

Chickasaw Country Marketing Association
Sulphur, Oklahoma

***REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION***

For the Year Ended June 30, 2023

SAUNDERS & ASSOCIATES, PLLC
Certified Public Accountants

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CHICKASAW COUNTRY MARKETING ASSOCIATION
Sulphur, Oklahoma

TABLE OF CONTENTS

June 30, 2023

	<u>Page</u>
Independent Auditor's Report	1
FINANCIAL STATEMENTS:	
Statement of Financial Position – Cash Basis	4
Statement of Activities – Cash Basis	5
Statement of Functional Expenses – Cash Basis	6
Notes to Financial Statements	7
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	10
SUPPLEMENTAL INFORMATION:	
Schedule of Allowable Expenditures – Cash Basis	12
Schedule of Advertising Revenue.....	13
Status of Prior Audit Findings.....	14
Schedule of Findings and Responses	15

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Chickasaw Country Marketing Association

Opinion

We have audited the accompanying financial statements of Chickasaw Country Marketing Association (a nonprofit organization), which comprise the statement of financial position -cash basis as of June 30, 2023, and the related statement of activities-cash basis collected and expenses paid, and statement of functional expenses-cash basis for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and net assets of Chickasaw Country Marketing Association as of June 30, 2023 and its revenue, expenses and functional expenses for the year then ended in accordance with cash basis of accounting as described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Chickasaw Country Marketing Association and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting as described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Chickasaw Country Marketing Association's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Chickasaw Country Marketing Association's ability to continue as a going concern for a reasonable period of time.

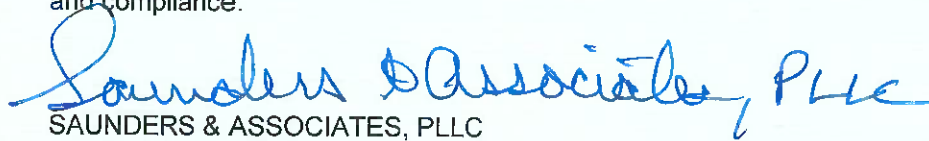
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information, as listed in the preceding table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2024 on our consideration of Chickasaw Country Marketing Association's internal control over financial reporting and on our test of compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of Chickasaw Country Marketing Association's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Chickasaw Country Marketing Association's internal control over financial reporting and compliance.



SAUNDERS & ASSOCIATES, PLLC
Certified Public Accountants
Ada, Oklahoma

January 17, 2024

FINANCIAL STATEMENTS

CHICKASAW COUNTRY MARKETING ASSOCIATION
Sulphur, Oklahoma

STATEMENT OF FINANCIAL POSITION - CASH BASIS

June 30, 2023

ASSETS

Current Assets:

Cash

\$ 101,071

TOTAL ASSETS

\$ 101,071

NET ASSETS

Net Assets Without Donor Restrictions

\$ 101,071

TOTAL NET ASSETS

\$ 101,071

* The accompanying notes are an integral part of the financial statements.

CHICKASAW COUNTRY MARKETING ASSOCIATION
Sulphur, Oklahoma

STATEMENT OF ACTIVITIES - CASH BASIS

For the Year Ended June 30, 2023

REVENUES

Amounts Paid for Advertising by Businesses	\$ 66,071
Miscellaneous Revenue	2,884
State Contribution - Tourism Matching Dollars	50,869
Membership Dues and Others	4,220

Total Revenues 124,044

EXPENSES

Program	99,201
Management and General	37,925

Total Expenses 137,126

Decrease in Net Asset Without Donor Restrictions (13,082)

Net Assets, Beginning of Year 114,153

Net Assets, End of Year \$ 101,071

* The accompanying notes are an integral part of the financial statements.

CHICKASAW COUNTRY MARKETING ASSOCIATION
Sulphur, Oklahoma

STATEMENT OF FUNCTIONAL EXPENSES - CASH BASIS

For the Year Ended June 30, 2023

<u>EXPENSES</u>	<u>Programs</u>	<u>Management and General</u>	<u>Total</u>
Publication and Printing Costs	\$ 88,014	\$ 0	\$ 88,014
Payroll Expenses	8,498	25,493	33,991
Professional Fees	0	5,626	5,626
Office Occupancy and Support	0	3,180	3,180
Promotional Activities	0	0	0
Travel Expenses	1,122	2,377	3,499
Dues and Membership Expenses	1,567	0	1,567
Equipment	0	310	310
Insurance	0	939	939
TOTAL EXPENSES	<u>\$ 99,201</u>	<u>\$ 37,925</u>	<u>\$ 137,126</u>

* The accompanying notes are an integral part of the financial statements.

