



EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION

AGENDA

Board of Directors Meeting
August 18, 2022 @ 9:15 AM

[Zoom](#)

Meeting ID: 854 3638 6941

Chair

Bobby Lee, At-Large

Residential Member

Vice Chair

Andrew Allen

At-Large Business

Member

Secretary

Betsy Cooley, At-Large

Residential Member

Treasurer

Geoffrey Sears,

Wareham Development

Directors

Peter Schreiber,

Pixar

Colin Osborne

At-Large Business

Member

Kassandra Kappelos

Public Market

1. Call to Order
2. Public Comment
3. Approval of the Minutes of the July 13, 2022, Special Meeting of the Board of Directors (Attachment)
4. Executive Directors Report
 - A. Status Update on Bus Yard Repair
 - B. Calendar of Actions Overview (Attachment)
 - C. Shuttle Operations Performance Report (Attachment)
 - i. Ridership
 - ii. On-Time Performance
5. Business Items
 - A. Review and Consider Approval of Resolution 22-08 Declaring Board Meetings will be held via Teleconference (Attachment)
 - B. Review of Proposals and Consultant Selection for Accounting & Bookkeeping Services (Attachments)
 - C. Second Quarter Financial Reports (Attachment)
 - D. Ad-hoc Committee Appointments
 - i. Finance Committee
 - ii. Shuttle Procurement Committee
6. Confirm date of Next Meeting – September 15th, 2022
7. Adjournment

EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION

ACTION SUMMARY MINUTES

Special Meeting of the Board of Directors

July 13th, 2022

LOCATION: VIDEO CONFERENCE

Directors Present: Bobby Lee, Chair
Betsy Cooley, Secretary
Peter Schreiber, Director
Colin Osborne, Director

Others Present: Roni Hatstrup, Executive Director
Karen Boggs, Operations Director
Debi Lawrence, Executive Assistant
Pedro Jimenez, City of Emeryville

1. Call to Order

Bobby Lee called the Board of Directors' meeting to order at 9:33 AM.

2. Public Comment

There were no comments from the public.

3. Approval of the Minutes of the June 16th, 2022 Board of Directors Meeting

Betsy Cooley motioned for approval of the meeting minutes of the June 16th, 2022 Board of Directors Meeting. Colin Osborne seconded the motion.

This item was approved by a unanimous vote.

Yes: 4

No: 0

Abstain: 0

4. Business Items

A. Review and Consider Approval of Resolution 22-07 Declaring Board Meetings Will be Held Via Teleconference

Peter Schreiber motioned for approval of Resolution 22-07. Betsy Cooley seconded the motion.

This item was approved by a unanimous vote.

Yes: 4

No: 0

Abstain: 0

B. Review and Consider Approval of Transportation Agreement with Lennar for Operations and Oversight of the West Oakland Shuttle

Betsy Cooley motioned for approval of Transportation Agreement with Lennar for Operations and Oversight of the West Oakland Shuttle. Peter Schreiber seconded the motion.

This item was approved by a unanimous vote.

Yes: 4

EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION

ACTION SUMMARY MINUTES

Special Meeting of the Board of Directors

July 13th, 2022

No: 0

Abstain: 0

- C. Review and Consider Approval of Amendments to the Following Agreements for Operations & Oversight of the West Oakland Shuttle
- i. MV Transportation
 - ii. Gray Bowen Scott

Betsy Cooley motioned for approval Amendment to the MV Transportation Agreement for Operations of the West Oakland Shuttle. Peter Schreiber seconded the motion.

This item was approved by a unanimous vote.

Yes: 4

No: 0

Abstain: 0

Betsy Cooley motioned for approval Amendment to the Gray Bowen Scott Agreement for Oversight of the West Oakland Shuttle. Colin Osborne seconded the motion

This item was approved by a unanimous vote.

Yes: 4

No: 0

Abstain: 0

5. Confirm Date of Next Meeting –
The meeting date was confirmed for August 18th, 2022 at 9:15am.
6. Adjournment
The meeting adjourned at approx. 9:43 AM.

**Emeryville TMA
2022 Calendar of Activities**

Month/Date	Description
Jan 18th	<p><u>Board Actions/Information Items</u></p> <ol style="list-style-type: none"> 1. 4th Quarter Financial Report 2. Transportation Agreement w/ BGTMA – Amend to extend through December 31st, 2022. <p><u>Other</u></p> <ol style="list-style-type: none"> 1. City to provide the ETMA with the 1st installment of the PBID Funds by January 15th. 2. Draft 2023 Preliminary Budget.
Feb 17th	<p><u>Board Actions/Information Items</u></p> <ol style="list-style-type: none"> 1. No Scheduled Actions. <p><u>Other</u></p> <ol style="list-style-type: none"> 1. City Budget & Financing Meeting – date to be confirmed. <ol style="list-style-type: none"> a. ETMA Budget Forecasting Review with Chair & Treasurer
Mar 17th	<p><u>Board Actions/Information Items</u></p> <ol style="list-style-type: none"> 1. Adopt Resolution to set Annual Membership Meeting – (May 19th) 2. Review of Request for Proposals for Accounting & Bookkeeping Services. 3. Appoint audit committee – 3 Directors (Treasurer exempt) 4. Authorize Audit Services Engagement. 5. Discuss Shuttle Service Partnership with Lennar <p><u>Other</u></p>
Apr 21st	<p><u>Board Actions/Information Items</u></p> <ol style="list-style-type: none"> 1. Appoint Consultant Selection Committee – Bookkeeping & Tax Prep Services 2. Authorized RFP Distribution – Bookkeeping & Tax Prep Services 3. Appoint Procurement Committee – Shuttle Operations & Maintenance Services. <p><u>Other</u></p> <ol style="list-style-type: none"> 1. Prepare 2021 Annual Report. 2. Distribute Nominations Forms to Employer & Business Members – NLT April 15th 3. Post Annual Membership Meeting Invite – NLT April 15th 4. Provide City with Annual Financial and Operations Report (Annual Report) by the 30th 5. Conduct Annual Audit Review Committee (prior to Board May meeting). 6. Develop Social Media Strategy. 7. Prepare RFP for Shuttle Operations & Maintenance Services.
May 19th	<p><u>Annual Membership Meeting</u></p> <ol style="list-style-type: none"> 1. Election of Employer Member. 2. Election of Business Members. 3. Appointment of Corporate Members. 4. City Appointment of Residential Members. <p><u>Board Actions/Information Items</u></p> <ol style="list-style-type: none"> 1. Election of Officers 2. Bylaws – Director Meeting Attendance 3. Accept the Independent Auditor’s Report on the financial statements. 4. Authorize signing and the filing of the TMA’s Federal Tax Return and State Annual Information Return. 5. ETMA Bus Yard Repair Proposal. 6. 1st Quarter Financial & Performance Reports. <p><u>Other</u></p> <ol style="list-style-type: none"> 1. Proposals for Accounting & Bookkeeping Services Due NLT May 31st. 2. Tax Filings - due May 15th.

