

A G E N D A

AUDIT COMMITTEE

REGULAR MEETING
TUESDAY, OCTOBER 23, 2018 AT 11:00 AM
BOARD ROOM – GATEWAY COMPLEX

1. MEETING CALLED TO ORDER: Dwight Walker, Chair
2. ROLL CALL: Dwight Walker, Alan Swanson, Mary Neff, John Kikuchi, Barbara Rothway, Sheldon Solloway, and Chris Yahng

INTRODUCTIONS: Tim O’Keefe, CEO; Rick Chakoff, CFO; Bob Kelso, GRF Board President; Merek Lipson, Resident and Committee Adviser
3. APPROVAL OF REPORT: September 20, 2018
4. RESIDENTS’ FORUM

The Audit Committee will follow Rossmoor custom and limit comments to 3 minutes.
5. ANNOUNCEMENTS
6. UNFINISHED BUSINESS
 - a. Charter Task Force – Policy Committee review
 - b. Whistleblower Task Force—John Kikuchi, Chair (Attachment)
 - c. Member Transfer Fee Exemption Report
7. NEW BUSINESS
 - a. Overview of Internal Control Areas – Rick Chakoff
 - b. BPM Audit Proposal for 2018 – BPM
 - o Questions for BPM (Attachment)
 - c. Goals for Upcoming Year
8. ADJOURNMENT
9. NEXT MEETING: (TBD)

cc: GRF Board

AUDIT COMMITTEE REPORT

REGULAR MEETING
THURSDAY, SEPTEMBER 20, 2018, AT 11:00 A.M.

A regular meeting of the Audit Committee was convened by the Chairman, Dwight Walker, at 11:00 a.m. on Thursday, September 20, 2018, in the Board Room at Gateway Complex.

Members present were Dwight Walker, Chair; Alan Swanson, Vice Chair; Mary Neff, GRF Board Treasurer; John Kikuchi, Barbara Rothway, Sheldon Solloway, and Chris Yahng Roll Call

Representatives present from BPM, external auditors, were Jenise Gaskin, Managing Partner, and Maria Melo, Manager, Assurance

Also attending were Tim O'Keefe, CEO; Rick Chakoff, CFO; Amanda Davis, Sr. Accountant; Merek Lipson, Resident/Committee Adviser; and GRF Board members: Bob Kelso, Sue Adams, Ken Anderson, Les Birdsall and Steve Roath

1. Minutes from the August 8, 2018, meeting of the Audit Committee were approved unanimously on a motion made by Alan Swanson and seconded by Mary Neff.
2. RESIDENTS' FORUM—There were no speakers.
3. Jenise Gaskin and Maria Melo presented the audited financial statements of the GRF Pension Plan and 401k Plan.

A motion was made by Barbara Rothway, seconded by Mary Neff, and CARRIED UNANIMOUSLY to recommend acceptance of the Pension Plan Audited Financial Statements to the GRF Board.

Pension Plan

A motion was made by Mary Neff, seconded by Alan Swanson, and CARRIED UNANIMOUSLY to recommend acceptance of the 401k Plan Audited Financial Statements to the GRF Board.

401K Plan

4. AUDIT COMMITTEE CHARTER—Alan Swanson presented a draft of a revised Charter from the Task Force. Discussion ensued with members of the Committee and the Board regarding some revisions.

A motion made by Sheldon Solloway, seconded by Mary Neff, and CARRIED UNANIMOUSLY to accept the Charter draft, with revisions included, (attached) for submission to the GRF Policy Committee for its review.

Draft Charter

5. WHISTLEBLOWER POLICY—John Kikuchi reported on the good progress that the Task Force made in a draft that enhances the current GRF employee policy to include outside vendors and other stakeholders. The Chair reported that he and Mary Neff met with Tim O'Keefe and Judith Perkins, GRF HR Manager, to review the draft and gained insightful feedback, including:

