

**TAHLEQUAH CHAMBER OF COMMERCE**  
**TAHLEQUAH, OKLAHOMA**

**AUDITED FINANCIAL STATEMENTS AND NOTES**  
**For the Year Ended June 30, 2023**

**AUDITED BY:**

Robert St. Pierre, C.P.A., P.C.  
Certified Public Accountant  
1113 N. Second St.  
Stilwell, Oklahoma 74960



**TABLE OF CONTENTS**  
**For the Year Ended June 30, 2023**

	<u>Page</u>
<b>INDEPENDENT AUDITOR'S REPORT</b>	1-2
<b>FINANCIAL STATEMENTS:</b>	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
<b>NOTES TO THE FINANCIAL STATEMENTS</b>	7 - 11

**INDEPENDENT  
AUDITOR'S  
REPORT**

# ROBERT ST. PIERRE, C.P.A., P.C.

*Certified Public Accountant*

1113 N. Second St.  
Stilwell, Oklahoma 74960  
Phone: (918) 696-4983  
Fax: (918) 696-4867

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Tahlequah Chamber of Commerce  
Tahlequah, Oklahoma

### Opinion

We have audited the accompanying financial statements of Tahlequah Chamber of Commerce (a non-profit organization), which comprise the statement of financial position as of June 30, 2023, and the related statement of activities and cash flows 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 financial position of the Tahlequah Chamber of Commerce as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Tahlequah Chamber of Commerce 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.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Tahlequah Chamber of Commerce's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### 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 Tahlequah Chamber of Commerce'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 Tahlequah Chamber of Commerce'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.

*Robert St. Pierre*

Robert St. Pierre, C.P.A., P.C.  
Stilwell, Oklahoma  
February 5, 2024

**FINANCIAL**

**STATEMENTS**

**TAHLEQUAH CHAMBER OF COMMERCE**  
**STATEMENT OF FINANCIAL POSITION**  
For the Year Ended June 30, 2023

<b>ASSETS</b>		<u>2023</u>
<b>Current Assets</b>		
Cash and Cash Equivalents (Note 2)	\$	142,680
Accounts Receivable		<u>96,340</u>
<b>Total Current Assets</b>		<u>239,020</u>
<b>Fixed Assets (Note 3)</b>		
Buildings, Furniture, and Fixtures		163,071
<i>Less: Accumulated Depreciation</i>		<u>(100,013)</u>
<b>Total Fixed Assets</b>		<u>63,058</u>
<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u>302,078</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$	54,962
Payroll Tax Payable		3,756
Accrued Payroll		3,338
Accrued Leave (Note 5)		8,546
Current Portion of Long-Term Debt (Note 7)		<u>2,547</u>
<b>Total Current Liabilities</b>		<u>73,149</u>
<b>NON-CURRENT LIABILITIES</b>		
Bank of Cherokee County Loan (Note 7)		<u>59,569</u>
<b>Total Non-Current Liabilities</b>		<u>59,569</u>
<b>Total Liabilities</b>		<u>132,718</u>
<b>NET ASSETS</b>		
Net Assets without Donor Restrictions		169,360
Net Assets with Donor Restrictions		<u>-</u>
<b>Total Net Assets</b>		<u>169,360</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$</b>	<b><u>302,078</u></b>

