



- Page 6, top item: improper notification. Report using general accepted accounting principles. Convert from Cash to Accrual accounting practices. Refers to reporting Receivables. Currently report income on a cash practice.
- Missing Documentation: biggest issue. Not proper supporting documentation. Not enough to change opinion, but enough to caution in report. Few instances currently, but better than 4 years ago.
- Lack of control in accounting financial reports. Standards require reporting, understand due to CGAA not large enough to maintain.
- Gift cards not to be purchased and then used for further purchases that should be recorded through CGAA!
- Sponsor vs. Advertising revenue. UBIT [Unrelated Business Income Tax], issues: revenue generated is related to tax exempt purpose, but once competing with 'for-profit' businesses, then revenue could be taxable] - not use "advertising" anywhere; refer to "sponsorship" on website.
- FDIC limits exceeded. Were increased to \$250K for titled accounts. If bank were to fail, then would lose the difference. Option, spread monies to other banks or have bank put collateral against extra funds
- Donations. Name needs to be disclosed in 990. CGAA doesn't maintain logs. Not currently in process. Mary Perren and Tina Clark to start list for 2016.
- Revenue & expenses. Inconsistent naming of revenue among Divisions. Recommend description with chart of accounts for treasures to refer to.
- Passwords. Not being changed, need to change more frequently [monthly].
- College Scholarships. Outlines to stay in compliance w/IRS rules. Selection committee- no member can benefit in any way [relatives] or be involved. No private inurement. Applicant pool needs to be large enough. Scholarship paid directly to school [college or university] not to student.
- Board member inurement. No discount or "free" membership. CGAA 1099 each member who receives benefits. Starting January 1, 2016 IRS is not issuing \$1,000.00 penalty to both organization and individual.
- Current year comments. Receipts not deposited timely basis. Cash deposit not claimed by Divisions in a timely [w/in "days"] manner. Long enough to catch attention of auditors.
- Controls over Cash & Events. Couple people count cash right away & double check balances. Checks written to "cash" s/b written to business or individuals.
- Missing division Minutes. Each division needs to be on file and available.
- Missing documents to expenses.
- Outstanding Checks. Over 6 months, need to research check, submit to MN Unclaimed Property Division. Recommend 3 month length vs. six.
- Need to approve filing tax returns and charitable report. 990T public record. Attorney General Office get cc: Audit Financial Statement & Material Weakness Deficiencies. Because tax exempt, need a copy on site, for anyone who wishes to see it.
- Signed & submitted June 30, 2016.
- Q: How much would it cost to switch from cash to accrual process? A: Will get answer to Dan Harrison.
- Q: Do we have idea how we can reduce division inconsistencies of reporting? A: Tina: yes, we can cover with treasures in next meeting.
- Q: Team accounts issues and appropriate/inappropriate expenses – Q: Should have CGAA paper trail? Example: If purchased "tax free" then paper trail through CGAA, if paid taxes, then individual cost. A: important to "do it right". Everything that is a CGAA expense/revenue, should be sent through CGAA, no optional occurrences, keep team finances running through CGAA.
- Q: First time all are hearing report? A: Yes, this report specifically.
- Q: Any benefit to having someone come in to ensure books are correct prior to audit? A: R&A are communicating with staff continually on an as-needed basis. The board will have to direct "get this done" so auditor won't need to bring up again. CGAA is already 3-4 months into the next year and correcting issues brought up prior year. Dan H: would be cost ineffective – best if treasurers follow bookkeeper that maintains correct processes.
- Q: Issue sensitive MN Dept. Revenue Audit, but found game missing & asked resample & additional games missing? Approved bonuses and what we should do to make missing games a non-issue or prevent reoccurrence? A: R&A UBIT and MN Dept Revenue audit. If game missing, require game missing report, then CGAA needs to reimburse gambling fund dollars that should have been sold/paid out. R&A recommends that "someone" needs to take a look. Q: Dan H: need to have stringent controls in place, NO MORE missing games. We have additional space to accommodate storage. Monthly we have list of games, all audited, and everything completed. R&A suggestion: have treasurer take a monthly review of all or random selection. Q: Dan H would be acceptable business practice? A: R&A Yes, it's another internal control and controls help. Process: 1) report game missing, 2) pay the fund. Mary will follow up with MN Dept. of Revenue and submit letter with support.

**Vice President:** Justin Langbehn

- absent

**Secretary:** Verna Witzany

- **MSP** Dave Blumberg, Brad Strom. Accept April 2016 meeting minutes. No discussion. Passed

**Treasurer:** Kim DeVaan

- **MSP** Tina Clark, Dave Blumberg. Motion to approve monthly expenses not to exceed \$2,500.00. No discussion. Passed

**Bookkeeper:** Tina Clark

- Have to significantly decrease options of accounting codes to keep simple for all treasures. Tina to send out to Presidents a list of “keeps” and “removes”. Auditors keep moving expenses to different places, so CGAA will maintain auditor’s corrections.
- Treasurers.... No backup paperwork? No check. Includes credit card expenses/reimbursement, also.
- Next week Tina will review board meeting.

