

Rotary District 7475

Internal Review Committee Report

July 1, 2024 – June 30, 2025

The Internal Review Committee (“IRC”) of Rotary District 7475 met on Thursday, October 16, 2025, for the annual review of the district finances, and the following report is provided.

It should be noted that the actions taken by this committee are not an audit, but an in-depth review of the transactions and an assessment thereof. The financial statements attached hereto have been generated by the District Treasurer and none of the members of this committee are providing an opinion, as per Generally Accepted Accounting Principles, on those financial statements.

Individuals Present

- Larry Wefferling, Chair, District Finance Committee
- Adrienne Bzura, PDG, Member, IRC
- John Mooney, Member, IRC
- John Hogan, Member, IRC
- Laura Lannin, District Treasurer RY 2024-25

Documents Provided

- Financial Statements (monthly and annual)
- Monthly Bank Statements
- Monthly bank reconciliations
- YTD transaction register listing details of deposits and payments
- Evidence of check payments along with supporting receipts and memos
- Credit Card statements
- General Ledger.

The finance committee chair gave an overview of the transactions, any noted exceptions, and provided an overview of the supporting documents. The finance committee chair and the treasurers were available for any questions, additional support documents as needed. Also, a brief training for the new members of the IRC was conducted by Rotarian Larry Wefferling.

Objective of the Internal Review Committee Annual Review Process

1. To ensure completeness of the financial statements under review with regards to the reporting of district finances to include, but not limited to, all:
 - (a) sources of the district's funds (RI, TRF, district, and club);
 - (b) funds received by or on behalf of the district from fundraising activities.
 - (c) grants received from TRF or TRF funds designated by the district for use.
 - (d) financial transactions of district committees.
 - (e) financial transactions of the governor by or on behalf of the district.
 - (f) expenditures of district funds.
 - (g) funds received by the governor from RI.

2. To make inquiries into the governance and internal controls of the district's finances and operations surrounding the financial statements under review.

Procedures Performed

To ensure the completeness, accuracy, and existence of every single transaction recorded under the cash account and to confirm the overall completeness of the financial statements including the final cash balance, the members of the Audit Committee, did the following procedures. Any questions that the IRC members had while performing the review procedures were discussed with Larry Wefferling and Laura Lannin. During the year, the District changed banks from Fulton Bank to Provident Bank and opened additional accounts for additional needs. All transactions from the following ten bank accounts were reviewed by the IRC.

1. Fulton Bank
2. Fulton Bank MM
3. TD Bank Grant Account
4. TD Youth Exchange
5. Provident Operating
6. Provident Grants
7. Provident Youth Exchange
8. Provident District Governor
9. Provident Global Scholarship
10. Provident Money Market Account

Outline of Procedures:

1. IRC members made inquiries to the Finance Committee chair with regards to district financial budget, consistent administration of district funds, segregation of duties for handling funds and policies for document retention and authorizations for disbursement of funds.
2. Annual financial statements were footed and read for reasonableness, presentation and for use of standard set of accounts. All monthly financial statements were footed.
3. All monthly bank reconciliations were reviewed for any discrepancies.
4. For each month the following procedures were performed:
 - a. All cleared payments were traced to the transaction register and verified against the bank statement. For check payments, numbered checks along with supporting evidence were inspected to verify the amounts. If multiple receipts were provided as evidence, they were all footed and cross checked with the check amount.
 - b. Based on a materiality threshold, a random selection of disbursements was tested to ensure the support for the payments were reasonable. The IRC members made appropriate inquiries to the Finance committee chair to determine the reasonableness of the transaction and examined if appropriate authorizations were in place.
 - c. All credit card payments were traced to the transaction register and verified against the credit card statement.
 - d. All deposits were traced to the transaction register and verified against the bank statements.
 - e. All transfers made from one financial institution to another, were cross referenced to ensure accuracy and completeness.
 - f. All transactions from the bank statements and the bank reconciliation were cross referenced with the transaction register to ensure completeness.
 - g. All payments not cleared in a particular month were noted and tracked in subsequent months when cleared and traced to the respective bank statement and the transaction register.
 - h. Any discrepancies found were noted and brought to the attention of the finance committee and the treasurer and appropriate evidence was provided or corrections posted.
5. A random sample of district grant payments recorded in the bank account statements were verified with the actual spending from the District Grant report (DG2454816) filed with Rotary International for RY2024-25 as obtained from the Grants Center.