CHICKASAW COUNTRY MARKETING ASSOCIATION
Sulphur, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization – Chickasaw Country Marketing Association (CCMA) is a not-for-profit organization whose purpose is to promote tourism in the multi county area of Love, Garvin, Murray, Carter, Marshall, Pontotoc and Johnston counties. CCMA promotes tourism in a cooperative financial manner to achieve maximum exposure for minimal investment. Support is generally provided by cooperative advertising with groups in this region and matching of some expenses from the Oklahoma Tourism and Recreation Department, membership dues and cooperative advertising revenue. Revenues primarily relate to amounts received for cooperative advertising in regional publications.

Basis of Accounting – CCMA maintains its records on the basis of cash receipts and disbursements. Under the cash basis of accounting, revenues are recognized when received, rather than when earned, and expenditures are recognized when paid, rather than when incurred. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). (ASC) 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of CCMA and changes therein are classified as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of CCMA. CCMA's board may designate assets without restrictions for specific operational purposes from time to time.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Management and General Expenses – Management and general personnel expenses have been calculated using a percentage of management salaries to total salaries. All other costs were directly identified.

NOTE 2: CASH

Cash consists of amounts held in bank accounts under the name of CCMA. All amounts were secured by FDIC insurance.

NOTE 3: REIMBURSEMENTS FROM DEPARTMENT OF TOURISM

As funds become available at the Oklahoma Department of Tourism, CCMA is allowed to apply for matching funds. An application is submitted with documentation of allowed expenditures and upon approval by the Department of Tourism they receive a reimbursement. The expenditures are primarily for publications advertising a geographic area of the state.

CHICKASAW COUNTRY MARKETING ASSOCIATION
Sulphur, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2023

NOTE 4: BUSINESS ACTIVITIES

CCMA produces publications specific to the market area and also purchases advertising in Oklahoma wide and other publications. They also attend recreation events and conventions in locations in which they attempt to attract visitors to the southern Oklahoma recreation area.

NOTE 5: BUSINESS RISKS AND ECONOMIC DEPENDENCY

CCMA prepares cooperative advertising for tourism within a geographical area consisting to counties in the South-Central part of Oklahoma. Operations are dependent on memberships and charges for advertising sufficient for operating costs including an amount for administration. Also, they receive reimbursements for advertising from the State of Oklahoma under programs administered by the Department of Tourism. Reductions in these revenue sources can materially affect operations.

NOTE 6: INCOME TAXES

CCMA is exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying cash basis financial statements. However, the organization is subject to federal income tax on any unrelated business taxable income.

CCMA evaluates and accounts for their uncertain tax positions, if any, in accordance with current accounting guidance, including CCMA's evaluation of its uncertain tax positions, management has determined no uncertain tax positions exist as of June 30, 2023 which would require CCMA to book a liability for the uncertain tax positions in its financial statements. CCMA's annual federal income tax returns are subject to examination by the IRS, generally for three years after they are filed. In addition, CCMA's annual state income tax returns for the same years are subject to examination by state tax authorities for similar periods.

NOTE 7: MANAGEMENT AGREEMENT WITH CHICKASAW COUNTRY, LLC

Chickasaw Country, LLC (CCLLC) is an Oklahoma limited liability company representing thirteen counties in South Central Oklahoma. CCMA has entered into a management agreement with CCLLC as of June 14, 2017, in which CCLLC is to promote and market Chickasaw Country as a top travel and tourism destination, establish and maintain co-partnership with local, state and region organizations supporting the mission and goals of CCMA, and design and develop a Chickasaw Country Visitor Guide. CCLLC will perform various services for CCMA through the implementation of the Tourism Marketing Plan including traditional and e-marketing platforms, regional training seminars and strategic membership growth and development. The value of these services is estimated to be \$30,000 which is not reported in the financial statements due to the cash basis of accounting.