- Tim expressed a preference for a user-friendly format, such as the Tahoe Donner Whistleblower Protection Policy, that focuses on illegal and unethical actions.
 - HR will handle email an “hotline”, which will be the designated method of submitting Whistleblower concerns.
 - John Kikuchi will take the draft back to the Task Force with these recommendations and submit a new draft to the Committee at its October meeting.
6. BPM 2018 AUDIT
- Rick Chakoff reported that BPM will present its proposal for the 2018 Audit at the October Committee meeting.
 - Dwight Walker and Rick Chakoff reported that a number of comparable organizations have agreed to share audit/tax preparation fees for GRF for comparison purposes. A summary of this information and how it can be used will be submitted by Mr. Chakoff at the October Committee meeting.
7. GRF INTERNAL/INTERIM FINANCIAL STATEMENTS—Rick Chakoff presented an overview of the July 31, 2018, GRF Operations Statement, June 2018 GRF Trust Cash Flow Statement, and June 30, 2018 MOD Balance Sheet and Revenue/Expenses Statement.
- It was noted that a combined set of financial statements is prepared at year end, including the Trust, GRF Operations and MOD Operations. Interim financial statements are prepared based on operating units as an effective management tool.
 - A report entitled Operating Results by Department is used largely by the Finance Committee and contains the same operating results as the GRF Operations Statement.
8. DEFERRED ITEMS—Due to time constraints, the following items were deferred to the October Committee meeting:
- Member Transfer Fee Exemption Report
 - Goals for Upcoming Year
9. ADJOURNMENT
There being no further business to come before the Committee, the meeting was recessed at 1:05 p.m. and reconvened in executive session at 1:05 p.m. in the Board Room at Gateway Complex.
10. NEXT MEETING:
The next regular meeting of the Audit Committee will be held on Thursday, October 23, 2018, at 11:00 a.m. in the Board Room at Gateway Complex.

AUDIT COMMITTEE CHARTER
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS

Draft: September 20, 2018

MISSION

The mission of the Audit Committee is to oversee financial reporting, risk management, and audit functions for the Golden Rain Foundation.

ORGANIZATION AND MEMBERSHIP

The Committee shall consist of not less than five nor more than seven GRF members, only one of whom shall be a member of the GRF Board of Directors. All Committee members shall be nominated by the GRF Board President and approved by the GRF Board. One of the members shall be the GRF Treasurer, without vote, who shall also serve as the GRF liaison.

The Committee shall not include GRF employees or management. No member shall have a material financial interest in any entity doing business with the Foundation. All members shall be free of any relationship that, in the opinion of the GRF Board, would interfere with that member's individual exercise of independent judgment.

Applicants for vacant positions on the Committee shall submit applications to the GRF Assistant Secretary and shall be interviewed by the GRF President, the GRF Liaison, and the Committee Chair. If the Chair or other officer is an applicant, a non-applicant Committee officer or member shall be the third interviewer.

The GRF President shall designate one of the Committee members as Chair, to serve a one-year term, effective July 1 of the appointment year.

At least one Committee member shall be designated as a financial expert. This member should understand generally accepted accounting principles, financial statements, and financial reporting through prior work as a principal financial officer, principal accounting officer, controller, certified public accountant, or auditor or through other relevant experience.

The members of the Committee who are not members of the GRF Board shall be appointed to staggered three-year terms, as required to fit their number. Terms shall begin July 1 of their appointment year. If a vacancy occurs among these Committee

members who are not members of the GRF Board, the replacement shall serve out the term of the vacating member.

RESPONSIBILITIES

The Committee assists the GRF Board in fulfilling the Board's responsibility to oversee the integrity of Foundation's financial reporting process, the qualifications and performance of the independent external auditor, the effectiveness of the Foundation's system of internal controls, and its compliance with laws and regulations.

The Committee shall:

- Annually assess the performance, independence, and cost of the Foundation's independent external auditor and recommend to the GRF Board for its approval renewal of that independent external auditor or retention of another independent external auditor to audit the Foundation's financial statements, accounts, and internal controls and to provide such other compliance services as are required by federal and state laws and regulations and by the retirement plans.
- Before the start of each year's audit, review with the independent external auditor the scope and planning for the audit.
- Upon completion of the audit, review and discuss with the independent external auditor any material risks and weaknesses in the Foundation's internal controls that the independent external auditor may have identified, any restrictions that may have been placed on the scope of its activities and access to information that it requested, the conclusions it reached as to the adequacy of the Foundation's accounting and financial reporting process, and any recommendations that it may propose.
- Determine whether to accept the results of the independent external audit, report to the GRF Board on the Committee's activities, and recommend approval or rejection of the audit results.
- Oversee the corrective actions that are implemented to address issues identified in the required communication and management letter.
- Monitor compliance with the GRF's conflict of interest and whistleblower policies and anti-fraud program.
- Monitor and review with management and the Board the adequacy and effectiveness of the Foundation's internal controls and its risk management framework. Risk management involves the identification and assessment of key

potential risks (such as financial errors or frauds, threats to information technology security and data, legal liabilities, accidents, and natural disasters).