Conclusion

Based on the procedures performed outlined in this report, it is the conclusion of the Internal Review Committee that all transactions posted to the books and records of Rotary District 7475 for the fiscal year ended June 30, 2025, are accurate and the financial statements attached hereto reflect those transactions.

Respectfully submitted,
John Mooney, Member IRC

A handwritten signature in blue ink, appearing to read "John Mooney", with a large, stylized flourish at the end.

	<u>Jun 30, 25</u>
ASSETS	
Current Assets	
Checking/Savings	
Provident Global Scholarships	30,965.00
Provident Grants	19,579.92
Provident Youth Exchange Acct	99,734.41
Prov. MM account	151,318.96
Provident DG Account	465.62
Provident Operating	99,033.07
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Total Checking/Savings	401,096.98
Accounts Receivable	
Accounts Receivable	2,300.00
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Total Accounts Receivable	2,300.00
	<hr/>
Total Current Assets	403,396.98
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TOTAL ASSETS	403,396.98
	<hr/> <hr/>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Credit Card Payable	1,868.00
Accounts Payable	42,492.93
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Total Accounts Payable	44,360.93
Other Current Liabilities	
Accts Payable	
Global Scholar	30,035.00
	<hr/>
Total Accts Payable	30,035.00
	<hr/>
Total Other Current Liabilities	30,035.00
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Total Current Liabilities	74,395.93
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Total Liabilities	74,395.93

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Accrual Basis

Rotary International District 7475
Balance Sheet
As of June 30, 2025

	<u>Jun 30, 25</u>
Equity	
Unrestricted Net Assets	319,232.51
Net Income	<u>9,768.54</u>
Total Equity	<u>329,001.05</u>
TOTAL LIABILITIES & EQUITY	<u><u>403,396.98</u></u>

Rotary International District 7475
Profit & Loss Budget Overview
 July 2024 through June 2025

	Jul '24 - Jun 25	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
District Confrence Registration	13,522.00		
STYEP Income	105,599.09		
District Assembly Registration	0.00	0.00	0.00
Dues	70,600.00	74,000.00	-3,400.00
Investments			
Interest-Savings	861.00	700.00	161.00
Total Investments	861.00	700.00	161.00
Other Types of Income			
Miscellaneous Revenue	6,975.09	0.00	6,975.09
Total Other Types of Income	6,975.09	0.00	6,975.09
PELS	26,250.00	27,300.00	-1,050.00
Program Income			
Membership Dues	0.00	0.00	0.00
Total Program Income	0.00	0.00	0.00
RI District Governor Funding	11,900.00	11,900.00	0.00
Rotary International			
Global Scholar	60,000.00	34,000.00	26,000.00
RI Grants (DDF)	71,361.00	93,000.00	-21,639.00
Total Rotary International	131,361.00	127,000.00	4,361.00
RYLA Income	76,755.72	0.00	76,755.72
Total Income	443,823.90	240,900.00	202,923.90
Gross Profit	443,823.90	240,900.00	202,923.90
Expense			
Rotary Action Plan			
Membership Development	2,000.00	4,000.00	-2,000.00
Public Image Club Support	1,528.00	3,000.00	-1,472.00
Foundation Fundraising	2,035.00	2,000.00	35.00
Total Rotary Action Plan	5,563.00	9,000.00	-3,437.00
Rotary Intl Award			
RI Grants (DDF)	71,361.00	93,000.00	-21,639.00
Global Scholar	60,070.00	34,000.00	26,070.00
Total Rotary Intl Award	131,431.00	127,000.00	4,431.00
Administration			
Office Expense	960.00	1,000.00	-40.00
District Website & Data Base	3,593.95	4,000.00	-406.05
Online Solutions	1,160.31	1,000.00	160.31
Supplies and Postage	2,107.64	1,500.00	607.64
Tax Filing	273.00		
Total Administration	8,094.90	7,500.00	594.90