CHICKASAW COUNTRY MARKETING ASSOCIATION
Sulphur, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2023

NOTE 8: LIQUIDITY

Chickasaw Country Marketing Association's financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash	\$ <u>101,071</u>
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Chickasaw Country Marketing Association's financial assets have not been reduced due to no donor-imposed restrictions. The cash available is available within one year.

NOTE 9: SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 17, 2024, which is the date of the cash basis financial statements were available to be issued.

Saunders & Associates, PLLC

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Chickasaw Country Marketing Association

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Chickasaw Country Marketing Association (a non-profit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 17, 2024

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Chickasaw Country Marketing Association's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Chickasaw Country Marketing Association's internal control. Accordingly, we do not express an opinion on the effectiveness of Chickasaw Country Marketing Association's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Chickasaw Country Marketing Association's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2021-002, 2023-001 and 2023-002 that we consider to be material weaknesses.

Compliance and Other Matters

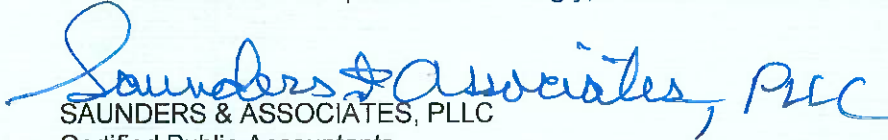
As part of obtaining reasonable assurance about whether Chickasaw Country Marketing Association's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing*.

Chickasaw Country Marketing Association’s Response to Findings

The organization’s response to the findings identified in our audit is described in the accompanying schedule of findings and responses. Chickasaw Country Marketing Association’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance, and the results of our testing, and not to provide an opinion on the effectiveness of Chickasaw Country Marketing Association’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Chickasaw Country Marketing Association’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Saunders & Associates, PLLC". The signature is written in a cursive, flowing style.

SAUNDERS & ASSOCIATES, PLLC
Certified Public Accountants
Ada, Oklahoma

January 17, 2024

SUPPLEMENTAL INFORMATION

CHICKASAW COUNTRY MARKETING ASSOCIATION
Sulphur, Oklahoma

SCHEDULE OF ALLOWABLE EXPENDITURES - CASH BASIS

For the Year Ended June 30, 2023

	<u>Allowable</u>	<u>Discretionary</u>	<u>Total</u>
<u>PROGRAM EXPENSES</u>			
Dues and Memberships	\$ 0	\$ 1,567	\$ 1,567
Payroll Expenses	0	8,498	8,498
Publication Costs	37,146	50,868	88,014
Promotional Activities	0	0	0
Travel	<u>0</u>	<u>1,122</u>	<u>1,122</u>
Total Program Expenses	<u>37,146</u>	<u>62,055</u>	<u>99,201</u>
<u>MANAGEMENT AND GENERAL EXPENSES</u>			
Administrative Expenditures	0	0	0
Professional Services	0	5,626	5,626
Equipment	0	310	310
Office Occupancy and Support	0	3,180	3,180
Payroll Expenses	0	25,493	25,493
Travel Expenses	0	2,377	2,377
Insurance	<u>0</u>	<u>939</u>	<u>939</u>
Total Management and General Expenses	<u>0</u>	<u>37,925</u>	<u>37,925</u>
TOTAL EXPENSES	<u>\$ 37,146</u>	<u>\$ 99,980</u>	<u>\$ 137,126</u>

