



PREPARING FOR AN AUDIT: A TEAM EFFORT

Gabby Parker • 02.18.2025
Genovations Accounting

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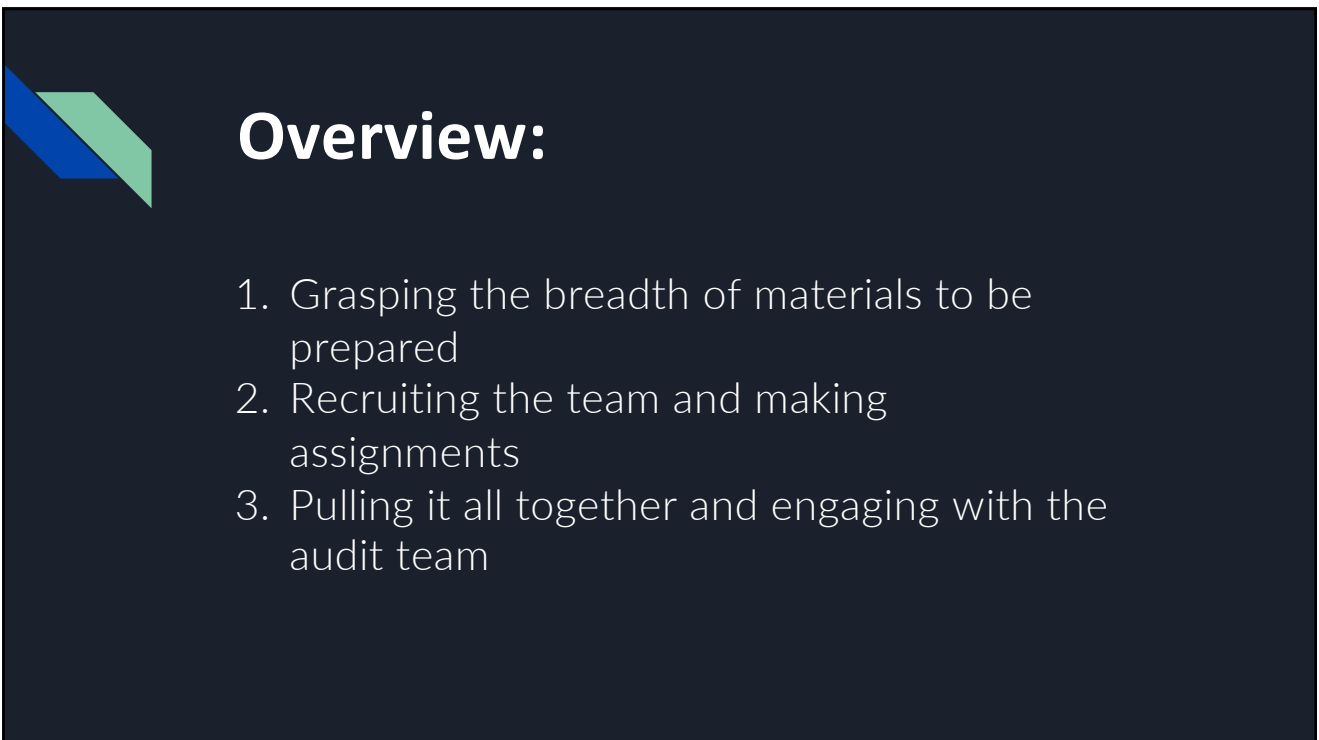
A little bit about me:

- Controller for Global Outreach Developments
 - Alumna of The Institute for GOD
 - Bachelors in Community Development
- Manager and Executive Accountant at Genovations Accounting
- From Indiana, now residing in Nashville, TN
- Married to Jameson Parker
- Love tennis and swimming
- Prefer the mountains over the beach

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A dark blue rectangular slide with a green and blue geometric logo in the top left corner. The logo consists of two overlapping parallelograms, one green and one blue, creating a stylized 'N' or 'Z' shape.

Overview:

1. Grasping the breadth of materials to be prepared
2. Recruiting the team and making assignments
3. Pulling it all together and engaging with the audit team

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Why do we do this?

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An Audit as a Strategic Tool

- Identify Financial Vulnerabilities
- Enhance Transparency
- Align Financial Narratives

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The Importance of Your Story

More than ever, people need more than an invitation; they need assurance that supporting your institution's mission will make a meaningful impact.

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Key Questions

1. Do you know what story your audit and 990 are telling?
2. Does it match the narrative you present on your website and fundraising materials?
3. Are your KPIs and internal metrics in line with the financial reality reflected in your audit?

