

**AUDIT COMMITTEE OF THE
ARIZONA COMMERCE AUTHORITY BOARD OF DIRECTORS
PUBLIC MEETING MINUTES**

Pursuant to A.R.S. § 38-431.02, notice is hereby given that the Audit Committee of the ACA Board of Directors will hold a meeting open to the public at the following time and place:

**Monday, November 20, 2023 at 3:00 p.m.
100 North 7th Avenue, Suite 400 Phoenix, AZ 85007
(Some members of the Committee may appear telephonically)**

I. Call to Order and Roll Call

Clate Mask, Chairman called the Arizona Commerce Authority Audit Committee meeting to order at 3:02 PM. The meeting was noticed and properly posted. Quorum of voting members present.

Committee Members present via conference call

Clate Mask, Chairman
Cathleen Walker
Tony Astorga

Arizona Commerce Authority (ACA) Staff present via conference call

Ken Burns, COO
Brett Goeringer, CFO
Robin Hansen, Controller

Others Present via conference call

Jean Dietrich, Director, CliftonLarsonAllen, LLP

II. Welcome

Clate Mask welcomed all attendees and thanked all for attending

III. Approval of Monday, July 24, 2023 Minutes

Clate Mask, Chairman, asked for a motion to approve the minutes of the July 24, 2023 meeting. Tony Astorga made the motion. Cathleen Walker seconded. Motion approved.

IV. Presentation by CliftonLarsonAllen, LLP of Fiscal Year 2023 Audit Plan

Ms. Dietrich provided an overview of the ACA's Fiscal Year 2023 Financial Statement Audit Plan including scope & deliverables of audit. Ms. Dietrich reported that CliftonLarsonAllen, LLP would be issuing an unmodified ("clean") financial audit opinion. She discussed the new audit reporting standard (GASB96) for SBITA (Subscription-Based IT Arrangements) and that they agreed with ACA personnel's decision that these were immaterial for FY23. Jean also mentioned that additional procedures were performed as requested by the state to determine federal funds received in FY23 and expected in FY24 (single audit requirements).

Call for Questions

Cathleen Walker inquired regarding the magnitude of material weakness regarding the trial balance and accrual entries reconciled to the fund balance. Jean assured the team that the issue was resolved and improvements have been implemented to book prior year accrual entries to each specific fund balance rather than offset current year accruals.

Tony Astorga inquired about clarification on financial statement presentation for percent of total asset increase and how it should read as % of increase. He also inquired as to if the financial statements say "Excess of Expenses over Revenue" instead of "Revenue over Expenses. Jean agreed and will make changes to the wording and presentation.

Clate Mask, Chairman, thanked the Auditors for their time and for preparing a presentation

V. Items for Discussion and Possible Action

A. Approval of Fiscal Year 2023 Financial Audit Report Issuance

Clate Mask, Chairman, asked for a motion to approve the Fiscal Year 2023 Financial Audit Report as presented. Tony Astorga made the motion. Cathleen Walker seconded. Motion approved.

VI. Sunset Audit Comments

Clate Mask mentioned that any questions related to the Sunset Audit will be addressed by the ethics committee. Jean discussed how CLA reviewed the report and determined that no additional audit work/steps would be required for the financial statement audit.

VII. Upcoming Meetings

Clate Mask inquired as to whether or not the committee will continue to have two audit meetings annually – Pre audit and post audit. All board members agreed that they want to continue to have both meetings going forward.

VIII.

Call to Public

No public present.

IX. Adjournment

Clate Mask, Chairman, moved to adjourn the Arizona Commerce Authority Audit Committee meeting. Tony Astorga made the motion. Cathleen Walker seconded. Motion approved. Meeting adjourned at 3:27 PM