



FINANCE COMMITTEE REPORT

Members:

Henry Kessler, Dennis Warner, Tom Jeswald, John Safranek, and Jack Kurdzionak (treasurer)

1. Attachments:

A. Convention budgets:

- a. 2009 convention budget
- b. 2010 proposed budget

B. Most recent financial statements:

- a. December 31, 2009 table budget to actual figures
- b. December 31, 2009 revenue chart
- c. December 31, 2009 expense chart
- d. December 31, 2009 financial statement

2. Motions presented by Finance since the 2009 annual meeting:

- a. AWCI select a new auditing firm, and that this new auditing firm be selected by and work for the AWCI Board of Directors, with the selection process occurring through the AWCI Board of Directors, with no involvement in the process either directly or indirectly from the AWCI home office's management.
- b. Once a month AWCI's Director of Operations sends the treasurer a computerized list of check numbers that were issued for that month showing the amount and who it was paid to and the check number, and that the Treasurer can then select the checks that he or she wishes to review, if any, and then upon selection, management would provide the treasurer with copies of supporting documentation in a timely manner for those specific checks, and that the process be reviewed by the AWCI Board of Directors every quarter. In addition the treasurer should be given read-only access into all the financial documents available from the Institute's bank.

*With regard to 2a, after this motion was passed, the committee also discussed (a) the possibility that changing auditors may increase costs initially, and (b) another option was to change individual auditors within the same accounting firm.

Both of the above motions were approved by the Board for implementation.

3. Finance Committee activities since the last annual meeting:
 - a. The committee has held and will continue to hold conference calls to discuss AWCI's finances on a regular basis.
 - b. A subcommittee has interviewed Mr. Larry Boschert, a principal of our auditing firm Rudler Associates, to discuss our annual audit as per motion a. above. Mr. Boschert and his staff were under the impression that there was no need for the Rudler firm to have any direct communication with either the Finance Committee or the Board, which as he explained, was contrary to the customary practice of his firm. This has been corrected, and periodic, direct communication with the Finance Committee will be expected in the future. Mr. Boschert was invited to meet with the BOD at this midyear meeting and has accepted the invitation.
 - c. Tom Pack has provided to the treasurer the AWCI check register as well as access to our checking account record at the Fifth Third bank in accordance with motion b. above. The treasurer will be examining the supportive documents for our checking account as soon as possible.
4. The committee has also identified the following concerns they will address in subsequent meetings:
 - a. Non-check withdrawals from the checking account.
 - b. Obtaining the account references to which expenditures are charged.
 - c. Determine the risk of exposure of our Perpetuation Fund assets to any liability claims that exceed our insurance coverage.
 - d. Consider possible strategies to protect the fund assets.
 - e. Consider the selection of an auditing firm.
 - f. A motion should be drafted requiring that AWCI management complete the task of presenting all required data to our auditors for the annual financial statement within 45 days following the end of every fiscal year.