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Leadership Meetings

- March - initial audit review meeting
- May - follow-up audit review meeting
- July - year-end action items

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Payroll forms, 1099s,
year-end donor
statements

Leadership meeting to
discuss any necessary
financial changes
before end of year

Year-end
reconciliations
completed and filed

01.31.2025

02.15.2025

03.15.2025

05.15.2025

07.15.2025

Setup 2025 FY audit
tasks and filing records

Follow-up leadership
meeting to discuss
scheduled financial
changes

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DOE Composite Score Calculator

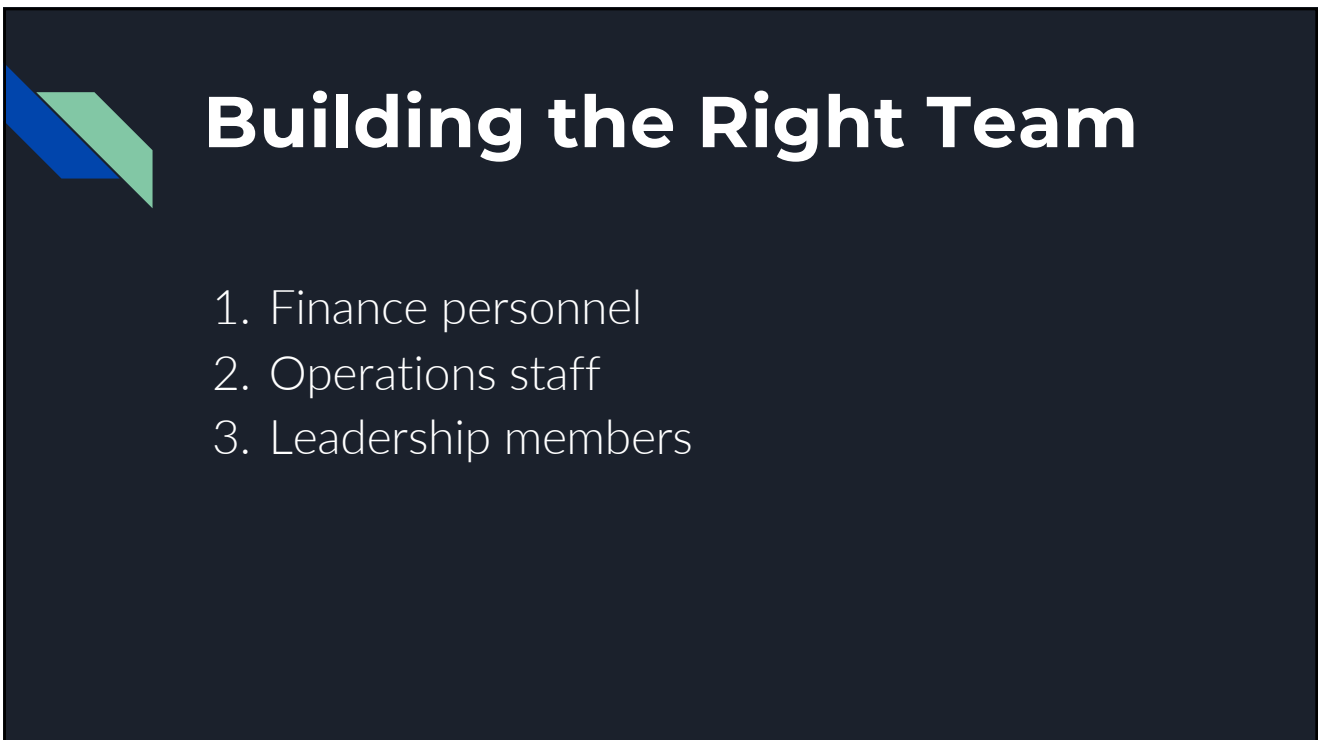
U.S. Department of Education	
Institution:	
OPE ID:	
DUNS #:	
Fiscal Year End:	
Financial Analyst:	
Review Date:	
Accounts	Enter Amounts Calculated
Primary Reserve Ratio (Expendable Net Assets/Total Expenses):	
Net assets without donor restrictions	24 \$2,380,401
Total net assets with donor restrictions	30 \$0 +
Restricted in perpetuity	29 \$0 -
Annuities	25 \$0
Term endowments	26 \$0
Life income funds	27 \$0
Goodwill	10 \$0 -
Property, plant, and equipment, net	8 \$4,800,000
Lease right-of-use asset, net	9 \$0
	\$4,800,000 -
Post-employment and pension liability	17 \$0
Line of credit - short term for CIP	M14 \$0
Notes payable	M20 \$0
Lease right-of-use liability	M21 \$0
Line of credit for long term purposes	M22 \$2,439,836 +
	\$0
Related party receivable	4 \$0
	\$20,237 \$ 20,237
Total operating expenses	43 \$4,132,262
Other components of net periodic pension costs	46 \$0 +
Change in liability of split-interest agreements	48 \$0 -
Other gains (losses)	49 \$0 +
Total Expenses and Losses Without Donor Restrictions	\$4,132,262 \$ 4,132,262
	0.005