**TAHLEQUAH CHAMBER OF COMMERCE**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUE &amp; SUPPORT</b>			
Hotel / Motel Tax	\$ 255,235	\$ -	\$ 255,235
County Lodging	182,875	-	182,875
Contracts	31,520	-	31,520
Program Income	157,963	-	157,963
Memberships	96,207	-	96,207
Reimbursements	95,515	-	95,515
Other Income	38,092	-	38,092
Released from Restricted Net Assets	-	-	-
<b>TOTAL REVENUE &amp; SUPPORT</b>	<b>857,407</b>	<b>-</b>	<b>857,407</b>
<b>EXPENSES</b>			
<b>PROGRAM SERVICES:</b>			
Chamber	386,312	-	386,312
Tourism	380,974	-	380,974
<b>TOTAL PROGRAM SERVICES:</b>	<b>767,286</b>	<b>-</b>	<b>767,286</b>
<b>SUPPORTING SERVICES:</b>			
Management and General	23,308	-	23,308
<b>TOTAL SUPPORTING SERVICES:</b>	<b>23,308</b>	<b>-</b>	<b>23,308</b>
<b>TOTAL EXPENSES</b>	<b>790,594</b>	<b>-</b>	<b>790,594</b>
<b>CHANGE IN NET ASSETS</b>	<b>66,813</b>	<b>-</b>	<b>66,813</b>
<b>NET ASSETS AT BEGINNING OF YEAR (Restated)</b>	<b>102,547</b>	<b>-</b>	<b>102,547</b>
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 169,360</b>	<b>\$ -</b>	<b>\$ 169,360</b>

**TAHLEQUAH CHAMBER OF COMMERCE**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the Year Ended June 30, 2023

	CHAMBER	TOURISM	MANAGEMENT AND GENERAL	TOTALS
<b>PERSONNEL EXPENSES</b>				
Staff Wages	\$ 183,428	\$ 95,105	\$ -	\$ 278,533
Contract Labor	19,300	-	-	19,300
Employee Benefits	14,579	5,878	-	20,457
Employee Retirement	4,397	2,245	-	6,642
Payroll Taxes	22,463	7,276	-	29,739
<b>TOTAL PERSONNEL EXPENSES</b>	<b>244,167</b>	<b>110,504</b>	<b>-</b>	<b>354,671</b>
<b>OCCUPANCY EXPENSES</b>				
Promotions / Special Events	27,978	-	-	27,978
Supplies	11,151	-	-	11,151
Insurance	4,385	-	-	4,385
Dues / Subscriptions	1,916	-	-	1,916
Repairs and Maintenance	1,475	-	-	1,475
Taxes	2,204	-	-	2,204
Telephone	3,223	-	-	3,223
Rent	-	24,149	-	24,149
Utilities	10,404	-	-	10,404
<b>TOTAL OCCUPANCY EXPENSES</b>	<b>62,736</b>	<b>24,149</b>	<b>-</b>	<b>86,885</b>
<b>ADMINISTRATIVE EXPENSES</b>				
Bank Charges	-	-	2,580	2,580
Interest	-	-	2,373	2,373
Advertising / Promotional	2,510	10,989	-	13,499
Accounting & Auditing	-	-	5,868	5,868
Professional Services	-	2,350	1,060	3,410
Fundraisers	9,952	-	-	9,952
Printing / Copying / Office / Postage	15,196	3,088	-	18,284
<b>TOTAL ADMIN. EXPENSES</b>	<b>27,658</b>	<b>16,427</b>	<b>11,881</b>	<b>55,966</b>
<b>EQUIPMENT EXPENSES</b>				
Equipment	6,736	755	-	7,491
Website / Chamber Master	-	3,030	-	3,030
<b>TOTAL EQUIPMENT EXPENSES</b>	<b>6,736</b>	<b>3,785</b>	<b>-</b>	<b>10,521</b>
<b>OTHER EXPENSES</b>				
Miscellaneous	29	13,304	-	13,333
Meeting Meals	44,986	1,093	-	46,079
Community & Business Development	-	190,663	-	190,663
Mopbile	-	9,496	-	9,496
Depreciation Expense	-	-	11,427	11,427
Travel / Conferences	-	11,553	-	11,553
<b>TOTAL OTHER EXPENSES</b>	<b>45,015</b>	<b>226,109</b>	<b>11,427</b>	<b>282,551</b>
<b>TOTAL FUNCTIONAL EXPENSE</b>	<b>\$ 386,312</b>	<b>\$ 380,974</b>	<b>\$ 23,308</b>	<b>\$ 790,594</b>

