



REPORT TO THE BOARD OF DIRECTORS

DATE: July 20, 2023

FROM: Micki Nichols
Chief Financial Officer

RE: Status Report

UPDATES

- We have started the process of implementing our new Accounting Program called Springbrook. My hopes are to be fully functional by the end of the month. We will have a lot of data entry to do. We will need to go back to the beginning of 2023 to get the program to calculate correctly for both 1099's and W2 Reporting.
- We have moved from a Modified Accrual Accounting to a Cash Basis Accounting System. I have word from both our Auditor and the State Dept. that this move is acceptable.
 - Cash basis accounting recognizes income when it is received and expenses when they are paid for. Its most significant advantage is its simplicity. In contrast, accrual accounting recognizes income when a sale is fulfilled rather than when it is paid for and records expenses incurred, irrespective of cash movement.
 - Our new Accounting Program, Springbrook, is a cash basis program.
 - Moving to a cash basis accounting program also means that we will no longer be required to report to GASB. This will save us a significant sum of money that we have been paying DebtBook to help manage our GASB Reporting requirements.
- Our end of year is in balance, and Nancy and I will be doing an internal audit for coding errors before we close the year out.
- The plan will be to generate the new financial reports and present them to you by the next meeting.

