



Minnesota Technology Association

May 21, 2021

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor

Objectives

- Understand the audit process and scope
- Report highlights
- Steps for finalization



Audit Process Overview



Management Preparedness

Management ready for the start of fieldwork

Information was timely as requested, staff was responsive



Adjustments

No material adjustments
One passed adjustment – capital lease

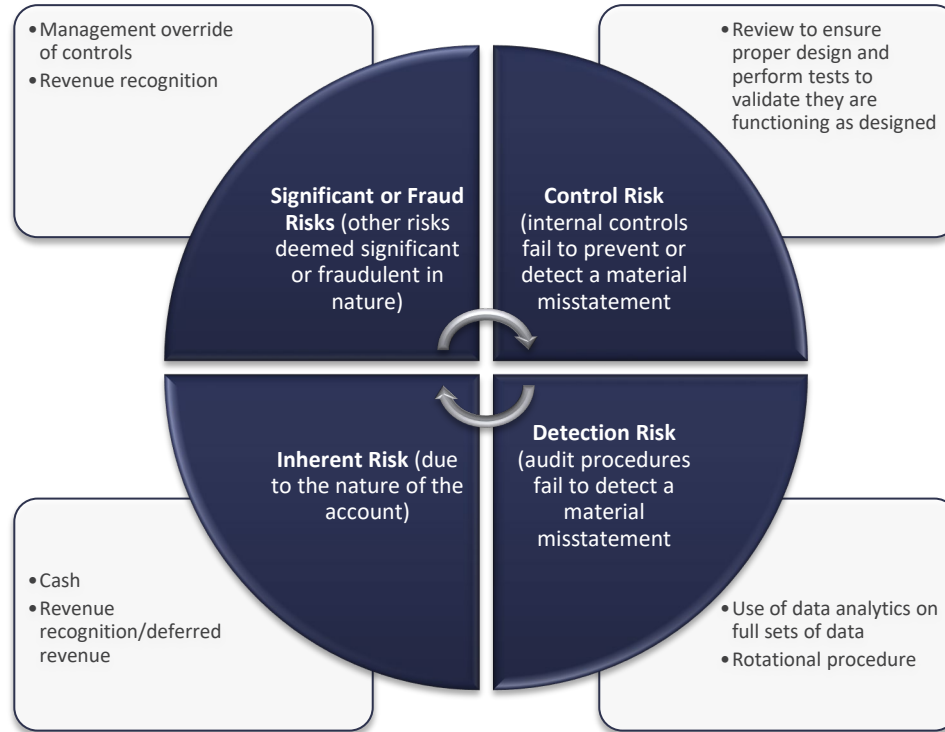


Opinion

Unmodified opinion – highest level of assurance



Audit Process Overview - Continued



Financial Statement Highlights

Balance Sheet

- Decrease in assets of \$13k
- Increase in liabilities of \$6k
 - Increase in accrued expenses of \$27k
 - Decrease in deferred dues of \$24k
- Ending net assets of \$99k in FY20 and \$118k in FY19

Statement of Activities

- Decrease in revenue of \$497k
 - Decrease in grants of \$305k
 - Decrease in events of \$178k
- Decrease in expenses of \$535k
- Total change in net assets of (\$20k) in 2020 and (\$57k) in 2019

Footnotes/Other

- Note 2 – Liquidity
- Note 4 – Related Parties
- Note 8 – Risks and Uncertainties
- Note 9 – PPP Loan



Required Governance Communication

Overall	Estimates	Difficulties	Other
<ul style="list-style-type: none">• Purpose is to follow up from planning meeting• No changes in scope of audit	<ul style="list-style-type: none">• Some estimates present in financial statements• Functional allocation of expenses• Depreciation• Allowance on receivables• Valuation of in-kinds• We are comfortable with management's estimates	<ul style="list-style-type: none">• No difficulties encountered• No disagreements encountered• No other findings to report	<ul style="list-style-type: none">• No audit adjustments!• One passed adjustment• Management representation letter will be signed at the conclusion of engagement



Internal Control Communication

Management Comments

- Documentation of review of payroll report and journal entries
- Credit card statement review of President
- Vendor review process
- Documentation of approval of President's bonus

Information Technology Recommendations

- Employee security awareness training
- Business continuity plan
- User access reviews
- Update authentication controls for Azure (including multi-factor authentication)
- Reviewing cloud administrator activity log
- Penetration testing



Steps for Finalization

- Communication of any changes to deliverables
- Update on any subsequent events
- Signed representation letter from management



Responding to COVID-19: CLA Resources



Right Click Links for CLA Resource Pages



Operational
Support



Regulatory and Tax
Updates



Inspirational and
Leadership Tips



Financial
Management and
Disaster Relief



Accounting and
Financial Statement
Guidance



Workforce, Human
Resource, and
Benefits Guidance



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