, we performed the following sub-objectives:

- I. Verified the checking account had been adequately reconciled each month by an independent person.
 - A. Reviewed the monthly bank statements and verified that someone other than the Acting Treasurer reconciled the account.
 - B. Determined if a third party reviewed the reconciliations.
 - C. Verified whether checks issued out of sequence or missing were questioned.
 - D. Examined the bank reconciliation and looked for evidence that the reconciler documented the scope of the reconciliation and whether the bank statement contained any disbursement other than the checks issued and whether all outstanding checks were supported by documentation.
- II. Determined if there is an adequate separation of duties in the managing of the Club's finances. Verified if someone other than the Acting Treasurer:
 - A. Reconciled the account. (See I.B.)
 - B. Received the unopened or electronic version of account statements independently of the Acting Treasurer.
 - C. Reviewed the semi-annual allocation checks prior to issuance, including the review of supporting documentation and approval by the Board.
 - D. Approved other disbursements from the Club.
- III. Determined if the Acting Treasurer provided timely financial reports to the Club's Board.
 - A. Evaluated whether the Board adequately reviewed financial reports to determine if:
 1. CFR invoices had been timely processed.
 2. Disbursements since the prior report were approved and supported.
 3. Revenue was accounted for.

IV. Verified that all distributions from the Club were properly documented and authorized by the Board.

A. Determined whether the Center for Family Resources is following established guidelines for distribution of funds to employees.

1. Using the Assistant Treasurer's disbursement detail, judgmentally select a sample of 10 of the 12 employees assisted in 2013 and all 8 employees assisted in 2014. Review the instances of assistance to these 18 employees. *[Subsequent to our audit, an invoice from June 2014 was provided which revealed an additional employee received assistance during 2014. The case for this employee was not reviewed.]*
2. Determined if assistance exceeded the "two-instance, \$1,000 limit" guideline.
3. Reviewed the Acting Treasurer's disbursement records to determine if the invoice amounts agree with the disbursement to the CFR.
4. Reviewed the cancelled checks written to the CFR to determine whether the checks were endorsed.

B. Verified that there is adequate documentation to support the two allocation distributions to charitable organizations.

1. Reviewed minutes of meetings and the Allocation Committee's documentation and looked for evidence that the Board voted and had input on all charities selected and amounts awarded.
2. Confirmed that all disbursements from the two allocations were received by the organizations.

V. Determined whether proper procedures were followed to implement any proposed procedural changes.

Abbreviations

AT	Assistant Treasurer
CFR	Center for Family Resources
EEF	Employee Emergency Fund

Major Contributors to the Report

Latona Thomas, CPA, Internal Audit Director
Steven Harper, Auditor-in-Charge
Barry Huff, Review Auditor

FINAL Report Distribution List

Kristy Hartzell, Friendship Club President
Jim Pehrson, CPA, Finance Director/Comptroller, Friendship Club Treasurer
Tony Hagler, Human Resources Director, Friendship Club Secretary
Jocelyn Roper, Accountant II, Friendship Club Assistant Treasurer
Mark Reida, Former Friendship Club President
Internal Audit Department File

Outcome Measures

This appendix presents detailed information on the measurable impact that our recommended corrective action(s) will have on County governance. These benefits will be incorporated into our annual report to the County Manager and Board of Commissioners.

Type and Value of Outcome Measure:

- Reliability of Information – Recommendations, when implemented, will provide assurance of the completeness and accuracy of the Friendship Club activities. (See pages 3 – 9).

Methodology Used to Measure the Reported Benefit:

The check register was not maintained properly or in a timely manner. Also, meeting minutes were not taken consistently to document decisions made by the Board.

Friendship Club's Response



Cobb County
Friendship Club

Kristy Hartzell
President

100 Cherokee Street
Marietta, GA 30090

DATE: July 15, 2015

TO: Latona Thomas, CPA, Director, Internal Audit

FROM: Kristy Hartzell, Friendship Club President ^[not signed]

SUBJECT: Response to the Internal Audit Department's Draft Report –
Review of Selected Activities of the Friendship Club for Calendar
Years Ending December 31, 2013 and 2014

This memo is in response to the subject report dated June 16, 2015. The review determined the prior audit recommendation to document written procedures for managing the Club's account need to be completed, with additional processes for updating account holder names, protecting online login information, and monitoring Assistant Treasurer activities. The non-tax deductible percentage for 2014 should be verified and communicated to affected employees. Also, an alternate should be designated to record meeting minutes in the absence of the Assistant Secretary and the President should seek full Board approval for exceptions. You made several recommendations and our response to those recommendations are provided below.

The Friendship Club Treasurer should:

Recommendation 1: Implement the prior year's audit recommendation to document procedures for management of the Club account including additional processes to:

- Ensure account updates are made when staff changes occur;
- Safeguard the login and password to the online account; and
- Monitor Assistant Treasurer activities.

Response:

The Finance department and Friendship Club concur with this statement.

- Ensure account updates are made when staff changes occur:
 - ◆ Upon the designation of the new Assistant Treasurer we noticed that the account had not been updated as well. We are

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in the process of having the necessary paperwork filled out currently and should have that completed by July 31st 2015.

- Safeguard the login and password to the online account:
 - ◆ Consequent to the designation of the new Assistant Treasurer the password was changed along with the security questions. We have also set up a separate login and password for the Treasurer to have access and be able to monitor activity in the accounts.
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 - ◆ In order to concur with this recommendation we will store more of the necessary documents electronically so that they will be readily accessible to the Treasurer. The items stored here will include things like the Treasurer's report, bank statements, and the minutes from the club meetings. Along with having access to this electronic file the Treasurer now has access to the account online so that they can verify and monitor activity there. The Treasurer will also be provided the needed supporting documentation when approving the semi-annual allocation to the charities.

Recommendation 2: Verify the non-tax deductible percentage to include the June 2014 employee assistance previously omitted and provide the information to the Human Resources Department. Also, in conjunction with the Human Resources Director, determine the best course of action to notify affected employees.

Response:

The Finance department and Friendship Club concur with this statement.

- Due to the fact that we have a new Assistant Treasurer since this was previously calculated we felt that in order to ensure we have the correct non tax deductible percentage we would have to research again the computation and the amounts used to derive this number. In order to do that we requested back up documentation that we did not have on the semi-annual allocations. We just received that and should have the recalculated percentage to HR before the end of day July 17th, 2015. The Treasurer and Assistant Treasurer will also work hand and hand with HR in determining what would be the most efficient way to get the updated percentage out to the affected employees.

The Friendship Club Secretary should:

Recommendation 3: Appoint an alternate person as Assistant Secretary to attend meetings and take minutes in the absence of the primary designee.

Response: *Concur*

The Secretary designee was changed in January 2015 back to be the Administrative Specialist III for Human Resources. Karlie Brooks, HR Specialist currently is an elected Board Member and has been assigned to serve as backup for the Administrative Specialist III during her tenure on the Board. A backup will be reassigned in the future should Karlie Brooks not continue to serve on the Board.

The Friendship Club President should:

Recommendation 4: Ensure they solicit the Friendship Club's board concurrence on any exceptions made to the stated by-law guidelines and ensure adequate documentation is maintained.

Response: Concur

All board members will be consulted regarding any business conducted and documentation (minutes, emails, etc.) will be maintained by the secretary to reflect decisions made. This was discussed and put into effect during the meeting held June 16, 2015.