

3 Nov 08

MEMORANDUM

To: Navy Legalman Association

Encl: (1) NLA Treasurer Spreadsheet w/annotations

Subj: NAVY LEGALMAN ASSOCIATION (NLA) TREASURER AUDIT

1. An audit of the financial records covering the period of October 2006 through October 2008 was conducted on 31 October 2008 by LNCS Warren Canady, LNCS Jondell Ritchie, and LNC Karla Cook. LN1 Jennie Cooper, NLA Treasurer, and LN1 Melissa Adams, NLA President, were also in attendance.

2. The current balance is:

NFCU Checking (statement):	\$781.58
NFCU Savings (statement):	26.16
Deposit not reflected on Statement:	495.00
Pending Deposit:	183.00
Cash on Hand:	23.00
Pending deposit	
	597.00
Pending deposit	
	105.00
Total:	<u>\$2210.74</u>

3. No major discrepancies were noted. Overall, LN1 Cooper maintained thorough records of all transactions. The following are recommendations from the audit board.

a. Ensure receipts are received for all reimbursement transactions. There were four transactions and NFPA conference fees that did not have a receipt. However, the spreadsheet provided a detailed description of the transaction and the authorization.

b. Payment sent to the NFPA is listed on the spreadsheet; however, a copy of the list of members for whom payment is being made is not included. Recommend keeping a copy of that letter with the receipts for better tracking of expenditures.

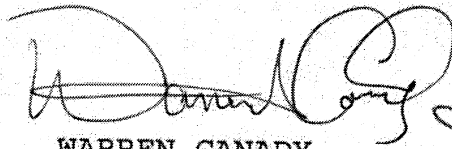
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c. There were several deposits for membership dues reflected on the bank statements and spreadsheet; however, the name of the member who made the deposit was unknown. The board members explained that this is an ongoing problem and steps are being taken to alleviate it. Recommend the incoming treasurer aggressively monitor and follow-up deposits into the account for dues as well as keep a current list of members and dues paid with the treasurer's notebook.

d. Current By-laws do not specify what expenditures and amounts can be approved by the board and what requires a majority vote by the general membership. Recommend the new By-laws make this distinction. In addition, a monthly treasurer report should be provided to the membership.

4. The above recommendations were discussed with LN1 Adams and LN1 Cooper. Some of these recommendations are already being put in place via the new NLA website. This audit should be retained with the treasurer's records.

Respectfully,



WARREN CANADY



JONDELL RITCHIE



KARLA COOK