

CHUGACH ELECTRIC ASSOCIATION, INC.  
Anchorage, Alaska

October 5, 2009

**TO:** Brad Evans, Acting CEO  
Mike Cunningham, CFO

**FROM:** Dave Smith, Vice President Administration *DeOid Acting*  
*JK* Dan Knecht, Manager Administrative Services

**SUBJECT:** September audit for financial transaction approval signatures

Dan and I completed the September audit of randomly selected financial transactions. There was one exception for September. We received a list of 25 randomly selected transactions generated by IS from the financial system. Using that list we retrieved the backup documentation and reviewed the approval signatures, check request or ensured the items generated from Purchase Orders had completed the 3-way match process.

- 16 were paid against Purchase Orders or Contracts and were approved via the 3-way matching process
- 4 were verified by comparing signatures with the Signature Authority Matrix
- 4 were verified against the Check Request form specific to the expenditure
- 1 transaction was verified as a canceled Voucher, eliminating any financial liability