

*Comments to Audit Report Prepared by the Financial Review Committee  
of the  
Cuesta College Federation of Teachers, AFT Local 4909*

Comments/Recommendations:

1. Internal Controls:
  - a. The Executive Board minutes do a great job addressing all monetary items; budgeted or not. The treasurer does an excellent job of being transparent to all members and providing current balances.
  - b. The budget presented to the financial review committee was very detailed, especially including items that appeared to be unused or from previous years. It is recommended that the treasurer clear unreconciled accounts that are more than one year old, either by contacting the individuals or cancelling the outstanding checks.
  - c. Deposits of more than one check at a time to the bank have led to inconsistent deposit information. This occurred twice in the 2013-2014 financials, detailed below. Since both deposits benefit the union it is not of great concern, however it is recommended that when multiple deposits are made, copies of all checks are included in the documentation to prevent future confusion
    - i. Deposit dated 01/13/2014: the Federation received reimbursement from the California Federation of Teachers for a mistake made by CFT that had occurred from November 2012 to August 2013. The bank deposit slip shows \$52,887.02, but there was only documentation for \$42,038.82. The amounts were only partially listed on the check stub and there was no final amount stated anywhere in the file.
    - ii. Deposit dated 04/02/2014: the bank deposit slip shows \$24,530.00, but there is only documentation for \$23,982.15. Again there was a deposit from the California Federation of Teachers that does now show the full amount of the check.
  - d. The college made an error that gave the Federation an additional \$0.20 from what was supposed to have been deposited. The treasurer informed the financial review committee that Cuesta College and the Federation agreed that this was such a small amount it was not necessary to correct, but it is recommended that documentation to that effect should be included in the files, if it were to happen again in the future.
  - e. It is recommended that the Federation clear unreconciled account differences that are more than one year outstanding, by either contacting the appropriate parties or cancelling the outstanding checks.
2. Cash Receipts
  - a. The treasurer has taken a great deal of effort to ensure all deposits are made in a timely manner to ensure maximized usage.
3. Cash Disbursements
  - a. The federation maintains transparency with all members and sticks to the budget created and approved. When expenditures are presented that are not budgeted the federation presents them to the Executive Board for approval and noted in minutes.
  - b. All expenditures were paid by check with two signatures.
4. Reconcile Bank Accounts
  - a. Checking accounts have been balanced monthly and accurately.
  - b. The financial review committee was able to independently reconcile the net worth for the entire year.
5. Reconcile Other Accounts
  - a. There are no other accounts to reconcile.

Cuesta College Federation of Teachers, AFT Local 4909  
Audit Report

6. Supporting Documents
  - a. As noted in Internal Controls, it is suggested that copies of all depositing checks be included in files to eliminate any future discrepancies.
7. Financial Statements
  - a. The federation is doing a great job at reporting balance detail and reconciling bank accounts monthly.

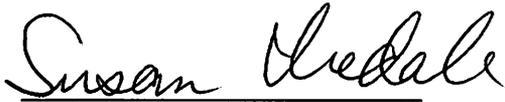
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June 29, 2016

I have examined the financial records for the Cuesta College Federation of Teachers, AFT Local 4909 for the period 2013-2014, and found them to be in good order. This examination was performed by a committee made of a member of the Cuesta College Federation of Teachers Council of Representatives and was not conducted in accordance with the generally accepted accounting principles. I have included some comments for the federation to take into consideration.

Based upon the examination, we consider the attached financial statements for the period 2013-2014 to be an accurate summary of transactions conducted during that period.

Sincerely,



6/29/16

Susan Iredale

CCFT Financial Review Committee