**Emeryville TMA
2022 Calendar of Activities**

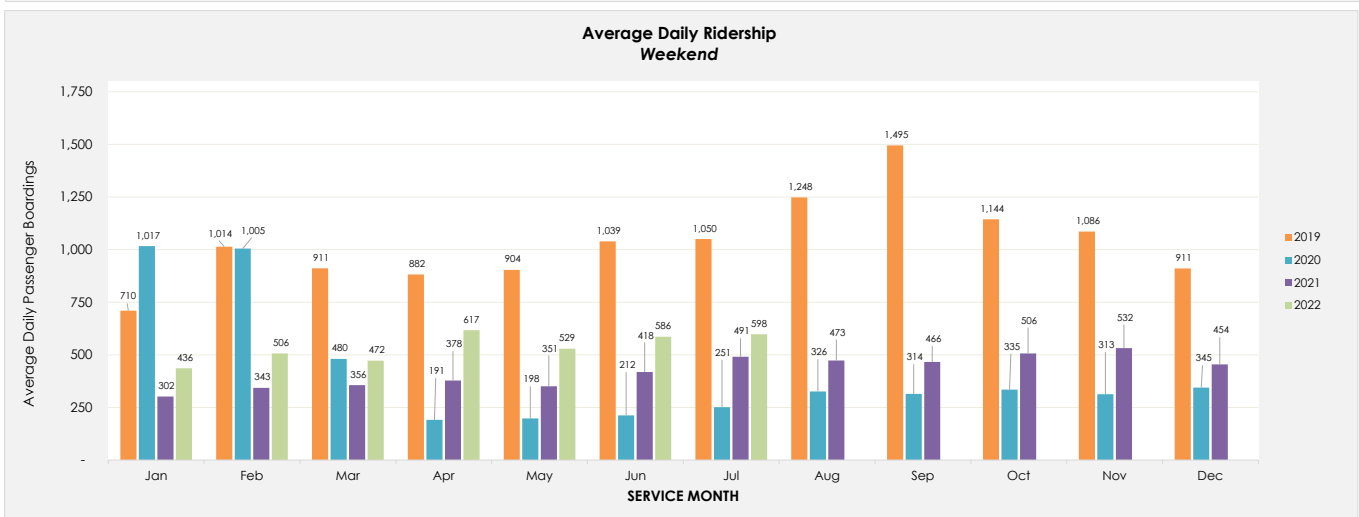
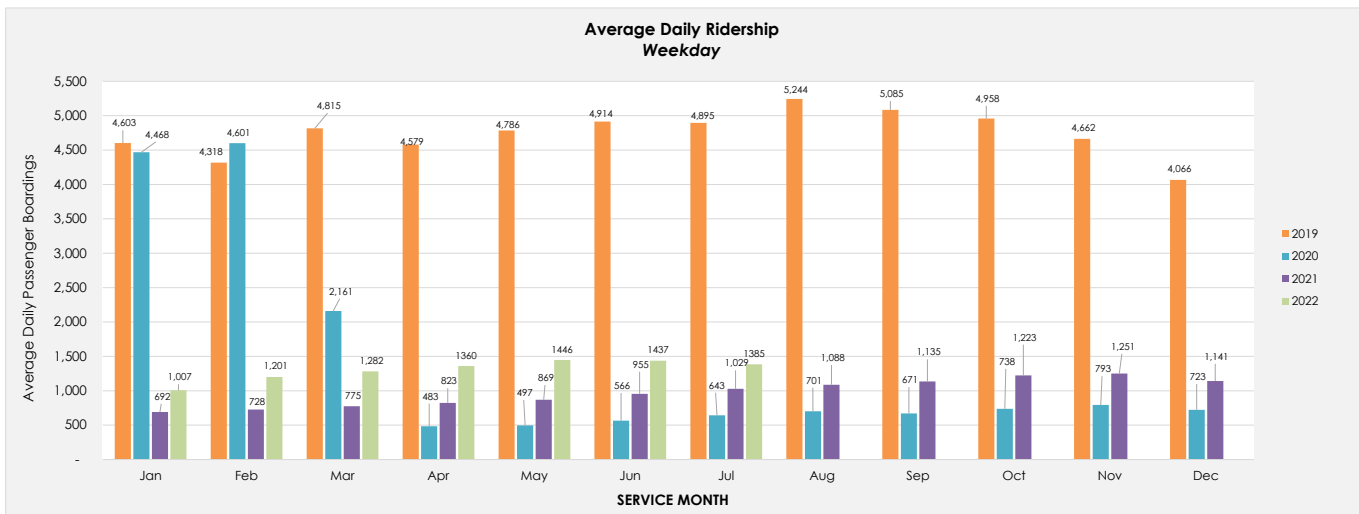
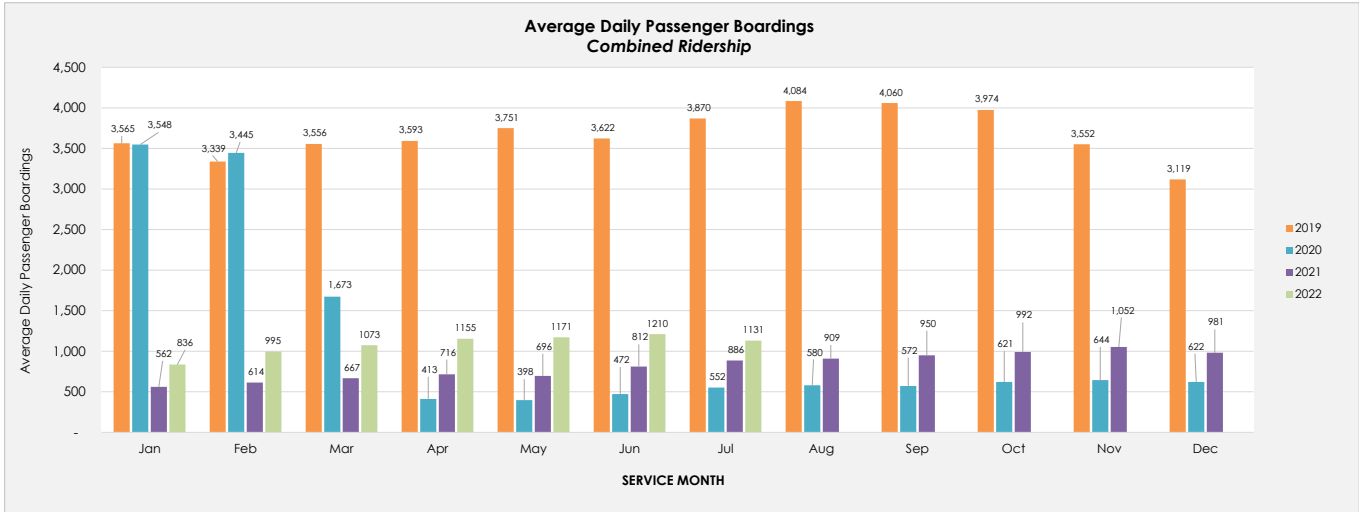
	<ol style="list-style-type: none"> City to provide the ETMA with the 2nd installment of the PBID Funds by the 15th. City to notify TMA of any changes the identity of property owners or amounts of assessments on PBID properties in May.
Jun 16th	<p><u>Board Actions/Information Items</u></p> <ol style="list-style-type: none"> Review of 2023 Preliminary Budget for recommendation to City for 2022-2023 PBID Levy. Review & Consider Approval of 8 to Go Agreement Extension. Amendment to Professional Services Agreement with John Tounger to extend services through September 30th, 2022. Lennar Shuttle Partnership Agreement – Pilot Program Service Agreement Amendments – Lennar Shuttle <ol style="list-style-type: none"> MV Transportation Gray Bowen Scott Consider engagement with East Bay Community Energy for EV Fleet Charging Infrastructure and Transition. Review of proposed workplan for Funding Strategy White Paper. <p><u>Other</u></p> <ol style="list-style-type: none"> Committee selection of top ranked accounting firm (prior to Board meeting). Provide City with prior year audit, receipts and expenditures by the 30th. Provide City with prior year annual financial and operations report. Provide City with the preliminary budget and proposed PBID levy for the following year by the 30th Conduct a marketing program regarding the Shuttle to PBID property owners including, one annual summary report to be posted the EGR website by the 30th. City and TMA liaisons to meet on a semi-annual basis to collaborate on City's planning efforts to improve Emery Go-Round mobility access throughout the City.
July 21st	<p><u>Board Actions/Information Items</u></p> <ol style="list-style-type: none"> No Scheduled Actions. <p><u>Other</u></p> <ol style="list-style-type: none"> City Council Meeting to adopt Assessment Levy.
Aug 18th	<p><u>Board Actions/Information Items</u></p> <ol style="list-style-type: none"> Review of Proposals for Accounting & Bookkeeping Services – Consultant Selection. Second Quarter Financial & Performance Reports. Appoint Finance Committee. Appoint Shuttle Procurement Committee <p><u>Other</u></p> <ol style="list-style-type: none"> Finance Committee – In Depth review of Financials & PBID Assessment scenarios and Evaluate Cost/Funding Risks. Develop Draft 2023 Budget. Develop draft RFP for Shuttle Operations. Launch of The Emery Shuttle service for Lennar (target date is September 12, 2022).
Sept 15th	<p><u>Board Actions/Information Items</u></p> <ol style="list-style-type: none"> Review & Discuss Draft Budget for 2023 (final action scheduled for October meeting). Review & Consider Approval of Professional Services Agreement for Accounting & Bookkeeping Services. <p><u>Other</u></p> <ol style="list-style-type: none"> Committee Review of first draft RFP for Shuttle Operations. Develop Agreement Boilerplate for Reimbursable Shuttle Services.

