

Observations and Recommendations

To the Management of
Maya's Hope Foundation, Inc.

As a result of our audit for the year ended December 31, 2015, we want to provide recommendations to strengthen controls and institute operating efficiencies:

I – Current Year Comments

Cash Receipts – Tracking of Fundraising Event Income

Income for the annual benefit is not tracked independently from the general ledger. As a way to help ensure that all attendees paid, we recommend that a member of the staff perform a test of reasonableness by computing the total expected revenue from the event by tallying the number of attendees of the event by the price per ticket and comparing to the amount recorded in the books. If there are significant discrepancies, a more formal tracking system should be considered.

End of Year Adjustments

Although not material, the auditor proposed, and management agreed to, certain year-end adjustments to put the books on the accrual basis of accounting. We recommend that at least annually the Foundation review the general ledger with the accounting consultant, before the books are closed and the audit is ready to begin, and record all necessary accrual adjustments.

II – Board Governance

Audit Oversight

Under the Nonprofit Revitalization Act, every nonprofit organization that is required to file audit reports with the New York State Attorney General is required to have an audit committee that is made up of at least 3 independent directors of the board. Although Maya's Hope Foundation was not yet required to have an audit, we recommend that the organization formulate an audit committee that is responsible for the following:

- Annually retain or renew the retention of the independent auditors
- Review the scope and planning of the audit prior to commencement of audit.
- Upon completion of the audit, review results and any related management letter. Matters discussed should include material risks and weaknesses in internal control, any restrictions on the scope of the auditors activities or access to information, significant disagreements between the auditor and management and the adequacy of the organization's accounting and financial reporting process.
- Oversee the adoption, implementation and compliance with an organizational wide conflicts of interest and whistle blower policy

The Act does permit that in absence of an audit committee, the full board will be charged with taking on the responsibilities outlined above.

We wish to thank your staff for their support and assistance during our audit.

This communication is intended solely for the information and use of management, the board of trustees, others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.



Schall & Ashenfarb
Certified Public Accountants, LLC

October 31, 2016