**TAHLEQUAH CHAMBER OF COMMERCE**  
**STATEMENT OF CASH FLOWS**  
For the Year Ended June 30, 2023

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in Net Assets	<u>\$ 66,813</u>
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided (used) by Operating Activities	
Depreciation	11,427
(Increase) Decrease in Accounts Receivable	(42,630)
Increase (Decrease) in Accounts Payable	44,737
Increase (Decrease) in Payroll Tax Liability	1,761
Increase (Decrease) in Accrued Expenses	(204)
Increase (Decrease) in Deferred Revenue	-
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>81,904</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchase of Fixed Assets	<u>(38,557)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Borrowing of Short Term Debt	-
Repayment of Short Term Debt	<u>(2,454)</u>
<b>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</b>	<u>(2,454)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	40,893
<b>CASH AT THE BEGINNING OF THE YEAR</b>	<u>101,787</u>
<b>CASH AT THE END OF THE YEAR</b>	<u><u>142,680</u></u>
Interest Expense	<u><u>\$ 2,373</u></u>

**FINANCIAL**

**STATEMENT**

**NOTES**

**TAHLEQUAH CHAMBER OF COMMERCE  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Tahlequah Chamber of Commerce (the "Organization") was incorporated as a non-profit corporation on September 20, 2000. The Organization is tax exempt under regulation 501 (c)(6) of the Internal Revenue Code. However, the Form 990 is required to be filed with the Internal Revenue Service on an annual basis. The Tahlequah Chamber of Commerce is a non-profit entity. Tourism operates in conjunction with the Chamber and is funded by the hotel/motel tax collected by the City of Tahlequah as well as the County Lodging Tax.

**Nature of the Organization**

The Tahlequah Chamber of Commerce was organized for the purpose of providing an Organization that promotes community development, tourism, and business development and enhancement.

**Basis of Accounting**

Fund accounting methods and procedures were used in accounting for the financial activities of the Chamber on the accrual basis of accounting, which recognizes revenues and expenses when incurred and not when the transactions have been finally settled by the receipt or payment of cash. The principal exception to this procedure related to membership dues revenues which were recognized when received.

**Basis of Financial Statement Presentation**

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restriction. The Organization follows the recommendations of FASB ASC 958 financial statements of Non-Profit organizations which establish standards of basic accounting and reporting for Not for Profits.

- 1) **Net Assets Without Donor Restriction** — Net assets that are not subject to or are no longer subject to donor- imposed stipulations.
- 2) **Net Assets With Donor Restriction** — Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

### **Principles of Consolidation**

The accompanying financial statements reflect the consolidated financial statements of Tahlequah Area Chamber of Commerce and the Tourism Organization. Tourism is managed by the board of directors of the Tahlequah Area Chamber of Commerce. The purpose of the consolidation is for the Tahlequah Area Chamber of Commerce to manage the Tourism Organization. Material inter-Organization transactions and accounts are eliminated.

### **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **Financial Instruments**

The carrying value of cash and cash equivalents, restricted cash, accounts receivable, accounts payable and accrued liabilities, are stated at carrying cost at June 30, 2023, which approximates fair value due to the relatively short maturity of these instruments. Other financial instruments held at year-end are investments, which are stated at fair value.

### **Cash and Cash Equivalents**

For financial statement purposes, the Organization considers all unrestricted highly liquid investments with a maturity date of three months or less to be cash or cash equivalents. The Tahlequah Chamber of Commerce had no investments on June 30, 2023.

### **Deposits and Investments**

The Tahlequah Chamber of Commerce deposits on June 30, 2023, were completely insured or collateralized by federal deposit insurance, direct obligations of the United States Government, or securities held by the Organization or by its agent in the Organization's name.