CHICKASAW COUNTRY MARKETING ASSOCIATION
Sulphur, Oklahoma

ADVERTISING REVENUE

For the Year Ended June 30, 2023

ADVERTISERS FOR 2023 TRAVEL GUIDE

Antiques Etc.	10 E Main, Ardmore, OK 73401	875.00
Ardmore Tourism Authority	PO Box 1585, Ardmore, OK 73402	3,450.00
Artesian Hotel & Casino	1001 W 1st Street, Sulphur, OK 73086	2,760.00
Cabin Fever Adventures	8985 Texoma Park Road, Kingston, OK 73439	875.00
Chickasha	117 N 4th St., Chickasha, OK 73018	875.00
Chickasaw Culture Cente	867 Cooper Memorial Road, Sulphur, OK 73086	2,760.00
Chickasaw Nation DOC	Remington Park 1 Remington Place, OKC, OK 73111	2,760.00
Chickasaw Retreat & Conference Center	4205 Goddard Youth Camp Rd., Sulphur, OK 73086	1,725.00
Chisholm Trail Heritage Center	22150 Chisholm Trail Parkway, Duncan, OK 73533	875.00
Chisholm Trail Casino	7807 US-81, Duncan, OK 73533	1,725.00
City of Pauls Valley	PO Box 778, Pauls Valley, OK 73075	4,830.00
Davis Chamber of Commerce	100 East Main Street, Davis, OK73030	1,725.00
Duncan CVB	PO Box 981, Duncan, OK 73534	875.00
Goddard Center	401 1st Ave SW, Ardmore, OK 73401	875.00
Greater Southwest Historical Museum	35 Sunset Drive SW, Ardmore, OK 73401	875.00
Johnston County Chamber of Commerce	504 W Main, Tishomingo, OK 73460	4,830.00
Lake Texoma Association	PO Box 610, Kingston, OK 73439	2,760.00
Marshall County Chamber of Commerce	11544 Highway 70, Madiill, OK 73446	875.00
McSwain Theater	130 West Main, Ada, OK 74820	875.00
New Castle Casino	2457 Highway 62 Service Rd., New Castle, OK 73065	1,725.00
Salt Creek Casino	1600 US - 81, Pocasset, OK 73079	2,760.00
Sulphur Chamber of Commerce	717 W Broadway, Sulphur, OK 73086	2,760.00
Treasure Valley Casino	12252 ruppe Road, Davis, OK 73030	1,725.00
Turner Falls Park	227 E Main, Davis, OK 73030	4,025.00
Windstar World Casino	777 Casino Ave., Thackerville, OK 73459	2,760.00
Advertisers for 2023 Travel Guide Total		52,955.00

ADVERTISERS FOR 2023 FUN TIMES

777 Zip	6250 US-77 Davis, OK 73030	919.00
Arbuckle Apple Fried Pies	4145 US Highway 77S, Davis, OK 73030	655.00
Arbuckle Trail Rides	North Drive, US-177, Sulphur, OK 73086	423.50
Ardmore Tourism	410 W Main, Ardmore, OK 73401	919.00
Cedar Ridge Cabins	2008 W Cedar Ridge, Tishomingo, OK 73460	288.00
Cedar Ridge Real Estate	1309 W Broadway, Sulphur, OK 73086	288.75
City of Pauls Valley	100 West Paul Ave., Pauls Valley, OK 73075	1,810.00
City of Sulphur	600 Broadway Ave., Sulphur, OK 73086	655.00
Davis Chamber	100 E Main St, Davis, OK 73030	655.00
Deer Creek Outdoors	Binger, OK 73009	1,414.00
Forgotten Wheels Museum	1775 US-77, Davis, OK 73030	655.00
Lake Murray Floating Cabins	115 Bed & Berth Drive, Ardmore, OK 73401	1,414.00
Scissortail Shops	1735 Hwy. 77 South, Davis, OK 73030	655.00
Shiloh Moring Inn	2179 Ponderosa Road, Ardmore, OK 73401	379.00
Sole'renity Spa	1001 W 1st Street, Sulphur, OK 73086	1,414.00
Spice & Tea Exchange	8 W Muskogee Ave., Sulphur, OK 73086	212.50
Vision Bank	1101 West Broadway, Sulphur, OK 73086	379.50
Advertisers for 2023 Fun Times Total		13,136.25

CHICKASAW COUNTRY MARKETING ASSOCIATION
Sulphur, Oklahoma

STATUS OF PRIOR YEAR FINDINGS

June 30, 2023

2021-002 – SEGREGATION OF DUTIES

Condition: Due to the limited number of personnel involved in the operating of the fiscal office, most of those aspects of internal accounting control, which rely upon an adequate segregation of duties are, for all practical purposes, missing in the organization. However, we recognize that the organization's administration is not large enough to make the employment of additional persons, for the purpose of segregating duties, practical from a cost-benefit standpoint.

Status: See current audit findings 2021-002. Fraudulent activities could go undetected.