**Emeryville TMA
2022 Calendar of Activities**

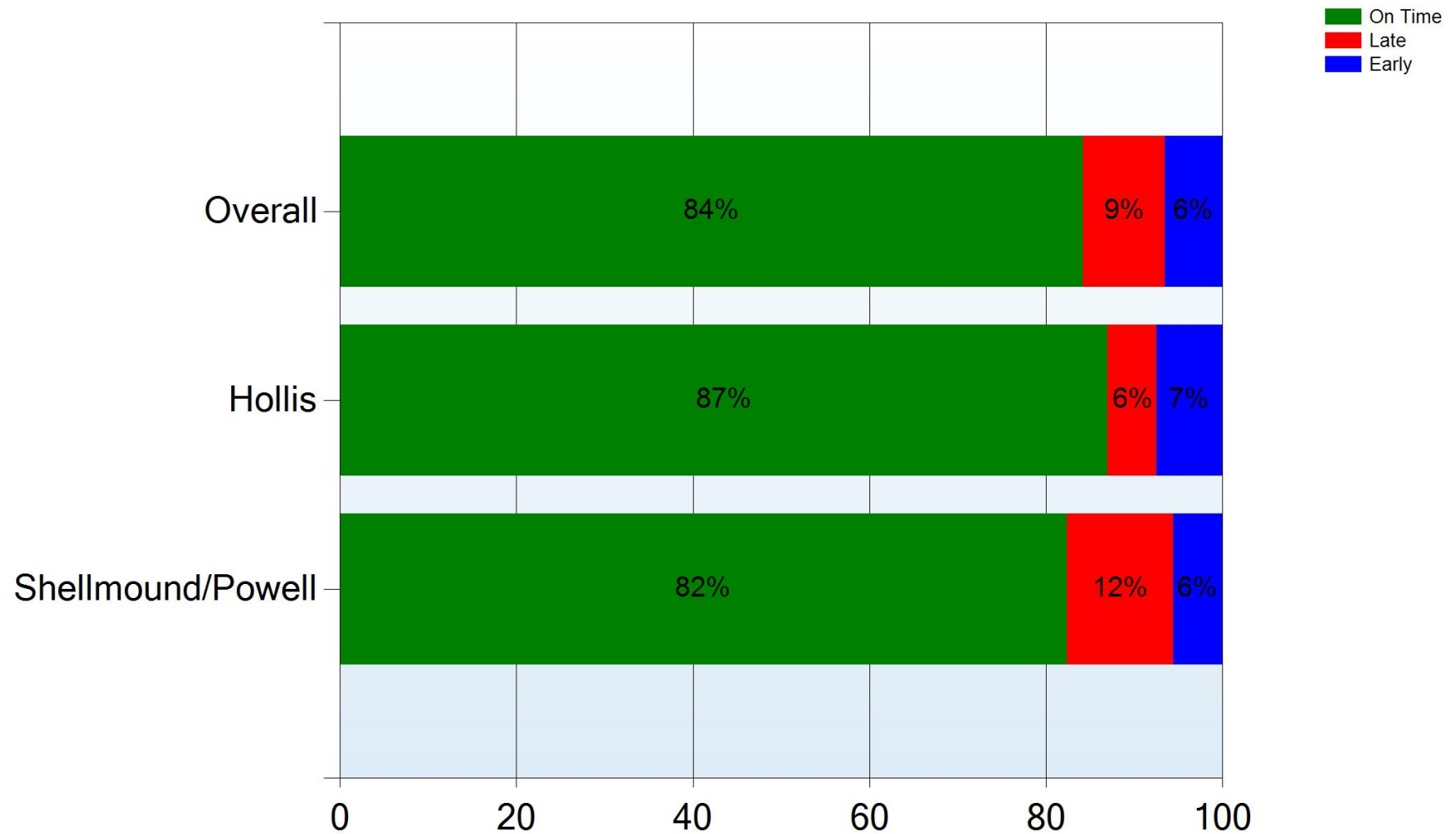
	<ol style="list-style-type: none"> 3. Conduct ED Performance Review Committee, if applicable. – Prior to BoD Meeting. 4. City to provide an annual accounting of actual PBID funds received, any PBID late fees/penalties received, any mitigation and/or developer fees or grant funds received to the TMA by the 30th. 5. File California Statement of Information Form (Form SI – 100) https://businessfilings.sos.ca.gov
Oct 20th	<p><u>Board Actions/Information Items</u></p> <ol style="list-style-type: none"> 1. Approval of Resolution to Adopt 2023 Annual Budget. 2. Review & Discuss Draft Boilerplate Agreement for Reimbursable Shuttle Services (final action scheduled for Nov Board Meeting). 3. Board Review of Draft RFP for Shuttle Operations. <p><u>Other</u></p> <ol style="list-style-type: none"> 1. Finalize & Distribute RFP for Shuttle Operations. 2. Transition of Accounting Services, if applicable. 3. Develop Social Media Strategy for Public Communications and Promotion of EGR. 4. Evaluate Lennar Shuttle Pilot Program & Determine Course of Action.
Nov 17th	<p><u>Board Actions/Information Items</u></p> <ol style="list-style-type: none"> 1. Consider Approval of Boilerplate Agreement for Reimbursable Shuttle Services. 2. 3rd Quarter Financial & Performance Reports. 3. Review of draft Professional Service Agreement renewals (final action scheduled for December) 4. Consider Approval of Amendment to extend Shuttle Operations & Maintenance Agreement through March 30th, 2023. 5. Determine Course of Action – Lennar Shuttle Pilot Program <p><u>Other</u></p> <ol style="list-style-type: none"> 1. Committee Review of Operator Bids & Interviews (if necessary). Committee Selection of top ranked Operator for recommendation to Board. 2. Provide City with a final budget for the follow year by the 30th.
Dec 15th	<p><u>Board Actions/Information Items</u></p> <ol style="list-style-type: none"> 1. Operator Selection & Contract Approval by Board of Directors. 2. Consider Approval of Professional Service Agreement Renewals. 3. Consider Approval of Services Agreement with West Berkeley Shuttle, LLC. 4. Consider Approval of Services Agreement or Extension with Lennar. 5. Review & Discuss Social Media Strategy. 6. Renewal of AC Transit Fuel Agreement. (Expires December 31, 2023) <p><u>Other</u></p>