### **Property and Equipment**

Property and equipment are carried at cost in the books, or if donated, carried at estimated fair market value at the date of donation, except for the valuation of the building which has been valued using an appraisal based on comparable closed transactions and the average price per square foot. The Organization adopted a capitalization policy of \$2,500 for determining when a fixed asset should be capitalized and depreciated. Depreciation is determined by using the straight-line method. The service life by property class type is as follows:

Buildings	30 years
Furniture & Equipment	7 years
Computer Equipment	3 years

### **Allocation of Expenses**

The cost of providing the various programs and other activities should be illustrated to a degree by program function in the statement of revenue, expenses, and changes in net assets. Accordingly, certain costs should be allocated among the programs.

### **Estimates**

The preparation of financial statement in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement. Accordingly, actual results differ from those estimates.

### **Donated Assets**

Assets that are donated are recorded as contributions at their fair-market value on the date of donation.

### **Income Taxes**

The Tahlequah Chamber of Commerce is exempt from federal and state income taxes due to Section 501 (c)(6) of the Internal Revenue Code. In addition, Tahlequah Chamber of Commerce has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Internal Revenue Code. This does not preclude the Tahlequah Chamber of Commerce from filing IRS Form 990 within 15 days of the fifth month after year end.

Management believes that all of the positions taken by the Organization in its federal and state income tax returns are more likely than not to be sustained upon examination. The Organization files returns in the U.S. Federal jurisdiction. The Organization's federal income tax returns for the tax years 2019 and beyond remain subject to examination by the Internal Revenue Service.

### **Inventory**

Expendable items are recorded as expenses when purchased. Therefore, inventories are not reflected in the financial statements.

### **NOTE 2: CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of demand deposits maintained at financial institutions insured by the Federal Deposit Insurance Corporation (FDIC). Cash and cash equivalents as of June 30, 2023, consisted of the following:

<b>Chamber of Commerce:</b>	<b>2023</b>	<b>Tourism:</b>	<b>2023</b>
Chamber Checking	\$ (6,623)	First State - Internal Funds	\$ 15,756
BancFirst Money Market	93,087	County Lodge Funds	40,460
<b>Total Chamber of Commerce Cash</b>	<b>\$ 86,464</b>	<b>Total Tourism Cash</b>	<b>\$ 56,216</b>

**NOTE 3: FIXED ASSETS**

The Organization's changes in property and equipment as of June 30, 2023, consisted of the following:

	7/1/2022	Additions	Retirements	6/30/2023
Office Furniture & Equipment	\$ 41,067	\$ -	\$ -	\$ 41,067
Land	5,000	-	-	5,000
Buildings	118,670	-	-	118,670
<b>Total Cost Basis</b>	<b>164,737</b>	<b>-</b>	<b>-</b>	<b>164,737</b>
<i>Less: Accumulated Depreciation</i>	<i>(146,944)</i>	<i>(4,698)</i>	<i>-</i>	<i>(151,642)</i>
<b>Net Book Value</b>	<b>\$ 17,793</b>	<b>\$ (4,698)</b>	<b>\$ -</b>	<b>\$ 13,095</b>

**NOTE 4: PENSION PLAN**

The Tahlequah Chamber of Commerce maintains a Simple IRA plan for its employees. The Organization matches up to 3% of an employee's salary. For the fiscal year 2023, the Organization contributed \$6,642 to the plan.

**NOTE 5: COMPENSATED ABSENCES**

Each eligible employee is entitled to accrue 120 to 200 hours of paid time off per year. If any unused PTO hours remain at the end of the calendar year, the Organization will pay up to forty (40) hours of unused PTO. Up to forty (40) hours can also be carried over to the following calendar year. At June 30, 2023, the liability for accrued leave totaled \$8,546.

**NOTE 6: BUDGET**

Tahlequah Chamber of Commerce prepares their budgets on the same basis of accounting as the financial statement presentation basis.

**NOTE 7: LONG-TERM DEBT**

At the statement of financial position date of June 30, 2023, the Organization had one long term loan with Bank of Cherokee County. The initial loan amount was \$67,845 with an interest rate of 3.74%. The loan is a 60-month loan that is amortized over 240 periods. As of June 30, 2023, the outstanding balance was \$62,116.

