

## TACRAO Audit Committee Report

July 29, 2022

### Audit Committee Members:

Truman Glenn, Chair, University of Texas at Austin

Chris Gore, Kilgore College

Bobby Lothringer, Southern Methodist University

On July 26, 2022 we conducted an audit of the 2021 LAC Financial records of the 2021 TACRAO Conference held in Lubbock November 7-10, 2021. We find the records to be in good order and would like to commend the 2021 Local Arrangements Committee; LAC Treasurer, Rachel Fernandez, Texas Tech University; and Co-Chairs: Kat Livingston, Texas Tech University, and Bobbie Brown, Texas Tech University, for not only hosting a great conference but for being so fiscally responsible especially coming off a COVID year where it was so difficult to plan. The 2021 Annual Conference was such a financial success that it closed at an all-time record with a net balance of **\$84,402.22!** All questions brought forward by the Audit Committee to the LAC Co-Chairs and LAC Treasure where answered satisfactorily. What a tremendous team effort and accomplishment for all involved!

### Recommendations to take forward to future LAC Committees:

- We commend the work by Jason Hale as Chair of the Corporate Relations committee in securing substantial financial support from our corporate partners as well as many in-kind donations from local entities. This work emphasizes the important role the LAC Corporate Relations committee plays in ensuring the organization can provide a fiscally-responsible conference to the membership, and the need for the chair to be local to the respective year's conference as an LAC member. We recommend that TACRAO helps to ensure that the Corporate Relations Committee continues with the structure of the members being on the LAC (Chair being local to that year's conference, the chair-elect representing the LAC for the next year's conference, and the past-chair from the previous year's conference to help mentor the committee and provide a bridge to the corporate partners).
- Prior to future LAC Audits, we recommend that a short executive summary is provided along with the rest of this excellent documentation to help explain items to the members of the Audit Committee. The LAC and TEC should approach the audit assuming the individual members do not know anything about how the transactions work between the TACRAO Treasurer and the LAC, and thus should provide a clear narrative summary connecting the various items.
  - We recommend summary should include:
    - Recommendations how best to consume the information provided along with advice how the transactions work.
    - Statement of expenses and total amount spent at the conference.
    - Statement of the income that was brought in.
    - Statement of what special items to account for as appropriate.
    - Statement of what items were not accounted for and why as appropriate.
    - Summary of the bank ledgers and how they compare to the LAC 2021 Budget file. Justification provided if they do not match.

- We recommend that entries in the LAC Budget file match receipts. Two invoices paid with two separate checks should be separated instead of lumping together. Adhering close to the previous year's template for LAC budgeting is understood to be challenging, but could prove confusing to the auditors at times when not adjusting for the specific conference.
- We recommend that future LAC proposed budgets account for the transaction fees that was new to this LAC this first year of using MemberClicks. Luckily for this LAC they had plenty of revenue so as not to be negatively impacted by the significant budgetary hit of the transaction fees, but future LAC's with tighter budgets will need to account for this line item.
  - Further recommend that they itemize this budget item under the registration expenses section of the budget.
- We recommend that the TEC update the Procedures Manual to clearly define the roles of the Audit chair, President, and Immediate Past-President in relation to who is responsible for scheduling the meeting, inviting the various attendees needed, determining the timing, etc. It seems this practice has varied from year-to-year, with the president scheduling it one year, the past-president a different year, and then this year the task being assigned to the Audit Committee Chair. An update to the procedure's manual defining the roles of each can help provide clarity and consistency going forward for future TEC and Audit Committees.

Respectfully submitted, 2022 Audit Committee