

On Fri, May 3, 2019 at 9:14 AM [REDACTED] wrote:

Good morning Jane,

I hope you are well! Attached are the 2018 financial reports and 990 for [REDACTED]

Just for clarification, our auditors provide recommendations each year to their accounts regardless of whether or not the recommendation applies to the non-profit. It's more of a best practice tip than a deficiency or corrective action. This year's focus for non-profit guidance was around the change in revenue recognition by the Financial Accounting Standards Board.

For the mitigating separation of duties, we have had that on our audit for years due to the size of our organization. We do have internal controls in place to help mitigate the risk:

- The staff member writing checks is not an authorized signor and checks are locked away from authorized signors.
- There is clear separation of duties between accepting payments, making deposits, and entering into QuickBooks.
- The staff member reconciling bank statements is not the authorized account holder and the authorized account holder cannot reconcile accounts
- All financial documentation is reviewed quarterly by the board Treasurer.
- Audits are conducted annually.
- We added a CPA to our board and she has access to our QuickBooks account to audit our financials periodically and to provide oversight to the Operation Manager as needed to protect the organization.

Please let me know if you have any additional questions.

Have a wonderful weekend,

[REDACTED]