Equity Ratio (Modified Net Assets/Modified Assets):	
Net assets without donor restrictions	24 \$2,109,218
Total net assets with donor restrictions	30 \$271,183 +
Goodwill	10 \$0 -
Related party receivable	4 \$0 -
	\$2,380,401 \$ 2,380,401
Total assets	12 \$5,500,000
Goodwill	10 \$0 -
Related party receivable	4 \$0 -
	\$5,500,000 \$5,500,000
	0.433
Net Income Ratio (Change in Unres. Net Assets/Unres. Rev.):	
Change in Net Assets without Donor Restrictions	
	\$275,567.00
Total Operating Revenue and Other Additions	36 \$3,589,059
Investment Return Appropriated for Spending	39 \$0 -
Sale of fixed assets, gains (losses)	50 \$0 -
	\$3,589,059 \$ 3,589,059
Total Revenue and Gains without Donor Restrictions	
If Composite Score < 1.5, HEA Program Funds:	\$0
	0.077
	Ratios Strength Weights Composite
Primary Reserve:	0.0049 0.0489731774 40% 0.0196
Equity:	0.4328 2.596801091 40% 1.0387
Net Income:	0.0768 4.8390 3 20% 0.8000
Composite Score	
	1.66
	Fail Scale Fail -1 to .9
	Zone Pass Zone 1.0 to 1.4
	Pass Pass Pass 1.5 to 3.0

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Building the Right Team

1. Finance personnel
2. Operations staff
3. Leadership members

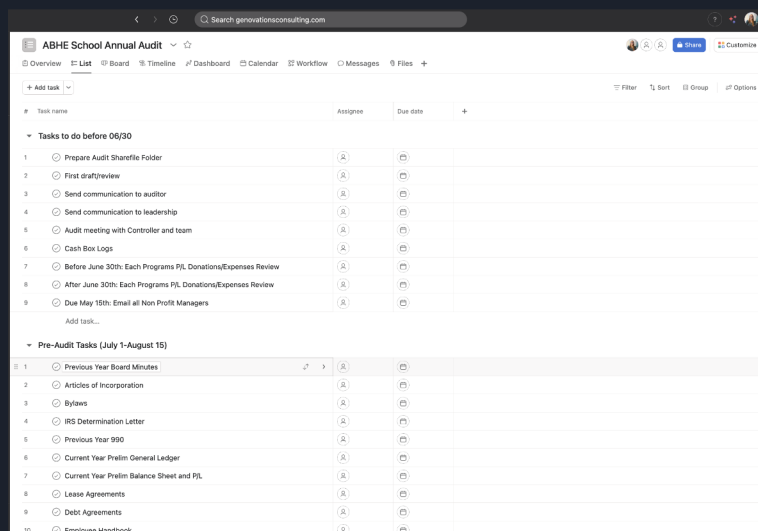
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Delegating Responsibilities

1. Clearly defined roles and responsibilities
2. Setting realistic deadlines
3. Establishing accountability measures

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Delegating Tasks



The screenshot shows a web application interface for managing tasks. The title is 'ABHE School Annual Audit'. Below the title are navigation tabs: Overview, List, Board, Timeline, Dashboard, Calendar, Workflow, Messages, and Files. A search bar is at the top right. The main content area is a table with columns for Task name, Assignee, and Due date. The tasks are grouped into two sections: 'Tasks to do before 06/30' and 'Pre-Audit Tasks (July 1-August 15)'. Each task has a radio button for selection and a small icon for more options.

#	Task name	Assignee	Due date
Tasks to do before 06/30			
1	Prepare Audit Sharefile Folder	A	
2	First draft/review	A	
3	Send communication to auditor	A	
4	Send communication to leadership	A	
5	Audit meeting with Controller and team	A	
6	Cash Box Logs	A	
7	Before June 30th: Each Programs P/L Donations/Expenses Review	A	
8	After June 30th: Each Programs P/L Donations/Expenses Review	A	
9	Due May 15th: Email all Non Profit Managers	A	
Pre-Audit Tasks (July 1-August 15)			
1	Previous Year Board Minutes	A	
2	Articles of Incorporation	A	
3	Bylaws	A	
4	IRS Determination Letter	A	
5	Previous Year 990	A	
6	Current Year Prelim General Ledger	A	
7	Current Year Prelim Balance Sheet and P/L	A	
8	Lease Agreements	A	
9	Debt Agreements	A	
10	Employee Handbook	A	

