

**GIRL SCOUTS HEART OF NEW JERSEY  
AUDIT COMMITTEE MEETING MINUTES**

**COMMITTEE:** Audit Committee

**DATE:** 4/6/2020

**COMMITTEE/ GROUP/ INDIVIDUALS REPORTING:** Serena Lee, Chair

**Attendees:**

<b>Name</b>	<b>Position</b>	<b>via conference call</b>
Serena Lee	Chair & Board Member	Phone
Dianna Beck-Clemens	Board Chair (Ex-Officio)	Phone
Princess Palmer	Board Vice Chair	Phone
Lori Grier	Board Treasurer	Not present
Natasha Hemmings	CEO	Phone
Michael Forrestall	COO	Phone
Michael Manley	Volunteer	Phone
Bridget Hartnett	Audit Partner @ Sobel & Company	Phone
Nikki Wong	Audit Senior @ Sobel & Company	Phone

- 1) Welcome
  - The meeting was ordered to start at 7:28pm
  - Welcome all attendees including our guests from Sobel & Company
  
- 2) Review of report to those charged with governance for the year ended September 30, 2019
  - Audit was performed in accordance with US GAAP
  - Sobel is independent to GSHNJ
  - No material weaknesses or significant deficiencies were noted during the course of audit
  - Adoption of Financial Accounting Standards Board Accounting Standard 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*
    - i. Reduce the number of net asset classes from three (unrestricted, temporarily restricted and permanently restricted) to two (net assets with donor restrictions and net assets without donor restrictions)
    - ii. Liquidity footnote on the availability of financial assets to meet cash needs for general expenditures
  - Accounting pronouncements to be adopted in the future
    - i. Revenue recognition (effective for the fiscal year ending 9/30/20)
    - ii. Lease accounting standard (deferred to fiscal year ending 9/30/22)
  
- 3) Review of draft financial statements for the year ended September 30, 2019
  - Dianna questioned the investment advisory or management fees in Footnote 2. It seemed high for the year ended September 30, 2019 as compared to prior year (\$13K vs \$4K).

- Princess inquired about the liquidity footnote and what is considered current assets.
- Serena asked about Footnote 6, for which furniture and equipment decreased from \$1.8M to \$1.4M. Bridget responded that there was “clean-up” of fully depreciated and no longer existed furniture and equipment during the year.

4) Bridget shared her interpretation of the PPP Act and application process.

NOTE:

Based on our comments and questions, revised draft financial statements was subsequently provided by Sobel on Friday, April 10<sup>th</sup>. Motion to approve from Audit Committee to the Board on Saturday, April 11<sup>th</sup>.

Audit Committee adjourned at 8:27p.m.