

Treasurer's Report Diocesan Convention November 14, 2009

Good Morning.

I would like to report on the overall Diocesan financial health including our audit report, the state of accounting and internal controls, and the Treasurer's office.

Diocesan Financial Health Continues to Improve

I am delighted to report that the Diocese is in good overall financial health. In 2009 the collection of pledges and assessments in total is running close to the 2008 levels despite a worsening economy. The Diocese is living within its budgeted means, the Consolidated Fund has grown approaching 30% since the first of the year and we will end the year with about \$300K in cash reserves, effectively where we began in January 2009.

A realistic and lean 2010 budget and attention to spending detail will allow us to maintain our financial momentum. We continue to address the goal to ensure all Diocesan expenditures are contained within a budget.

The 2008 Audit Yielded a Qualified Opinion

The 2008 audit of our financial records was completed (as required by the National Church) in August and the auditors rendered a "Qualified" opinion (the same opinion as the last few years). An "Unqualified" opinion requires that all financial statements be prepared in accordance with Generally Accepted Accounting Principles and one such principle requires that all entities which the Diocese has control over be consolidated in the financial results. Since we have elected not to include ECS and the Cathedral Village in our consolidated financial statements, as we have done in the past, the auditors could not render an "Unqualified" (the best) opinion. This audit report is or will be available on the DIOPA website shortly

Internal and Accounting Controls Continue to Improve

Our independent auditors provide a "management" letter, sometimes known as an internal control letter in which they highlight internal control deficiencies and recommendations for improvement. Over the last few years the number of recommendations has come down considerably indicating overall improvement in accounting and internal controls.

2005 Recommendations	21
2006 Recommendations	11
2007 Recommendations	7
2008 Recommendations	5

In 2009 we plan further improvement(s).

Treasurer's Office

We are committed to full transparency, providing timely, accurate and unbiased financial information to all the governing bodies and assuring we minimize risk in our financial decision making.

In addition to two experienced accountants, Ms. Jenny Paddy, Accounts Payable Administrator and Earl Irby, Controller we have a Canon for Financial Administration, Rob Rogers.

Additionally, we have three volunteers, with over 100 combined years of financial management experience; John Loftus, Assistant Treasurer, Bill Packer, Special Assistant, and me, Joe Suprenuk, Treasurer

Special Thanks

I would like to end my report by giving special thanks and appreciation to Keel Jones and Rush Smith, the previous Treasurer and Assistant Treasurer, respectively, for their dedication, hard work and service to the Diocese.

Respectfully submitted,

Joseph A. Suprenuk, CPA
Treasurer
October 27, 2009