

NASDCTEc/NCTEF Finance and Audit Committee

MINUTES
CONFERENCE CALL

January 23, 2014

3 p.m. – 4 p.m.

Attendees: Rod Duckworth, Tim Hodges, Lee Burket, Bernadette Howard, Mike Mulvihill, Marie Barry

Staff: Kimberly Green, Karen Hornberger

Guest: Guest: Don Marshall, Kim Hoffman, Carolyn Skinner

Welcome: Duckworth welcomed the Finance and Audit Committee and thanked them for joining the call. He asked the Committee to review the minutes provided in advance.

Approval of Finance Committee Minutes: Duckworth presented the minutes from the November 12, 2013 conference call of the Finance/Audit Committee.

MOTION: **Approve the November 12, 2013 Finance/Audit Committee minutes.**
 Howard; Mulvihill.
 MOTION ADOPTED.

FY 12-13 Audit Report: Marshall was pleased to share that the audit went well again this year. There were no issues with the financial statements and the records are in very good shape. He also mentioned that the statements were combined statements of both the Association and the Foundation, as is allowed due to shared governance. Marshall explained that the accountant and the staff prepared the footnotes and the financial statements. He stated that no adjustments were needed. Marshall was with the way the finances are managed, including good internal controls and bookkeeping practices in place.

Questions:

Are we in line with other non-profits of this sort and how do we stack up? Marshall replied that we are in line with other non-profits and probably in a better position than most. He stated that the goal is to have at least 6 months' worth of expenses in reserves and NASDCTEc has about 2 years of reserves, NCTEF has closer to one year.

On the investments does it look like we have a balanced approach? Marshall replied thought the investments were accomplishing fair financial objectives and that the funds were invested in solid investments. The market did well last year. He feels that the allocations are good and they are a good fit for us.

Howard stated that it is comforting to hear this report regarding the finances of the organization.

MOTION: **To recommend the audit report and financial statements to the full Board for approval. Burket; Hodges.**
 MOTION APPROVED.

Review of the Association 990's: Skinner reported that the once the audit is complete the 990's can be completed because all the numbers in the tax reports are drawn directly from the financial statements. The only thing that does not get put on the 990's are the in-kind contributions. Everything else comes directly from the audited financial statements. Skinner specifically brought attention to page 6 where it describes the policies in place to protect the organization. She explained that it is a good thing to see so many 'yes' answers. She also mentioned that there haven't been any more changes to this page since the IRS revised the 990 in 2008.

Skinner also mentioned that Green had reviewed the 990's and had asked about page 12 question number 2a, "Were the organizations financial statements compiled or reviewed by an independent accountant?" Skinner replied that the answer is no because her firm is not independent since they are hired more to help with year-round accounting and year-end journal entries. The auditing firm is independent.

**MOTION: To recommend the NASDCTEc 990's, as presented, be presented to the full Board of Directors for approval.
Mulvihill; Howard.
MOTION APPROVED.**

Review of the Foundation 990's: Skinner noted that there were no areas of concern that she needed to highlight. The Foundation 990 is similar to the Association. No questions were asked.

**MOTION: To recommend the NCTEF 990's, as presented, to the full Board of Directors for approval.
Barry; Hodges.
MOTION APPROVED.**

Meeting adjourned 3:40 p.m. ET