

Minutes of the CED Audit Committee Meeting

September 8, 2009 – 9:00 a.m.

Discussion Topic: Meet with Auditors as a wrap up of the FY2009 Audit, Management Letter, Internal Controls, Governance Letter

Participants: Greg Anglum – CED Treasurer, David Hood –Member, Karen LeVert - Member, Jim Ford – CED and Sandy Newell, Auditor, Boyce, Furr & Company, LLP. The participants represented a quorum.

(Draft financials, Governance and Internal Control Letters were sent to each member for review prior to the meeting)

1st Meeting of the Audit Committee for FY10:

Greg Anglum gave a brief overview of the responsibilities of the Audit Committee and its primary functions

- 1) Overseeing and management of the results of the Audit, including Form 990 – usually in September.
- 2) Annual Budget Review and recommendation to the Executive Committee – usually between June and July.
- 3) Review Investment options and recommendation to Executive Committee.

Sandy Newell of Boyce, Furr & Company, LLP Presented the Results of the Audit:

- 1) Governance Letter – some thought last year to include a “going concern” comment, but noted that management had made significant improvements in the financial operations of the organization to reduce the previous year’s operating loss to the recording of net income during FY09.
- 2) Internal Controls – During the FY08 review of controls, the segregation of duties was classified as a material weakness. During the current review this material weakness has been downgraded to a significant deficiency. Based on management’s plans and the improved documentation of existing controls, these items may go away entirely next year.
- 3) Review of Financials and accompanying notes.
- 4) Form 990 will be completed over the next week and sent to the Committee for review.

Review of Investments at Triangle Community Foundation:

- 1) **Discussed current Investments:** As part of the functions of the Audit Committee, CED’s current Investment Strategy and options for investing with the Triangle Community Foundation were discussed. The committee wanted to obtain information about other investment and management of investment opportunities available. Jim is to obtain some information on what other non profits are doing (if the information is available) and provide a few alternatives for the committee to compare against the current strategy employed by TCF. The committee would follow-up with a phone call at the same time the Form 990 could be reviewed.

The Audit Committee adjourned at 10:00am.