



## Audit Overview

October 11, 2017

# Audit Process

- The Audit Committee consists of Rosa Armstrong, Ana Donovan, Marissa Lazo Necco and Annie Duong
- The Audit Committee met on 10/10 with the auditors and received a full, in depth review of the 2016-17 audit
- Elodia Ortega Lampkin participated on the call as well as Jan and Yvette.
- The Audit Committee reviewed the Governance Letter and Management letter and provided feedback to staff.
- The Audit Committee voted unanimously to approve the audit and move it forward to the full board for approval.
- Yvette and Jan will provide a brief presentation on highlights.

## The 2017 Annual Audit is the 3<sup>rd</sup> Performed by Clifton Larson Allen

### **Audit Process—What is the Purpose?**

- Evaluation of internal control system
- Confirmation of bank balances and valuation of investment balances
- Check register analysis
- Test revenue recognition methodology (conference fees, other program income and grants)
- Confirm validity of functional allocation of expenses
- Credit card transactions analysis
- Added Purpose to the 2016-17 Audit—required by Bank of the West for our loan approval

## Auditor Comments

- No change in scope of the audit
- Audit fieldwork was completed in September
- There were no audit adjustments
- Unqualified opinion – highest assurance of audit integrity
- No difficulties or disagreements with management

# Financial Statements Highlights

Revenue			
2017	2016	Increase	
		\$	%
\$ 4,986,014	\$ 4,175,121	\$ 810,893	19%

Increased Attendance Conference at the 2017 Annual Conference and Contract Income

Expense			
2017	2016	Increase	
		\$	%
\$ 4,519,576	\$ 4,092,330	\$ 427,246	10%

Staff and Consultants Expense Increase

Net Assets			
2017	2016	Increase	
		\$	%
\$ 2,102,841	\$ 1,636,403	\$ 466,438	29%

Operating Surplus Increase

Cash & Investments			
2017	2016	Increase	
		\$	%
\$ 1,635,091	\$ 1,106,574	\$ 528,517	48%

Increased Liquidity In Preparation for Building Purchase

## Recommendation

- It is recommended by the Audit Committee that the full board of Directors approve the 2016-17 Financial Audit