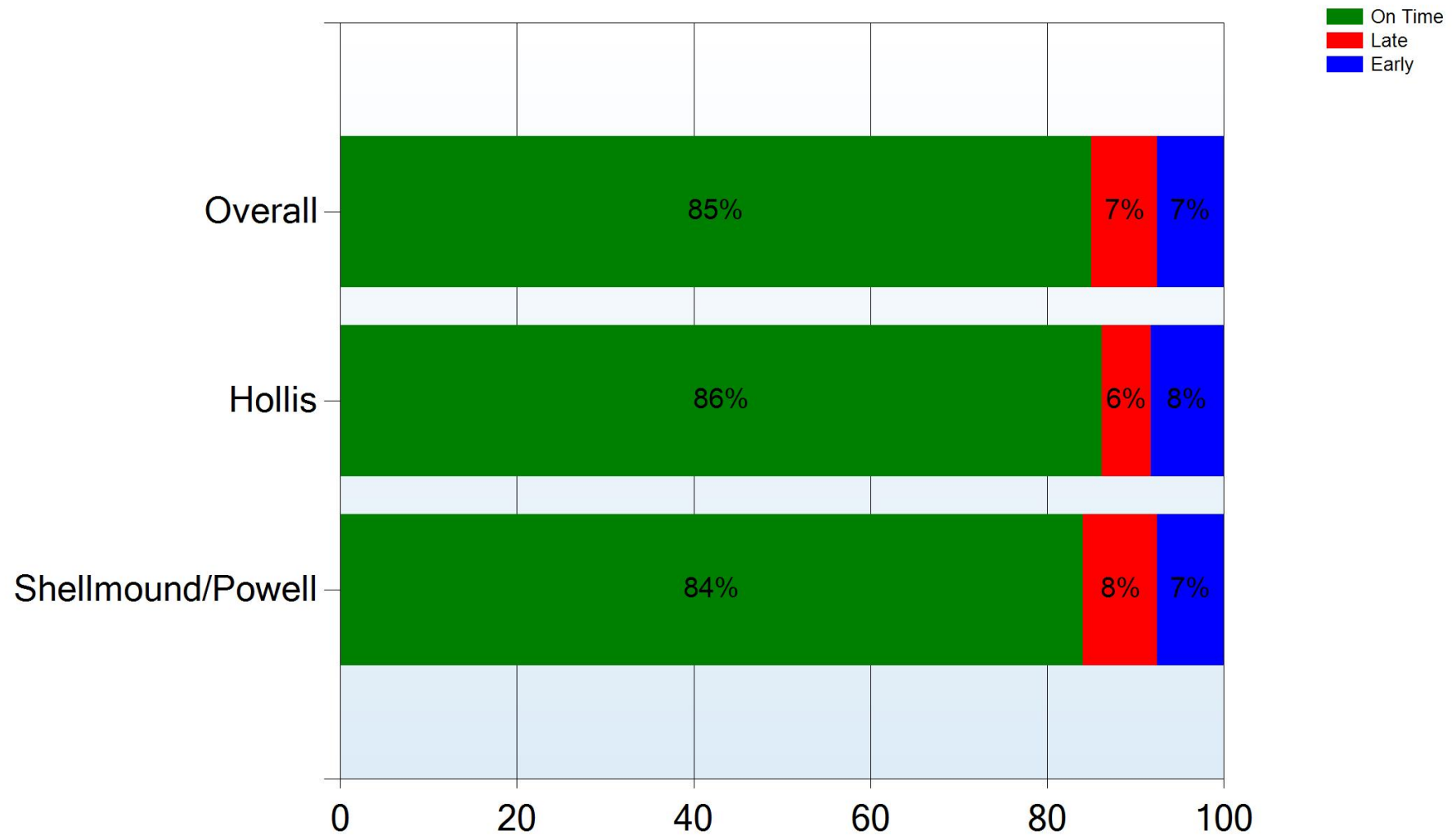
WEEKDAY RIDERSHIP													
2022	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total to Date
Total Monthly Weekday Ridership	21,145	22,820	29,494	28,551	30,375	31,616	29,076						193,077
# of Operating Days	21	19	23	21	21	22	21						148
Average Daily Ridership	1007	1201	1282	1360	1446	1437	1385						1,305
% Increase/Decrease from Prior Month	-12%	19%	7%	6%	6%	-1%	-4%						
% Increase/Decrease from Prior Year	46%	65%	65%	65%	66%	50%	35%						
% of Pre COVID Baseline	22%	28%	27%	30%	30%	29%	28%						
2019	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Total Monthly Ridership	101,269	82,033	101,123	100,741	105,288	98,279	107,689	115,375	101,706	114,041	93,248	85,381	1,206,173
# of Operating Days	22	19	21	22	22	20	22	22	20	23	20	21	254
Average Daily Ridership	4603	4318	4815	4579	4786	4914	4895	5244	5085	4958	4662	4066	4,749
WEEKEND RIDERSHIP													
2022	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total to Date
Total Monthly Weekend Ridership	3,927	4,051	3,779	4,935	4,762	4,691	5,977						32,122
# of Operating Days	9	8	8	8	9	8	10						60
Average Daily Ridership	436	506	472	617	529	586	598						535
% Increase/Decrease from Prior Month	-4%	16%	-7%	31%	-14%	11%	2%						
% Increase/Decrease from Prior Year	45%	48%	33%	63%	51%	40%	22%						
% of Pre COVID Baseline	61%	50%	52%	70%	59%	56%	57%	0%	0%	0%	0%	0%	
2019	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Total Monthly Ridership	5681	8,112	9,110	7,055	7,230	10,393	8,402	11,231	11,963	9,153	9,774	8,197	106,301
# of Operating Days	8	8	10	8	8	10	8	9	8	8	9	9	103
Average Daily Ridership	710	1014	911	882	904	1039	1050	1248	1495	1144	1086	911	1,032
COMBINED RIDERSHIP													
2022	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total to Date
Total Monthly Ridership	25,072	26,871	33,273	33,486	35,137	36,307	35,053	-	-	-	-	-	225,199
# of Operating Days	30	27	31	29	30	30	31	-	-	-	-	-	208
Average Daily Ridership	836	995	1,073	1,155	1,171	1,210	1,131						1,083
% Increase/Decrease from Prior Month	-15%	19%	8%	8%	1%	3%	-7%						
% Increase/Decrease from Prior Year	49%	62%	61%	61%	68%	49%	28%						
% of Pre COVID Baseline	23%	30%	30%	32%	31%	33%	29%	0%	0%	0%	0%	0%	
2019	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Total Monthly Ridership	106,950	90,145	110,233	107,796	112,518	108,672	116,091	126,606	113,669	123,194	103,022	93,578	1,312,474
# of Operating Days	30	27	31	30	30	30	30	31	28	31	29	30	357
Average Daily Ridership	3,565	3,339	3,556	3,593	3,751	3,622	3,870	4,084	4,060	3,974	3,552	3,119	3,676



