



ALBUQUERQUE
COMMUNITY
FOUNDATION

leadership • trust • legacy

MEMO

To: Board of Trustees
From: Michelle Dearholt, Audit and Risk Management Committee Chair
Date: June 15, 2022
Re: Audit and Risk Management Committee Report

The Audit and Risk Management Committee met in March for their first meeting of the year. At this meeting the Committee reviewed the Committee's charter and also reviewed the Foundation's Conflict of Interest and Code of Conduct policies. The Committee made minor updates primarily correcting references to the Finance Committee, and both have since been adopted by the Foundation. The Committee also discussed the charter and given it is a relatively new committee, all agreed to work with staff on continuing to identify Foundation policies which this committee could review.

The Committee was engaged by the staff in May about a conflict of interest regarding an estate property for which the Foundation was the beneficiary. The Committee discussed the potential conflict with staff and Executive Committee. After discussion and review, it was determined that if a Trustee was potentially interested in purchasing a property in the estate, the property shall be listed with a broker, and that listing shared with all Trustees to neutralize the conflict of interest. This property listing was shared with Trustees by Nick Williams on June 6th and updates on the liquidation of the estate shall be made to the Board as part of the financial updates to the Foundation.

The financial statement audit for the Albuquerque Community Foundation has been delayed. The audit firm the Foundation is contracted with, Ricci & Co., was bought by Carr, Riggs & Ingram. In addition, the audit partner the Foundation worked with last year, Pat Wilkins, left the firm to take a CFO position at Animal Humane. These events have caused a delay in the audit. Additionally, the transition from Ricci & Co. to Carr, Riggs & Ingram requires additional levels of review, requiring an extension to our original timeline. Despite these setbacks staff are satisfied with how the audit is progressing. The audit will be presented to the Foundation's Board on September 27th.