- Periodically review audit-related policies

AUTHORITY

The Committee reports directly to the GRF Board. As it deems necessary, the Committee may recommend to the GRF Board the hiring of outside counsel or other advisors or consultants. The Committee will have access to all Foundation books, records, data, policies, procedures, and personnel as necessary to carry out its responsibilities.

PROCEDURES

Each year, the Committee will meet with the Chief Executive Officer and/or his or her designee to establish the scope of that year's audit and required tax services and then may solicit a proposal from the independent external auditor who has been serving as the Foundation's auditor. If the Committee deems it advisable to engage the services of a new independent external auditor, it will solicit and review proposals from at least three certified public accounting firms.

At the end of the annual audit, the Committee and the Chief Executive Officer and/or his or her designee(s) will meet with the independent external auditor to review the audit results, discuss any critical policies and practices used by the Foundation, and consider any problems encountered by the independent external auditor. The Committee will also review with the Chief Executive Officer and/or his or her designee the proposed reply to the independent external auditor's management letter before its final presentation for approval by the Foundation's Board.

The Committee shall pre-approve any non-audit services to be requested of the independent external auditor after determining whether these services would impair the auditor's independence.

The Committee will conduct sessions with the GRF's Chief Executive Officer, Chief Financial Officer, and if applicable legal counsel regarding the effectiveness of the Foundation's risk management

The Committee shall meet as often as it determines necessary or appropriate to fulfill its responsibilities, but no fewer than twice annually – once to review the audit plan and once to review the audited financials, the IRS Forms 1120 and 5500 and related documents, and to review the audit engagement, special investigations, financial irregularities, and internal control failures. The Committee will keep minutes of its

meetings.

The Committee shall annually elect its own Vice-Chair and any other officers as necessary. The Committee shall appoint subcommittees as necessary.

The Committee shall follow Policy 201.4 Regarding Open Committee Meetings and provide a Residents' Forum in which Residents may address concerns to the Committee.

Robert's Rules of Order shall govern all Committee proceedings.

ADOPTED BY THE GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS, AS REVISED, ON

_____.

DRAFT

AUDIT COMMITTEE CHARTER
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS

Draft: September 20, 2018

MISSION

The mission of the Audit Committee is to oversee financial reporting, risk management, and audit functions for the Golden Rain Foundation.

ORGANIZATION AND MEMBERSHIP

The Committee shall consist of not less than five ~~(5)~~ nor more than seven ~~(7)~~ GRF members. ~~Four to six (4 to 6), only one of whom~~ shall be ~~non-a member of the~~ GRF Board ~~of Directors~~. All Committee members, all shall be nominated by the GRF Board President and approved by the GRF Board. The One of the members shall be the GRF Treasurer ~~shall be the additional member with, without vote and, who shall~~ also serve as the GRF liaison. .

The Committee shall not include GRF employees or management. No member shall have a material financial interest in any entity doing business with the Foundation. All members shall be free of any relationship that, in the opinion of the GRF Board, would interfere with that member's individual exercise of independent judgment.

Applicants for vacant positions on the Committee shall submit applications to the GRF Assistant Secretary and shall be interviewed by the GRF President, the GRF Liaison, and the Committee ~~Chairperson~~Chair. If the ~~Chairperson~~Chair or other officer is an applicant, a non-applicant Committee officer or member shall be the third interviewer.

The GRF President shall designate one of the Committee members as ~~Chairperson~~Chair, to serve a one-year term, effective July 1 of the appointment year.

At least one Committee member shall be designated as a financial expert. This member should understand generally accepted accounting principles, financial statements, and financial reporting through prior work as a principal financial officer, principal accounting officer, controller, certified public accountant, or auditor or through other relevant experience.

The ~~non-members of the Committee who are not members of the~~ GRF Board ~~Committee members~~ shall be appointed to staggered three-year terms, as required to

fit their number. Terms shall begin July 1 of their appointment year. ~~Should~~ If a vacancy ~~occu~~occurs among ~~the non-these~~ Committee members who are not members of the GRF Board ~~Committee members~~, the replacement shall serve out the term of the vacating member.