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Calendarize

March



Initial audit
review
meeting

April



Implement
action
items

May



Follow-up
audit
review
meeting

June



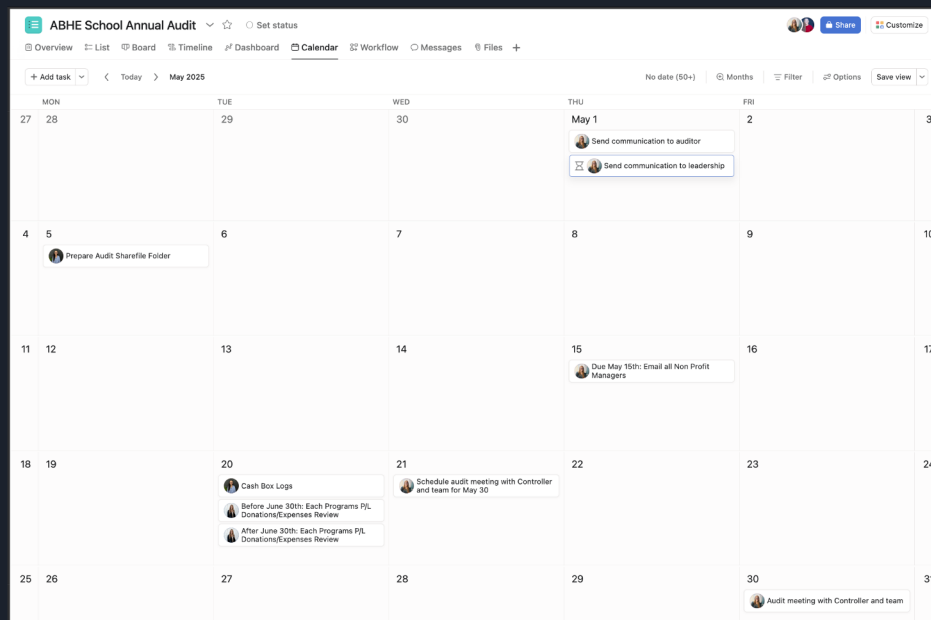
Implement
action
items

July



Year-End
action
items

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Document Retention

Shared Folders > GOD INTL > Finance and Accounting - GOD > Annual Audit (Files and Work) > 2024 FY GODINTL Audit

2024 FY GODINTL Audit ... More Options

Items People

☐	Name	Size	Last modified	Creator
☐	#1 Articles of Incorporation	0 B	4:23PM me	G. Parker
☐	#2 Bylaws	0 B	4:23PM me	G. Parker
☐	#3 IRS Determination Letter	0 B	4:23PM me	G. Parker
☐	#4 Main Contact's Name and Email Address	202 KB	4:23PM me	G. Parker
☐	#5 Billing Contact's Name and Email Address	0 B	4:23PM me	G. Parker
☐	#6 Organization's Physical Address	0 B	4:23PM me	G. Parker
☐	#7 Organization's Mailing Address	0 B	4:23PM me	G. Parker
☐	#8 Previous Year Form 990	1 MB	4:23PM me	G. Parker
☐	#9 Current Year General Ledger Trial Balance - PRE...	0 B	4:24PM me	G. Parker
☐	#11 Lease Agreements	0 B	4:24PM me	G. Parker
☐	#12 Debt Agreements	0 B	4:24PM me	G. Parker
☐	#12 Payroll Tax Returns 2023 W-2's, W-3's, and 941's	252 KB	08/27/2024 me	G. Parker
☐	#13 Employee Handbook	0 B	4:24PM me	G. Parker

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Document Retention

- Financial Statements & Reporting
- Budget Comparisons & Financial Planning
- Student Accounts & Revenue Documentation
- Tax & Regulatory Filings
- Facility & Capital Project Records
- Reconciliations
- Title IX & Federal Compliance Documents
- Internal Controls & Governance
- Payroll & Human Resources Records
- Accounts Payable & Expense Documentation

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Document Retention

ChatGPT 4o ▾

make this a clear list of audit documents needed for an annual nonprofit audit with a higher educational institution with Title IX funding

Essential Audit Documents for a Higher Education Institution with Title IX Funding

Preparing for an annual audit requires comprehensive documentation to ensure compliance, financial transparency, and institutional accountability. Below is a categorized checklist specifically tailored for higher education institutions with Title IX funding:

1. Financial Statements & Reporting

- ✓ **Statement of Financial Position (Balance Sheet)** – Summarizes assets, liabilities, and net assets.
- ✓ **Statement of Activities (Income Statement)** – Details revenues, expenses, and financial performance.
- ✓ **Statement of Cash Flows** – Tracks cash inflows and outflows.
- ✓ **Statement of Functional Expenses** – Breaks down spending into program, administrative, and fundraising categories.
- ✓ **Endowment and Investment Statements** – Reports on restricted and unrestricted funds.

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Collaborating with Auditors

1. Prepare for the PBC list early
2. Maintain open communication with auditors
3. Document key financial decisions and internal controls

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Recent Lessons Learned

1. Proactive record-keeping is non-negotiable
2. Technology is your friend
3. Internal reviews save time

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Overview:

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Q&A

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Thank you!

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