Overall Performance



Overall Performance



RESOLUTION NO. 2022-08

BOARD OF DIRECTORS

EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION

*** * ***

**DECLARING THAT BOARD MEETINGS WILL BE HELD VIA TELECONFERENCE
PURSUANT TO BROWN ACT EMERGENCY PROVISIONS**

WHEREAS, on March 4, 2020, pursuant to Government Code section 8550, et seq., Governor Newsom proclaimed a state of emergency related to the COVID-19 novel coronavirus; and

WHEREAS, on March 17, 2020, Governor Newsom issued Executive Order N-29-20, which suspended certain provisions in the California Open Meeting law, Government Code section 54950, et seq. (the “Brown Act”), related to teleconferencing by local agency legislative bodies, provided certain requirements were met and followed; and

WHEREAS, on June 11, 2021, the Governor issued Executive Order N-08-21, which extended provisions of Executive Order N-29-20 that waive otherwise-applicable Brown Act requirements related to remote/teleconference meetings by local agency legislative bodies through September 30, 2021; and

WHEREAS, on September 16, 2021, the Governor signed Assembly Bill 361 into law as urgency legislation that went into effect on October 1, 2021, amending Government Code Section 54953 of the Brown Act to allow legislative bodies to continue to meet remotely during a proclaimed state of emergency where state or local officials have recommended measures to promote social distancing; and

WHEREAS, the Governor's proclaimed State of Emergency remains in effect, and State and local officials, including the California Department of Public Health and the Department of Industrial Relations, have imposed or recommended measures to promote social distancing.

NOW, THEREFORE, BE IT RESOLVED that, in order to ensure the health and safety of the public, meetings of the Board of Directors of the Emeryville Transportation Management Association will be held via teleconference in accordance with Assembly Bill 361 and provisions of Government Code Section 54953(e); and

BE IT FURTHER RESOLVED that that this Resolution will be in effect for the maximum period of time permitted under AB 361 (30 days), and the Board will consider the findings in this Resolution each month and may, by motion, reaffirm these findings.

Regularly passed and adopted this 18th day of August, 2022.

AYES:

NOES:

ABSENT:

Chair, Emeryville Transportation Management Association

EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION

STAFF REPORT MEMORANDUM

DATE: August 12, 2022

FROM: Roni Hattrup, Executive Director

SUBJECT: Proposal Review Summary – Bookkeeping & Accounting Services

RECOMMENDATION

Staff recommends selection of Ad-hoc Committee's top ranked consultant for bookkeeping and accounting services. The Ad-hoc committee will present their ranking at the Board of Directors meeting.

Upon Board selection of the top ranked firm, staff will prepare the Professional Services Agreement for Board consideration at the September Board of Directors meeting.

BACKGROUND

Since 1997 John S. Tounger Jr., CPA, has been providing bookkeeping & accounting services for the Association. These services have included processing of all invoices and payment, management of Association financials through Quickbooks, preparation of financial reports, including but not limited to, Cost/Revenue to Date Reports for Quarterly Board Reporting, Profit and Loss Statements, General Ledger Reports and the Associations annual Financial Statements. Additionally, Mr. Tounger has prepared the annual Federal and State Tax Filings required to maintain the Association's 501(c)4 non-profit tax-exempt status.

In 2021, the Board directed staff to conduct a competitive bid process for Bookkeeping & Accounting services, given the Associations policy for consultant procurement and length of time for which Accounting & Bookkeeping services have been performed by Mr. Tounger.

On June 6th, staff released the RFP to the following accounting firms:

- John S Tounger, CPA
- Jitasa
- Harmon Burstyn
- Healy & Associates
- Applied Financial Services
- Mighty Non-Profits

On June 30th, staff received proposals from two accounting firms. Jitasa and John S. Tounger, CPA.

DISCUSSION

I have reviewed both proposals and have provided summary of each firm's proposal and qualifications, below. Upon committee review and feedback, a final ranking and conclusion will be prepared for recommendation to the Board of Directors.

Jitasa Proposal Overview

Jitasa is national accounting firm incorporated to provide bookkeeping and accounting services for non-profit organizations. The firm was founded in 2008 and has provided bookkeeping and accounting support services for over 1,000 non-profit organizations with outsourced bookkeeping, accounting and financial management services. The firm is based out of Boise, Idaho and have over 300 staff with international Global Support Centers located in Bangkok, Thailand, Sarejevo Bosnia and San Jose, Costa Rico. 95% of Jitasa clients are 501(c)3 organizations, with the remaining clients comprised of 501(c)4, 501(c)5, 501(c)6 and 501(c)7. For context, the Association is a 501(c)4 non-profit. Jitasa's total client population has been with the firm an average of 3.7 years. Jitasa client's range in size from small start-ups to large multi-hundred million national federations such as the Boy Scouts of America, Boys and Girls Club, and Big Brothers, Big Sisters, to name a few. Since they are not a Bay Area based business, I have given them a 2 ranking for location.

Jitasa's proposed approach is to appoint the Association with a Primary Account Manager who will act as the lead accountant, as well as an assigned Global Support Team. Jitasa assigns the Primary Account Manager and Global Support Team at the start of the engagement. Therefore, resumes for Key Staff are not included in their proposal. For this reason, I have given a 1 ranking for staff experience.

Jitasa proposes to use Quickbooks Online for the main accounting system, along with a few other proposed complimentary systems:

- Citrix ShareFile – Document Sharing and Storage
- Bill.com – A/P Management and payment processing platform
- Mavenlink – Cloud based Project Management System application that interfaces with Quickbooks to assess client service team performance.
- Autoreview – a Tool used to conduct real-time reviews of General Ledger data in Quickbooks Online.

All invoices would be uploaded into the Bill.com platform, where the Jitasa team would download them weekly for payment processing. Payments can be issued via check or electronically.

Jitasa has provided sample reporting, including a Financial Dashboard showing standard reporting of revenue and cost trends.

While Jitasa has CPA's on staff to provide expertise and support, to clarify, the firm does not perform formal Public Accounting in any state, and as such the Jitasa staff CPA's are not required, and do not retain CPA licenses in California. Additionally, Jitasa does not prepare California State Tax Filings directly, rather retains a third-party accountant, Harbor Compliance. The cost for California state filings is not included in their proposal, however Jitasa did provide a separate quote of \$500 for preparation of the state tax filings.

Jitasa's total annual fee for providing the services detailed in the Request for Proposal letter, is \$31,080 (\$2,590 per month). The annual fee for preparation of the federal tax filings is \$1,800. Any additional services requested outside the scope of services, will be provided a rate of \$50 per hour.