RESPONSIBILITIES

~~There is~~ The Committee assists the GRF Board in fulfilling the Board's responsibility to oversee the integrity of Foundation's financial reporting process, the qualifications and performance of the independent external auditor, the effectiveness of the Foundation's system of internal controls, and its compliance with laws and regulations.

The Committee shall:

- Annually assess the performance, independence, and cost of the Foundation's independent external auditor and recommend to the GRF Board for its approval renewal of that independent external auditor or retention of another independent external auditor to audit the Foundation's financial statements, accounts, and internal controls and to provide such other compliance services as are required by federal and state laws and regulations and by the retirement plans.
- Before the start of each year's audit, review with the independent external auditor the scope and planning for the audit.
- Upon completion of the audit, review and discuss with the independent external auditor any material risks and weaknesses in the Foundation's internal controls that the independent external auditor may have identified, any restrictions that may have been placed on the scope of its activities and access to information that it requested, the conclusions it reached as to the adequacy of the Foundation's accounting and financial reporting process, and any recommendations that it may propose.
- Determine whether to accept the results of the independent external audit, report to the GRF Board on the Committee's activities, and recommend approval or rejection of the audit results.
- Oversee the corrective actions that are implemented to address issues identified in the required communication and management letter.
- Monitor compliance with the GRF's conflict of interest and whistleblower policies and anti-fraud program.

- Monitor and review with management and the Board the adequacy and effectiveness of the Foundation's internal controls and its risk management framework. Risk management involves the identification and assessment of key potential risks (such as financial errors or frauds, threats to information technology security and data, legal liabilities, accidents, and natural disasters).
- Periodically review audit-related policies

AUTHORITY

The Committee reports directly to the GRF Board. As it deems necessary, the Committee may recommend to the GRF Board the hiring of outside counsel or other advisors or consultants. The Committee will have access to all Foundation books, records, data, policies, procedures, and personnel as necessary to carry out its responsibilities.

PROCEDURES

Each year, the Committee will meet with the Chief Executive Officer and/or his or her designee to establish the scope of that year's audit and required tax services and then may solicit a proposal from the independent external auditor who has been serving as the Foundation's auditor. If the Committee deems it advisable to engage the services of a new independent external auditor, it will solicit and review proposals from at least three certified public accounting firms.

At the end of the annual audit, the Committee and the Chief Executive Officer and/or his or her designee(s) will meet with the independent external auditor to review the audit results, discuss any critical policies and practices used by the Foundation, and consider any problems encountered by the independent external auditor. The Committee will also review with the Chief Executive Officer and/or his or her designee the proposed reply to the independent external auditor's management letter before its final presentation for approval by the Foundation's Board.

The Committee shall pre-approve any non-audit services to be requested of the independent external auditor after determining whether these services would impair the auditor's independence.

The Committee will conduct sessions with the GRF's Chief Executive Officer, Chief Financial Officer, and if applicable legal counsel regarding the effectiveness of the Foundation's risk management

The Committee shall meet as often as it determines necessary or appropriate to fulfill its responsibilities, but no specified limit to the number of terms served by members or-

~~officers fewer than twice annually – once to review the audit plan and once to review the audited financials, the IRS Forms 1120 and 5500 and related documents, and to review the audit engagement, special investigations, financial irregularities, and internal control failures. The Committee will keep minutes of its meetings. The frequency, dates, times and location of the Committee meetings shall be established by the Committee Chairperson.~~

The Committee shall annually elect its own Vice-~~Chairman,~~Chair and any other officers as necessary. The Committee shall appoint subcommittees, as necessary.

The Committee shall follow Policy 201.4 Regarding Open Committee Meetings, and provide a ~~Resident's~~Residents' Forum in which Residents may address concerns to the Committee.

Robert's Rules of Order shall govern all Committee proceedings.