The schedule of future maturities as of June 30, 2023 is as follows:

Payable To:	Date Note Matures	Rate of Interest	Original Balance	Balance at 6/30/2023	Principal Due in One Year
Bank of Cherokee Co.	1/15/2026	3.74%	\$ 67,845	\$ 62,116	\$ 2,547

The total future maturities of long-term debt are as follows:

Years Ending June, 30:	Current	\$	2,547
	2025		2,644
	2026		56,925
	2027		-
	2028		-
	<b>Total</b>	<b>\$</b>	<b>62,116</b>

#### **NOTE 8: LIQUIDITY AND AVAILABILITY**

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use within one year of the balance sheet date because of contractual or donor-imposed restrictions or internal designations. Amounts available include donor-restricted amounts that are available for expenditure in the following year. Amounts not available include amounts set aside for operating and other reserves that could be drawn upon if the Organization or Organization Board approves that action.

	<b>2023</b>
Cash & Cash Equivalents & Restricted Cash	\$ 142,680
Accounts Receivable, Net, collected in Less than One Year	96,340
	<u>239,020</u>
<b>Financial Assets Available to Meet Cash Needs for Expenditures Within One Year</b>	<b>\$ 239,020</b>

#### **NOTE 9: SUBSEQUENT EVENTS**

Management of the Organization has evaluated subsequent events through **February 5, 2024**, which is the date the financial statements were available to be issued.

Client: TAHLEQUAH CHAMBER OF COMMERCE  
 Report: Journal Entry

Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
<b>AJE</b>					
TO CORRECT PAYROLL REIMBURSEMENTS					
	5000 Expense - Hotel Tax:5400 Administration:5403				
840-20	Payroll Taxes		7,275.59	0.00	
	5000 Expense - Hotel Tax:5400 Administration:5401				
835-20	Payroll		0.00	7,275.59	
	4002 Income - Other:4002.8 TRD & Tourism				
447-10	Reimbursements		95,105.75	0.00	
835-10	6500 Payroll Expenses:6505 Payroll		0.00	95,105.75	
<b>Total</b>			<b>102,381.34</b>	<b>102,381.34</b>	<b>0.00</b>
<b>AJE</b>					
TO REMOVE INTER COMPANY REVENUE & EXPENSE					
493-20	4000 Revenue:4023 Substantial Hotel Tax		84,375.87	0.00	
	5000 Expense - Hotel Tax:5415 Substantial Hotel				
612-20	Tax:5416 Substantial Tax Rebate		0.00	84,375.87	
<b>Total</b>			<b>84,375.87</b>	<b>84,375.87</b>	<b>0.00</b>
<b>AJE-1</b>					
To Post Accrued Payroll					
203-10	Accrued Payroll		0.00	3,337.98	
199-10	Accrued Payroll Taxes		0.00	1,052.59	
835-10	6500 Payroll Expenses:6505 Payroll		3,337.98	0.00	
840-10	6500 Payroll Expenses:6510 Payroll Taxes		1,052.59	0.00	
<b>Total</b>			<b>4,390.57</b>	<b>4,390.57</b>	<b>(4,390.57)</b>
<b>AJE-2</b>					
To Post Accrued Leave					
220-10	24100 Accrued Leave and Payroll		0.00	8,545.80	
835-10	6500 Payroll Expenses:6505 Payroll		8,545.80	0.00	
<b>Total</b>			<b>8,545.80</b>	<b>8,545.80</b>	<b>(8,545.80)</b>
<b>AJE-4</b>					
To Adjust Loan Balance					
291-10	2210 BOCC Loan		0.00	88.95	
	6000 Administrative & Operations:6024 Interest				
770-10	Fees/Line of Credit		88.95	0.00	
<b>Total</b>			<b>88.95</b>	<b>88.95</b>	<b>(88.95)</b>
<b>AJE-5</b>					
To Add Fixed Assets and Depreciation Associated					
	5000 Expense - Hotel Tax:8100 Equipment:8106				
620-20	Christmas Expenses		0.00	38,557.38	
155-10	Building and FFE		38,557.38	0.00	
150-10	Accumulated Depreciation		0.00	11,427.48	
860-10	Depreciation Expense		11,427.48	0.00	
<b>Total</b>			<b>49,984.86</b>	<b>49,984.86</b>	<b>27,129.90</b>
<b>AJE-6</b>					
To Post Accounts Receivable					
115-20	Accounts Receivable		59,523.09	0.00	
	4000 Revenue - Hotel Tax:4001 Hotel Tax -				
405-20	Reimbursement		0.00	59,523.09	
<b>Total</b>			<b>59,523.09</b>	<b>59,523.09</b>	<b>59,523.09</b>
<b>GRAND TOTAL</b>			<b>309,290.48</b>	<b>309,290.48</b>	<b>73,627.67</b>