John S Tounger, CPA

John S Tounger is a California certified public accountant, located in Oakland. John has been providing bookkeeping and accounting services for the Association since 1997, including processing of payables and receivables, preparation of costs/revenue to date reports for quarterly financials, preparation of annual state and federal tax filings and preparation of annual financial statements. John is also responsible for providing monthly bank account reconciliations as well as other on-going financial support to the Executive Director. John serves as lead support to the Association through the annual audit of the Association's financial statements. John primarily works independently, however has one employee who provides bookkeeping support services.

The Association's accounts are currently managed using Quickbooks, with revenue/costs to date and quarterly financial reports being generated in Excel worksheets.

Samples of the current financial reporting, including the Revenue & Costs to Date reports and the Annual Financial Statements, are attached for reference.

John's annual proposed fee for continued bookkeeping and accounting services is \$30,000 (\$2,500 per month). The annual fee for preparation of the federal and state filings is \$4,750. Any excess time for Board meetings or excessive audit support will be billed at a rate of \$275.

Conclusion

Both candidate firms appear to be qualified to provide the services requested and are comparable in cost.

Jitasa is a large firm with most of its staff located outside of the US in their Global Support Centers. Jitasa's proposed workflow efficiencies and financial management and reporting tools exceed what is currently available to the Association and would be valuable for regular monitoring of the Association's financial status. The one main concern is the unknown experience of key staff and the quality of service we may receive. Another concern is the average client retention of only 3.7 years.

John S. Tounger, CPA is small business with over 25 years' experience in bookkeeping and accounting services for various non-profit organizations. Throughout John's tenure with the Association, he has provided quality service and has been key to the Association's success in passing all independent audits with no issues. The one area lacking is workflow efficiencies and financial reporting tools. Should the Association choose to select John, Association could request new reporting tools and modified workflow processes.

The Ad-hoc Committee will meet prior to the Board meeting for proposal review and will provide a final ranking of candidates.


FINANCIAL CONSIDERATIONS

The proposed annual costs for both firms are comparable, with John S. Tounger's total annual cost coming in slightly below Jitasa's proposed cost.

Pricing Comparison

	<u>Fee Comparison</u>			
Proposer	Monthly Rate	Tax Prep Rate	Hourly Rate¹	Total Estimated Annual Costs
Jitasa	\$ 2,950	\$ 2,300	\$ 50	\$ 38,200
John S Tounger	\$ 2,500	\$ 4,750	\$ 275	\$ 37,500

1. Assumed 10 hours for additonal services.



Jitasa RFP Response & Proposal

Bookkeeping and Accounting Services for Emeryville Transportation Management Association

Presented by

Jitasa

Steve Doud

Vice President of Sales

208.629.8375

Steve.Doud@jitasagroup.com



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Separate Attachments:

- **Jitasa SSAE 18 SOC 1-Type 1 Auditors Report – October 2021**
- **Jitasa Sample Reports & Statements.xls**
- **Jitasa Sample Financial Dashboard Report**



Jitasa – Cover Letter

The Jitasa team is grateful for the opportunity to propose its bookkeeping and accounting solutions in response to the Emeryville Transportation Management Association (ETMA) Request for Proposal (RFP) for Bookkeeping and Accounting Services. Jitasa means “The Spirit of Serving Others,” and as a certified B Corporation we believe that by focusing on doing what we do best, non-profit bookkeeping and accounting, we enable our client organizations to do what they do best in delivering the impact and outcomes of their programs and missions.

Jitasa was born at Yale University in the fall of 2006, when Jitasa Founder and CEO, Jeff Russell, crafted the idea of an outsourced bookkeeping and accounting firm dedicated exclusively to the non-profit sector, and later established the business in Boise, Idaho in 2008. Since that time, Jitasa has grown to supporting over 1,000 non-profit organizations with their bookkeeping, accounting, and financial management needs while expanding its global team to over 300 staff with the opening of three international Global Support Centers in Bangkok, Thailand (2011), Sarajevo, Bosnia (2016), and San Jose, Costa Rica (2021). Jitasa’s clients range in size from small start-up non-profits that have just received their initial funding, to large multi-hundred \$million national federations, such as the Boy Scouts of America, Big Brothers Big Sisters, Boys & Girls Clubs, Family Promise, Hillel International and Junior League International.

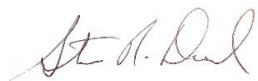
As a national accounting firm, Jitasa is incorporated to perform remote bookkeeping and accounting services in all 50 states and the District of Columbia. (Of note, Jitasa currently supports over 200 nonprofit client organizations in the state of California.) While Jitasa has CPA’s on staff to provide expertise and support, to clarify, the firm does not perform formal Public Accounting in any state, and as such the Jitasa staff CPA’s are not required, and do not retain CPA licenses in California.

The Jitasa team has reviewed the details in the RFP document including the outline of tasks in Section II “Scope of Work.” To confirm, the tasks, functions and activities listed in Section II are consistent with those of all Jitasa non-profit client engagements, and with which the Jitasa team has extensive knowledge and experience.

Further, to confirm, Jitasa is committed to the scope of services to be performed, and the proposed fee outlined in the “Fee Proposal” section below is valid for a period of 120 days, based on consistency in the assumed scope of services, and the ETMA Organizational Details outlined in Exhibit 1.

We are excited for the opportunity to support ETMA and appreciate your consideration of a partnership with Jitasa. Please let us know if you have any questions about the enclosed information, or if any additional detail is needed.

Thank you!!!



Steve Doud
Vice President of Sales, Jitasa
1750 West Front Street
Boise, ID 83702



Firm's Qualifications

As the first and largest national bookkeeping and accounting firm exclusively supporting the nonprofit sector, Jitasa is currently serving over 1,000 US-based non-profit clients with outsourced bookkeeping, accounting, and financial management services. As Jitasa exclusively supports the non-profit sector, all of Jitasa's clients are IRS tax exempt organizations. Approximately 95% of Jitasa clients are 501c3 designated organizations, with the remaining clients comprised of 501c4, 501c5, 501c6, and 501c7 designated organizations. Jitasa's total client population has been with Jitasa an average of 3.7 years.

Jitasa's clients range in size from small start-up non-profits that have just received their initial funding, to large multi-hundred \$million national federations, such as the Boy Scouts of America, Big Brothers Big Sisters, Boys & Girls Clubs, Family Promise, Hillel International and Junior League International.

The Jitasa accounting team manages the bookkeeping and accounting function for all types of revenue streams including donations/contributions, grants (e.g. government, corporate, and private foundation grants), contracts, program services, membership dues, tuition, rental income, investment/endowment income, fundraising event income, and retail sales.

Of Jitasa's over 1,000 nonprofit clients, over 200, or approximately 20%, are based in California, with the majority of those clients being based in the San Francisco Bay Area. While Jitasa is open to providing specific client references, to respect client privacy and confidentiality, Jitasa does not provide lists of client organizations or names of client contacts without express written permission from the client.

Regarding Jitasa's client service model, Jitasa Client Service Team assignments are established upon the execution of the signed client agreement based on general staffing model and capacity analyses and the client's specific complexity and ongoing scope of service. As such, Jitasa is unable to confirm in advance the specific dedicated accounting staff that would be assigned to the ETMA client account. However, as general information, Jitasa's Primary Account Managers are degreed accountants based in the Boise Service Center, typically with a minimum of 3 to 5 years of non-profit accounting and client management experience. The Global Support Associates are degreed accountants and bookkeepers based in the three Global Support Centers, typically with a minimum of 1 to 3 years of non-profit accounting experience.