PURPOSES AND

RESPONSIBILITIES

~~The purpose of the Committee is to assist the GRF Board in monitoring the integrity of the Foundation's financial statements, the effectiveness of its internal controls, and the qualifications and performance of the Foundation's independent auditor. Through the Foundation's independent audit process, the Committee will also have oversight and reporting responsibility (to the GRF Board) on the operation of a document retention and destruction policy, anti-fraud program and conflict of interest policies. The Committee will conduct sessions with the Chief Executive Officer, Chief Financial Officer, and General Counsel regarding the effectiveness of internal controls, document retention and destruction policy, antifraud program and conflict of interest policies.~~

~~Each year, the Committee will meet with the Chief Executive Officer and/or his designee to establish the scope of that year's audit and the tax services required and then to solicit a proposal from the independent auditor who has been serving as the Foundation's auditor. If it is deemed advisable to engage the services of a new independent auditor, the Committee will solicit and review proposals from at least three certified public accounting firms.~~

~~The Committee will recommend to the GRF Board of Directors the appointment of the independent auditor who will examine GRF's financial statements, accounts and internal controls, and to provide such other compliance services as are required by state and federal tax regulations and by the retirement plans. The Committee shall also pre-~~

~~approve any other non-audit services to be requested of the independent auditor after determining whether these services would impair the auditor's independence.~~

~~At the conclusion of the annual audit, the Committee and the Chief Executive Officer and/or his designee will meet with the independent auditor to review the results of the audit and to discuss any critical policies and practices used by the Foundation and any problems encountered by the independent auditor. The Committee will also review with the Chief Executive Officer and/or his designee the reply to the independent auditor's management letter before its final presentation for approval by the Foundation's Board.~~

~~The Committee will develop key operating considerations which it believes necessary in the conduct of its responsibilities to assure year-to-year consistency in the work of the Committee. The Committee may meet for such additional purposes as it considers necessary.~~

ADOPTED BY THE GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS, AS REVISED, ON
~~DECEMBER 6, 2012.~~ _____.

DRAFT

GOLDEN RAIN FOUNDATION WHISTLEBLOWER POLICY

Draft of 12 October 2018

BACKGROUND

- The Board of Directors of GRF is responsible for assuring that the business of GRF is conducted in a safe, legal, and efficient manner that also reflects the highest ethical and moral standards.
- GRF has adopted a Code of Conduct that requires directors, officers, committee members and employees to comply with all applicable laws and regulations and to observe high standards of business and personal ethics in the conduct of their duties and responsibilities.
- The California Labor Code prohibits retaliation against employees who report internally a suspected violation of federal, state or local law to a supervisor or other employee with authority to investigate or correct, or report it externally to a government official, law enforcement agency, or public body conducting an investigation.
- The Sarbanes-Oxley Act of 2002 makes it a crime to knowingly, with the intent to retaliate, take any action harmful to any person, including interference with the lawful employment or livelihood of any person, for providing to a law enforcement officer any truthful information relating to the commission or possible commission of any Federal offense.

SCOPE AND PURPOSE

The Golden Rain Foundation requires Board members and officers, committee members, employees, and volunteers to observe high standards of business and personal ethics in carrying out their duties and responsibilities. GRF Board members, officers, committee members, employees and volunteers must practice honesty and integrity in fulfilling their responsibilities and must comply with all applicable laws and regulations. The Foundation encourages them to report any violation of or non-compliance with laws, regulations, and GRF policies, unsafe working conditions, questionable accounting or audit matters, fraud, or unethical activities of which they become aware.

This policy establishes principles and procedures for:

- Confidential submission of good faith allegations of wrongdoing by GRF Board and committee members, officers, employees, residents, volunteers, outside vendors, and others regarding
 - a) possible violations of, or non-compliance with, laws, regulations, and GRF policies,
 - b) unsafe working conditions,
 - c) questionable accounting or audit matters,
 - d) fraud, or
 - e) unethical activities.

- Receipt, retention, and treatment of such allegations received by the GRF.
- Protection of persons submitting such allegations from retaliatory actions.

NON-RETALITAION

No person who in good faith submits an allegation of wrongdoing shall be subject to harassment, retaliation, or adverse consequences as an employee or volunteer. Moreover, any GRF Board or committee member, officer, employee, or volunteer who retaliates against someone who has submitted an allegation in good faith or has cooperated in an investigation of an allegation will be subject to discipline up to termination of employment or volunteer status.

REPORTING PROCESS

GRF employees who believe they have an allegation of wrongdoing can discuss it with their immediate supervisor or report it to the Manager of Human Resources. An employee or supervisor who reports it verbally to the Human Resources Manager should reduce the allegation to writing with the Human Resources Manager's help. Employees who are uncomfortable raising it with their supervisor may submit the allegation directly to the Manager of Human Resources or through the Hotline e-mail address, Whistleblower_allegation@Rossmoor.com.