CHICKASAW COUNTRY MARKETING ASSOCIATION
Sulphur, Oklahoma

SCHEDULE OF FINDINGS AND REPOSES

For the Year Ended June 30, 2023

2021-002 – SEGREGATION OF DUTIES

Criteria Effective internal controls rely upon proper segregation of duties to detect and prevent possible fraudulent activities.

Condition: Due to the limited number of personnel involved in the operating of the fiscal office, most of those aspects of internal accounting control, which rely upon an adequate segregation of duties are, for all practical purposes, missing in the organization. However, we recognize that the organization's administration is not large enough to make the employment of additional persons, for the purpose of segregating duties, practical from a cost-benefit standpoint.

Cause/Effect: Fraudulent activities could go undetected.

Recommendation: SAUNDERS & ASSOCIATES, PLLC recommends increased oversight by the Board over all financial activities.

Response: The financials are sent to the Secretary/Treasurer to be reviewed before the Board meetings. The financials are then presented to the board for approval at each Board meeting.

2023-001 – TIMELY RECONCILIATION OF GENERAL LEDGER ACCOUNTS INCLUDING CASH

Criteria: Fiscal staff must consistently provide management with current and accurate financial information on a timely basis. Without this information, critical areas such as financial analysis, budgetary control, and cash flow can all be negatively impacted. All Statement of Financial Position (Balance Sheet) accounts should be reconciled on a monthly basis to ensure financial statements are complete and accurate.

Condition: Accurate reconciliations of balance sheet accounts are not being performed for all balance sheet accounts. The most significant discrepancies were:

- Cash was overstated by approximately \$6,248 as cash receipts on invoices and as deposits, therefore were entered twice, represented as uncleared deposits on the bank reconciliation.
- Undeposited funds in the amount of \$14,285 were entered as cash receipts on invoices and as deposits, therefore were entered twice. These payments were not transferred to the bank as deposits, therefore were not reflected in cash.

Numerous audit adjustments were suggested and accepted by management to ensure financial statements are presented fairly.

Cause/Effect: Failure to reconcile balance sheet accounts accurately resulted in unreliable financial information and overstated cash by over \$6,000 (approximately 6% of actual cash) and revenues by over \$20,000 (approximately 17% of actual revenues).

CHICKASAW COUNTRY MARKETING ASSOCIATION
Sulphur, Oklahoma

SCHEDULE OF FINDINGS AND REPOSSES

For the Year Ended June 30, 2023

2023-001 – TIMELY RECONCILIATION OF GENERAL LEDGER ACCOUNTS INCLUDING CASH,
CONTINUED

Recommendation: Saunders & Associates, PLLC recommends Chickasaw Country Marketing Association ensure that accurate reconciliations of all Statement of Financial Position accounts are performed on a timely basis, and needs further training on its accounting software for better use and optimization of its features. Procedures should be enhanced to ensure the Board is cognizant of whether critical account reconciliations (cash, receivables, and payables) have been properly and timely completed. Accurate financial reports are necessary to effectively manage operations and can significantly impact management's ability to effectively guide an organization.

Response:

2023 - 002 - UNAUTHORIZED EXPENDITURES

Criteria: Sound internal controls require that supporting documentation be present for all expenditures and proper signatures be obtained for all checks written. It should be obvious or specifically stated the nature of the expenditure is allowable and how it furthers the mission statement of CCMA.

Condition: During our review of expenditures, it was noted out of a total population of 52 transactions, we noted 16 instances out of the 20 transactions tested where proper signatures were not obtained on the checks written. There were 32 additional checks found during the cursory review of the bank statements that showed that proper signatures were not obtained. As a result, the purpose of the expenditure, its allowability, its authorization, and/or how it furthers the mission statement of CCMA could not be determined. It was also noted that CCMA does not deface its invoices.

Cause/Effect: Expenditures could be incurred for unallowable activities without being readily identified in the normal course of business or expenditures that we incurred did not further the mission of CCMA.

Recommendation: Saunders & Associates, PLLC recommends controls/procedures be followed and/or enhanced to ensure adequate documentation can and will be provided for all requested expenditures and proper check signatures will be obtained. Additionally, should the original receipt not readily identify the nature/purpose of the expenditure and how it furthers the mission statement of CCMA, that information should be specifically noted on the original receipt. Procedures should include defacement of invoices, marking invoices as approved and paid thus avoiding the possibility of issuing duplicate payments for an invoice.

Response: