

PNB Audit Committee Meeting

Final Minutes -- Monday, June. 28, 2010

8:30 pm EST, 5:30 pm PT & 7:30 pm CT

Note: Minutes interspersed between agenda items.

1. Call meeting to order – 5:54 PM (PT)

2. Roll call Members Present Wesley Bethune, Bill Crosier, Melinda Iley-Dohn, Dutch Merrick, Leslie Radford, Nia Bediako (Chair), Lisa Davis. Leslie Radford took notes/minutes.

Tony Pohl, Foundation auditor, was also present.

3. Approve agenda (10 mins)

Agreement to convene as a committee of the whole to discuss the 2008 Form 990.

Motion: to establish quorum at 6:06 p.m.(PT); **Passed without objection.**

Chandra Hauptman arrived at 6:06PM; Campbell Johnson arrived at 6:24 p.m (PT)., and Seth Goldman arrived shortly thereafter.

4. Discuss with auditor and LaVarn 990 discrepancy (60 mins) Review of the Chair's concerns about the 2009 990 filing with Foundation auditor with Tony Pohl. See Pohl's written responses, attached.

Other comments from Pohl:

- The section with the Mission statement should be used to highlight the organization.
- The Chair requested and the auditor agreed to provide a copy of the Foundation's document retention policy.
- Pohl explained that because membership dues are not tax refundable nor do they receive compensation, they do not qualify as members under tax law, and are thus donations.
- Electrical costs need not be reported under occupancy because they are not significant.
- The accumulated depreciation has been broken out among building, and other.
- The information to break out special events and fundraising events is not available, and so has been reported in the aggregate.
- It is standard procedure to answer the question of who holds the record is to include the organization or the title of the position.

- Neither the Board nor the Audit Committee is required to review the 990, but the Board is required to have a copy before it is filed.
- An amended 990 will be filed when the CFO responds with a complete answer to the description of the organization. It should be filed as soon as possible, but there is no deadline.

Proposed Motion: We urge the CFO and the Executive Director to complete and file an amended 990 immediately, and immediately replace the existing 990 on the Foundation website.

Final Motion: We urge the CFO and the Executive Director to complete and file an amended 2008 Form 990 for the fiscal year ending 30 September 2009 as soon as possible per the recommendations of the audit committee, and as soon as possible replace the existing 2008 Form 990 on the Foundation website.

Passed without objection.

Update on actions taken on Mgt. Letter (30 mins)

Follow-up on Management Letter

Pohl plans on meeting with the CFO on 16 July to prepare for the upcoming audit. He added that he had a sense the management was concerned about controls but he couldn't assess their progress before meeting with them.

Discussion of accounting presentation on COSO by Pohl for the PNB at the Berkeley meeting.

6. Determine next committee meeting date (5 mins)

Next meeting for 8 July at 7:00 p.m. to approve minutes and an engagement letter for the upcoming audit approved with one objection.

Jane Gatewood's request for an excused absence was approved without objection.

Respectfully submitted,

Leslie Radford/ transcribed to format by Campbell Johnson
Approved 1/18/11, unanimously.