Rotary International District 7475
Profit & Loss Budget Overview
July 2024 through June 2025

	<u>Jul '24 - Jun 25</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Award			
District Grants	31,158.00	0.00	31,158.00
Total Award	<u>31,158.00</u>	<u>0.00</u>	<u>31,158.00</u>
Awards and Recognition	964.96	2,000.00	-1,035.04
Bank Service Charge	20.00	200.00	-180.00
Conference/Convention/Assembly			
RYLA	58,563.30		
District Conference			
Entertainment	0.00	0.00	0.00
Printing	193.83		
Venue	14,093.36		
District Conference - Other	0.00	3,000.00	-3,000.00
Total District Conference	<u>14,287.19</u>	<u>3,000.00</u>	<u>11,287.19</u>
Rotary International Convention	4,068.46	4,000.00	68.46
Vocational Assembly	0.00	500.00	-500.00
Zone 28-32 7 Officers	10,117.80	8,000.00	2,117.80
Total Conference/Convention/Assem...	<u>87,036.75</u>	<u>15,500.00</u>	<u>71,536.75</u>
2% Contingency	0.00	4,818.00	-4,818.00
District Leadership			
20 Assistant Governors	514.74	4,000.00	-3,485.26
3 Deputy Governors	0.00	0.00	0.00
District Governor	3,996.16	4,000.00	-3.84
District Governor (RI Funding)	11,907.58	11,900.00	7.58
District Governor Elect	3,503.79	3,000.00	503.79
District Governor ND	0.00	500.00	-500.00
District Governor Nominee	3,958.22	2,000.00	1,958.22
Treasurer	597.67	0.00	597.67
Total District Leadership	<u>24,478.16</u>	<u>25,400.00</u>	<u>-921.84</u>
District Meetings			
Adv Council of Past Governors	0.00	600.00	-600.00
District Meetings - Other	3,056.58	5,000.00	-1,943.42
Total District Meetings	<u>3,056.58</u>	<u>5,600.00</u>	<u>-2,543.42</u>
Youth Programs			
Interact	0.00	1,500.00	-1,500.00
Background Checks	0.00	2,000.00	-2,000.00
YE Short-term Program Support	0.00	5,000.00	-5,000.00
YE Longterm Program Support	0.00	2,000.00	-2,000.00
RYLA Scholarship	2,000.00	2,000.00	0.00
STYEP Expense			
Excursions	1,889.56		
Transportation	62,318.11		
Supplies	2,319.04		
Insurance	1,520.00		
STYEP Expense - Other	36,676.51		
Total STYEP Expense	<u>104,723.22</u>		

Rotary International District 7475
Profit & Loss Budget Overview
 July 2024 through June 2025

	Jul '24 - Jun 25	Budget	\$ Over Budget
E.S.S.E.X Fees	200.00	1,500.00	-1,300.00
E.S.S.E.X. Meetings&Training	0.00	2,000.00	-2,000.00
Youth Support (New Interact)	0.00	0.00	0.00
Total Youth Programs	106,923.22	16,000.00	90,923.22
Marketing & Promotion	275.00		
Operations			
Supplies	0.00	0.00	0.00
Total Operations	0.00	0.00	0.00
District Learning			
District Learning Assembly	1,200.00	5,000.00	-3,800.00
District Ongoing Learning	0.00	5,000.00	-5,000.00
Foundation	0.00	500.00	-500.00
Membership	513.52	500.00	13.52
PELS (PEs and AGs)	32,840.27	37,525.00	-4,684.73
Public Image	500.00	500.00	0.00
Rotary Leadership Institute	0.00	600.00	-600.00
Total District Learning	35,053.79	49,625.00	-14,571.21
Total Expense	434,055.36	262,643.00	171,412.36
Net Ordinary Income	9,768.54	-21,743.00	31,511.54
Net Income	9,768.54	-21,743.00	31,511.54