Finally, on a biennial basis Jitasa undergoes an independent SSAE 18 SOC 1 audit (formerly SSAE 16 and SAS 70) to confirm its compliance with all service organization operational process and IT control standards as established by the American Institute of CPAs (AICPA). The most recent SOC 1 report for the audit conducted in October 2021 has been provided as a separate attachment.



Approach

Jitasa operates a team-based service model delivered by a comprehensive service team of finance and accounting professionals. Upon execution of the Jitasa agreement, each client is assigned to a dedicated Client Service Team led by the Primary Account Manager, who acts as the lead accountant, and an assigned team of Global Support Associates. The typical Client Service Team size ranges from 4 – 6 associates who are staffed with a mix of skills and are assigned to clients based on the client's complexity and specific scope of service. The Client Service Team receives further support from their Onboarding Specialist, Jitasa's General Manager of Bookkeeping and Accounting, and, as-needed, support from a team of Senior Accountants, CPA's, and Accounting Specialists. This team-based model ensures continuity of availability and support from Jitasa staff who are familiar with the client's operations and accounting needs.

At the start of the engagement, during the New Client Onboarding Process, detailed Jitasa and client roles & responsibilities related to monthly accounting tasks for each bookkeeping and accounting function are identified and documented, specific to the contractual scope of services. Jitasa utilizes Mavenlink (www.mavenlink.com) as its project management and workflow process database to manage all client tasks. Mavenlink provides Jitasa with real-time status and audit-trail history of all tasks assigned to individual members of the Client Service Team to ensure organizational efficiencies in performing and completing all monthly scope of service activities and functions. A "Client Process Outline" is established in Mavenlink specific to the scope of services and related activities for each client. As such, Jitasa is able to confirm on a "real-time" basis exactly which client tasks have been started, are in progress, or have been completed. For reference, an example of the Client Workflow Gantt Chart used to manage monthly activities has been included as [Exhibit 2](#).

During the initial New Client Onboarding Process, timing and methods for routine Jitasa-client communications are established including the scheduling of any recurring meetings (e.g., weekly onboarding status calls, monthly financial review calls, etc.). In addition to scheduled recurring meetings, the Jitasa Client Service Team is effectively available 24x5 via the assigned associates at each of Jitasa's three Global Support Centers. The Primary Account Representative is typically available Monday through Friday 8am to 5pm Mountain Time. However, any requests outside of the Boise working hours are copied to the entire Client Service Team via an established group e-mail address, as Jitasa associates at either the Costa Rica, Sarajevo, or Bangkok offices can often respond outside of the Boise business hours.

With respect to the accounting system, Jitasa has standardized its nonprofit bookkeeping and accounting services in QuickBooks Online, which is included in the proposed fee and provided as part of the Jitasa service engagement at no additional cost to ETMA. During onboarding, Jitasa will transition the existing ETMA General Ledger data from its instance of QuickBooks Desktop to the Jitasa hosted QuickBooks Online. In addition, Jitasa will review the current ETMA Chart of Accounts



and propose any necessary modifications to ensure the go forward Chart of Accounts is consistent with the "Unified Chart of Accounts" (UCOA) structure.

Jitasa utilizes Citrix ShareFile as the exclusive platform for document sharing, and for electronic document storage and retention. While ETMA may choose to utilize other document sharing systems for internal needs, Jitasa requires that ShareFile be the exclusive platform for all documents shared between the client and Jitasa team. ShareFile is included in the proposed fee and provided as part of the Jitasa service engagement at no additional cost to the client.

Regarding A/P management and issuance of payments (e.g. vendor payments, invoice payments, expense reimbursement payments, etc.) Jitasa utilizes Bill.com as the A/P management and payment processing platform. Bill.com is included in the proposed fee and provided as part of the Jitasa service engagement at no additional cost to the client.

With respect to the ongoing service delivery, in addition to Mavenlink as the project management system, Jitasa utilizes Autymate (www.autymate.com/finance-accounting/), a cloud-based application that interfaces directly with QuickBooks Online to assess Client Service Team performance. Client transaction data is exported from QuickBooks Online and automated analyses are performed to assess KPI metrics related to three critical monthly functions: uncategorized transactions (no account), unclassified/not specified transactions (no class), and account reconciliation status. The Jitasa Accounting Management Team utilizes this data to assess Client Service Team performance, and early identification of potential issues with the management and/or completion of client bookkeeping and accounting tasks.

Finally, Jitasa has licensed Autoreview (<https://xenett.com/autoreview/>) as its tool to conduct real time reviews of General Ledger data in QuickBooks Online. As an analysis tool, Autoreview identifies and tracks discrepancies, monitors trends, checks for consistencies, and identifies abnormalities. As such, Jitasa is able to simplify and streamline the accounting review process to ensure accuracy and drive timeliness in monthly financial reporting.



Professional Service Work Sample

Two samples of Jitasa's financial reports have been provided as separate attachments. The first is Jitasa's standard monthly financial reporting package which includes the Statement of Financial Position (Balance Sheet), Statement of Activities (Income Statement), Statement of Activities by Class (Income Statement by Program/Functional Element), and Budget vs Actuals Report.

In addition, a sample copy of Jitasa's optional* Financial Dashboard Report has been provided. Jitasa utilizes Fathom HQ (<https://www.fathomhq.com/>) as the analytical reporting platform to prepare the Financial Dashboard Report, which contains several key financial metrics in graphical representation, as well as a KPI table to track trends for critical financial ratios and metrics. (*Note: This is an optional report which can be provided at an additional fee.)

Fee Proposal

Jitasa utilizes a fixed annual fee model with the proposed fee being determined by two sets of client information: 1) ETMA's organizational complexity details, metrics, and data points, outlined in Exhibit 1, and 2) the requested scope of services, outlined in the "Scope of Work" section of the RFP document. The fixed annual fee is billed via 12 consistent fixed monthly service invoices.

While Jitasa's time and costs required during the onboarding process of the engagement will be more substantial than during the ongoing engagement, it is important to note that Jitasa does not charge a separate "onboarding" fee. Instead, the related costs are included in the proposed annual fee.

Jitasa's standard initial term length is 24 months, with annual 12-month renewals thereafter. The proposed bookkeeping and accounting fixed annual fee for Emeryville Transportation Management Association is:

- **\$ 31,080 per year (\$2,590 per month)**

In addition, Jitasa's fixed fee for preparing and filing the Federal 990 is: **\$ 1,800.**

Should additional ongoing monthly or annual services be requested outside the scope of service outlined in the proposal, Jitasa and the client will assess the specific scope elements and adjust the fixed annual fee accordingly. For any service beyond the proposed scope of service that would otherwise be considered a "one-time" project, the Jitasa and client team will define the specific work and deliverables, to be billed at a rate of \$50 per hour.