# ROBERT ST. PIERRE C.P.A., P.C.

CERTIFIED PUBLIC ACCOUNTANT

1113 N. SECOND STREET  
STILWELL, OK 74960  
PHONE: (918) 696-4983  
FAX: (918) 696-4867

February 5, 2024

## TAHLEQUAH CHAMBER OF COMMERCE ACKNOWLEDGEMENT OF AUDIT JOURNAL ENTRIES For the Year Ended 06/30/2023

To be signed by a member of management, accountant in charge of financial reporting, the president of the board of directors, or by the person with responsibility for the financial statements.

By signing below, we acknowledge that we agree with all auditors proposed journal entries and these known misstatements have been posted to our accounting system. We also confirm that after the posting of these entries, we printed a balance sheet from our software to verify that it agrees with the balance sheet in the audit report. In the event it does not agree with the audit report, you should notify us at once so this can be corrected.

We have also received a disclosure checklist from you and compared it to the audit and we are not aware of any additional disclosures that need to be presented in the financial report.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

# ROBERT ST. PIERRE C.P.A., P.C.

CERTIFIED PUBLIC ACCOUNTANT

1113 N. Second Street  
Stilwell, OK 74960  
Phone: (918) 696-4983  
Fax: (918) 696-4867

## Communication with Those Charged with Governance at the Conclusion of Audit

February 5, 2024

Board of Directors  
Tahlequah Chamber of Commerce  
Tahlequah, OK

We have audited the financial statements of **Tahlequah Chamber of Commerce** for the year ended **June 30, 2023**, and we will issue our report thereon dated **February 5, 2024**. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated **July 14, 2023**. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by **Tahlequah Chamber of Commerce** are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during **2023**. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements was (were):

Management's estimate of the **depreciation expense and accumulated depreciation** is based on **estimated useful life**. We evaluated the key factors and assumptions used to develop the **depreciation expense and accumulated depreciation** in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

#### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated **February 5, 2024**.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

In years past, the Organization conducted all accounting functions in one standalone QuickBooks account. However, the Organization utilizes a QuickBooks account for Chamber of Commerce business and a separate QuickBooks account for Tourism. It's recommended that the Organization revert to using one QuickBooks account to encompass both Chamber of Commerce and Tourism activities, using classes.

The Organization have enhanced their internal controls by using an accounting firm to do their monthly financials, after utilizing multiple accountants in the past. The financials are more coherent, however, there needs to be clean up of the accounts receivable and accounts payable within the Organizations accounts.

During the audit it was noted that reimbursable accounts were split out into their own expense and revenue accounts, which increased revenue and expenses. Since they are reimbursable, it will zero out the account if the expense and revenue were within the same account. Auditor made adjustments to reflect the reimbursable accounts accurately.

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of Board of Directors of **Tahlequah Chamber of Commerce** and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*Robert St. Pierre*

Robert St. Pierre, C.P.A., P.C.