The Human Resources Manager shall promptly report valid allegations to the GRF Chief Executive Officer. The Chief Executive Officer will notify the Chair of the Audit Committee. If an allegation involves either the GRF Chief Executive Officer, the Chair of the Audit Committee, or both, the Human Resources Manager shall report the allegation directly to the President of the GRF Board.

Persons other than GRF employees (i.e., Board and committee members, officers, residents, outside vendors, and others) should submit their allegations through the Hotline e-mail address. The GRF will communicate this policy to the Foundation's outside vendors.

PROCESSING OF ALLEGATIONS OF WRONGDOING

When a valid allegation of wrongdoing is received, the GRF Chief Executive Officer, in conjunction with the Chair of the Audit Committee, will establish procedures for investigating it. Investigations may be performed by the Audit Committee itself, the Human Resources Manager, other management personnel, or outside resources authorized by the GRF Board as appropriate. Outside resources may include legal counsel, civil authorities, accountants, private investigators, or any other provider deemed necessary to investigate the allegation.

The Audit Committee will recommend appropriate action to the GRF Board if warranted by investigation results. The Committee will provide a report of whistleblower allegations to the

GRF Board. In addition, the Committee will ensure that a record is maintained of investigation results, actions taken, and follow-up communications with the person submitting the allegation.

ACTING IN GOOD FAITH

Anyone making a whistleblower allegation of wrongdoing must act in good faith and have reasonable grounds for believing the information disclosed indicates an improper accounting or auditing practice, an unsafe working condition, or a violation of law, regulation, or the GRF code of ethics. Allegations that prove to be unsubstantiated and were made maliciously, recklessly, or were knowingly false will represent a serious disciplinary offense and may result in discipline up to termination of employment or dismissal from a volunteer position. Such conduct also may lead to other consequences, including civil lawsuits.

CONFIDENTIALITY

Reports of whistleblower allegations of wrongdoing and their investigation shall be kept confidential to the extent possible. Disclosure of information to persons not involved in the investigation will be viewed as a serious offense and may result in discipline up to termination of employment as well as other consequences, including civil lawsuits.

Insofar as possible, the confidentiality of the complainant will be maintained. However, identity may have to be disclosed to conduct a thorough investigation, to comply with the law or to provide accused individuals their legal rights of defense. GRF will not retaliate against a person submitting an allegation. This includes, but is not limited to, protection from retaliation in the form of an adverse employment action such as termination, compensation decreases, poor work assignments, and threats of physical harm. Persons submitting an allegation who believe that they are being retaliated against must contact the Human Resources Director immediately. The right of a complainant for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated.

AVAILABILITY OF OTHER REMEDIES

This policy supplements and does not replace any procedures required by law or regulation. It is not intended as a vehicle for reporting violations of GRF human resources policies, problems with co-workers or managers, or issues relating to alleged employment discrimination or sexual or any other form of harassment. Such matters should be dealt with in accordance with GRF personnel policies and procedures.

Nothing in this policy is intended to prevent or discourage any person who is concerned about a possible violation of state or federal law or regulation from also reporting it to an appropriate governmental or law enforcement agency if they conclude such a step is necessary.

2018 AUDIT OF GOLDEN RAIN FOUNDATION
AND RELATED PENSION PLAN

AREAS OF COVERAGE AND
QUESTIONS

GENERAL – Discussion of the work plan to include time line and staffing.

Were there any target areas or issues identified during the prior year's audit?

Are there any required risk assessment procedures to be used, nature and extent of specialized skills or knowledge required to perform procedures or evaluate results related to significant risks?

In determining the audit plan to be used, what industry do you consider Golden Rain Foundation to be in? Is GRF a non-profit, a property management entity or something else?

Were any weaknesses involving internal control noted during last year's audit and if yes, what steps are being taken to review in this year's audit?

What are the risks associated with related party transactions involving the mutuals and what audit procedures are performed in this area?

What audit steps do you take to assess internal controls? How will you assure that there are no weaknesses with respect to these internal controls expose GRF to fraud or material financial reporting errors?

How will the planned audit scope detect material error, fraud, illegal acts, or material weaknesses in internal control?

What concerns, if any, do you have about the lack of internal audit functions, either from within or contracted?

GRF is the trustee of a trust with beneficiaries who have similar, but not identical interest. Is there any testing around how GRF is meeting its fiduciary obligations to the various beneficiaries?