**Gambling:** Mary Perren

CGAA BOARD MEETING					5/8/16	
Estimated gambling expenses for:					Jun-16	
LOCATION	Park Place	Clover Leaf	Tavern 829	Opinion Brewery	Carbone's	Total
RENT	\$3,000.00	\$5,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$14,000.00
PAYROLL	\$1,500.00	\$2,500.00	\$1,000.00	\$1,500.00	\$1,000.00	\$7,500.00
MISC EXP	\$1,500.00	\$3,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$7,500.00
OTHER	\$1,000.00	\$500.00	\$500.00	\$500.00	\$500.00	\$3,000.00
SITE TOTAL	\$7,000.00	\$11,000.00	\$4,500.00	\$5,000.00	\$4,500.00	\$32,000.00
Auditor Tom Brolin, Russell & Associates		\$900.00				
COMBINED SITE TOTAL		\$32,000.00				
STATE TAX		\$18,000.00				
MONTHLY REGULATORY FEE		\$450.00				
TOTAL ESTIMATED EXPENSES		\$51,350.00				
MSP Mary Perren, Brad Strom. Motion that these estimated expenses of \$51,350.00 be approved.						

<b>TAX RETURN FOR MONTH &amp; YEAR:</b>	<b>April-16</b>
Paper Bingo Gross Receipts	\$2,015.00
Bingo Prizes Paid	\$1,517.00
Net Receipts	\$498.00
Raffle Gross Receipts	\$628.00
Raffle Prizes Paid	\$314.00
Raffle Net Receipts	\$314.00
Paddle tickets Receipts	\$5,250.00
Paddle tickets Prizes	\$3,105.00
Paddlewheel Net	\$2,145.00
Interest	\$0.00
Gross Pull Tab Receipts	\$234,811.00
Pull Tab Prizes Paid	\$199,172.00
Net Pull Tab Receipts	\$35,639.00
Net Receipts	\$38,596.00
8.5% Tax	\$251.35
Combined Receipts Tax	\$12,829.16
Raffle Tax Credit	

Checkbooks balance: \$ 51,061.45

Start Banks	
Park Place	\$8,100.00
Cloverleaf	\$3,100.00
Opinion Brewery	\$5,800.00
Tavern 829	\$4,100.00
Totals	\$21,100.00

Original Balance \$47,668.66

Raffle funds Balance Due as of 3/13/16		Payment	New Balance
Soccer	\$8,000.00	\$2,000.00	\$6,000.00

<b>Total Taxes Paid this month</b>	<b>\$13,383.09</b>
<b>Gross Profit After Taxes</b>	<b>\$25,212.91</b>
<b>Total Allowable Expenses</b>	<b>\$23,229.66</b>
<b>Profit for Park Place</b>	<b>\$2,101.88</b>
<b>Profit for Cloverleaf</b>	<b>\$(300.20)</b>
<b>Profit Opinion Brewery</b>	<b>\$(341.46)</b>
<b>Profit Tavern 829</b>	<b>\$1,717.80</b>
<b>Total Profit</b>	<b>\$3,178.02</b>

<b>Total</b>	\$10,500.00	\$2,500.00	\$8,000.00
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<b>April-16</b>	
<b>Lawful Purpose Expenditures</b>	
<b>Taxes</b>	13,383.09
<b>Charitable Contribution</b>	4,523.72
<b>Total</b>	17,906.81

<b>MSP</b> Mary Perren, Dave Blumberg. Motion to pay State of MN gambling tax of \$13,902.15. No discussion. Passed.
<b>MSP</b> Mary Perren, Dan Smoot. Motion to pay Youth Services Bureau monthly corporate rent of \$1,655.40. No discussion. Passed.
<b>MSP</b> Mary Perren. Motion to pay Century Link not to exceed \$400.00 for CGAA phone bill to include services to extend service through rental offices. Discussion: may want to raise dollar amount in case of unforeseen expenses, increase to \$500.00. <b>Amended MSP</b> Mary Perren, Kevin Valentino to pay Century Link not to exceed \$500.00 for CGAA phone bill to included services to extend phone system through rental offices. No discussion. Passed.
<b>MSP</b> Mary Perren, Dan Smoot. Motion to pay Park Sr. All Night Party fundraiser not to exceed \$370.00. No discussion. Passed
<b>MSP</b> Mary Perren, Brad Strom. Motion to pay Park Sr. All Night Party donation of \$100.00 towards Senior Night. No discussion. Passed
<b>MSP</b> Mary Perren, Tim Kaplan. Motion to pay CGAA Soccer \$2,000.00 for raffle proceeds. No discussion. Passed.
<b>MSP</b> Mary Perren, Dan Smoot Motion to pay \$872.91 for CGAA U10/U12 Softball fundraiser of meat raffle and 50/50 – less 8% tax. No discussion. Passed.
<b>MSP</b> Mary Perren, Brad Strom. Motion to pay CGAA Softball \$500.00 for raffle proceeds. No discussion. Passed.

	<b>Last Year</b>	<b>This Year</b>	<b>Difference</b>			
<b>Site deposits</b>	<b>Apr-15</b>	<b>Apr-16</b>	<b>Totals</b>	<b>Last Year</b>	<b>May-15</b>	<b>June-15</b>
<b>Park Place</b>	7,713.00	9,589.00	<b>\$1,876.00</b>	<b>Park Place</b>	7,337.00	1,223.00
<b>Cloverleaf</b>	17,381.00	14,350.00	<b>\$(3,031.00)</b>	<b>Cloverleaf</b>	20,868.00	10,193.00
<b>Tavern 829</b>	na	4,423.00	<b>\$4,423.00</b>	<b>Tavern 829</b>		
<b>Opinion Brewery</b>	na	10,234.00	<b>\$10,234.00</b>	<b>Opinion Brewery</b>		
	\$25,094.00	<b>38,596.00</b>	<b>13,502.00</b>	<b>UP</b>	\$28,205.00	11,416.00

**HOCKEY**

- To send Dan H all new positions for Hockey board