Additional Jitasa Information

Jitasa maintains the following lines of insurance coverage with minimum policy limits as follows:

- Workers Compensation. Statutory with limits as prescribed by applicable state law;
- Employment Practices Liability with limits of \$1,000,000 per accident and in the aggregate;
- Commercial General Liability with limits of \$2,000,000, combined single limit bodily injury and property damage, per occurrence and in the aggregate;
- Business Automobile Liability with limits of \$1,000,000, combined single limit, each accident; and
- Professional (Errors and Omissions) Liability coverage with a minimum combined single limit of \$1,000,000.
- Cyber Security Liability coverage against Data Breach, Defense & Extortion with \$1,000,000 limit.

In addition to the insurance coverages outlined above, Jitasa maintains a Third Party Fidelity Bond to protect client funds against the risk of fraudulent activity. Jitasa is happy to supply evidence of coverage upon request.

Finally, Jitasa is proud to be a Certified B Corporation, a formal and legal certification that measures an organization's entire social and environmental performance. The "B Impact Assessment" evaluates the organization's operations and business model impact towards workers, community, environment, and customers. B Corp Certification confirms that the business is meeting the highest standards of verified performance, with positive impact being supported by transparency and accountability requirements. B Corp Certification formally commits a business's executive leadership team to consider stakeholder impact for the long term, building those considerations into the organization's legal structure. Jitasa first attained its B Corp certification in 2012, and has retained its annual certification ever since, including being recognized as a "B Corp Best for the World: Governance Recipient" in 2018. In addition, Jitasa is proud to have received many prestigious awards and recognitions including placement on the Real Leaders Top 100 Impact Companies of 2019, and a member of the United Nations Global Compact.

Further information regarding Jitasa's organization, services, clients, and executive and Board leadership can be found on Jitasa's website: www.jitasagroup.com



Suggested Next Steps

Jitasa appreciates the opportunity to propose its services for the ETMA's bookkeeping and accounting services. The information provided in this proposal document is intended to address the specific information requested in the RFP document. The Jitasa team is very interested in providing more information and details regarding its comprehensive service model and approach, to complement the information conveyed in the proposal.

As a next step, Jitasa would like to host a follow-up meeting via Zoom Conference with the ETMA representatives involved in the proposal evaluation to share a comprehensive overview of Jitasa's non-profit accounting service model and approach, scheduled at the convenience of the ETMA team. The Jitasa team is otherwise available to provide any additional information and/or address any follow-up questions regarding the information contained in the proposal.

Thank you for the opportunity and consideration! We look forward to continuing the discussion!



Exhibit 1: ETMA Organizational Details

Organization Name	Emeryville Transportation Management Association
Registered State(s)	California
Current Accounting System	QuickBooks Desktop
Annual Gross Receipts	\$5.0M
Average Monthly Transactions	< 50
Unallocated Grants	0
Allocated Grants	0
Fee for Service Contracts	7
Salaried Employees	0
Hourly Employees	0
Bank Accounts	3
Merchant Accounts	0
Credit Cards	0
Investment Accounts	0
Audit or Review	Yes
990 Type	990 Full



Exhibit 2: Example Client Workflow Gantt Chart

Client task management process for documenting task completion and activity controls via Mavenlink.
(Example illustrates a sub-set of the total monthly activities.)

W... ↑	NAME	TYPE	START	FINISH	2022 MAY 29					
					31 MAY	01 JUN	02 JUN	03 JUN	04 JUN	05 JUN
2.1.6	▼ South State Bank Sweep	Milestone	Jun 1, 2022	Jun 3, 2022		South State Bank Sweep Account				
2.1.6.1	• Retrieve Statements	Task	Jun 1, 2022	Jun 1, 2022		Retrieve Stat...				
2.1.6.2	• Enter Missing Transact	Task	Jun 1, 2022	Jun 2, 2022		Enter Missing Transactions				
2.1.6.3	• Final Reconciliation	Task	Jun 1, 2022	Jun 3, 2022		Final Reconciliation				
2.1.7	▼ PayPal	Milestone	Jun 1, 2022	Jun 3, 2022		PayPal				
2.1.7.1	• Retrieve Statement	Task	Jun 1, 2022	Jun 1, 2022		Retrieve Stat...				
2.1.7.2	• Pre-Reconcile - let clie	Task	Jun 1, 2022	Jun 2, 2022		Pre-Reconcile - let client kno...				
2.1.7.3	• Final Reconcile	Task	Jun 1, 2022	Jun 3, 2022		Final Reconcile				
2.1.8	▼ South State Credit Cards	Milestone	Jun 1, 2022	Jun 3, 2022		South State Credit Cards				
2.1.8.1	• Retrieve Statements	Task	Jun 1, 2022	Jun 1, 2022		Retrieve Stat...				
2.1.8.2	• Ensure Transactions a	Task	Jun 1, 2022	Jun 2, 2022		Ensure Transactions are Uplo...				
2.1.8.3	• Final Reconciliation	Task	Jun 1, 2022	Jun 3, 2022		Final Reconciliation				
2.1.9	▼ Endowment (Quarterly)	Milestone	Jun 1, 2022	Jun 5, 2022		Endowment (Quarterly)				
2.1.9.1	• Retrieve Statement	Task	Jun 1, 2022	Jun 3, 2022		Retrieve Statement				
2.1.9.2	• Enter Transactions and	Task	Jun 2, 2022	Jun 4, 2022		Enter Transactions and Pre-Rec				
2.1.9.3	• Final Reconciliation	Task	Jun 3, 2022	Jun 5, 2022		Final Reconciliation				



Financial Dashboard - March 2020

2020 (YTD to Mar 2020)

Financial Statements

BALANCE SHEET	2020 (YTD)	2019 (YTD)	Variance (\$)	Variance (%)
ASSETS				
Cash & Equivalents				
BoA Checking x (Operating)	\$163,864	\$90,631	\$73,234	80.80%
BoA Checking x (Payroll)	\$5,521	\$6,065	(\$544)	-8.97%
BOA Savings (Savings)	\$10,310	\$125,980	(\$115,671)	-91.82%
1035 BofA Checking (emergency ...)	\$62,632	\$2,605	\$60,027	2,303.93%
BNC USD x0 - H	\$24,067	\$14,396	\$9,671	67.18%
BNC HTG x0 - H	\$588	\$716	(\$128)	-17.89%
Haiti Cash	\$6,056	\$12,783	(\$6,727)	-52.62%
BNC USD x0 - H	\$1	\$64	(\$63)	-98.01%
BNC USD x0 -	\$0	\$125	(\$125)	-100.00%
BCN HTG x0 -	\$0	\$36	(\$36)	-100.00%
Total Cash & Equivalents	\$273,040	\$253,402	\$19,638	7.75%
Accounts Receivable				
Accounts/Contributions Receivable	\$115,000	\$110,067	\$4,934	4.48%
Other Current Assets				
Undeposited Funds	\$140,000	\$27,032	\$112,968	417.90%
Investments				
Charles Schwab x	\$546	\$9,537	(\$8,991)	-94.28%
Total Other Current Assets	\$140,546	\$36,569	\$103,977	284.33%
Total Current Assets	\$528,585	\$400,037	\$128,548	32.13%
Fixed Assets				
Fixed Operating Assets				
Furniture, Fixtures, & Equipment	\$43,061	\$34,645	\$8,416	24.29%
Facility Improvements	\$40,246	\$35,683	\$4,563	12.79%
Vehicles	\$95,000	\$41,000	\$54,000	131.71%
Total Fixed Operating Assets	\$178,307	\$111,328	\$66,979	60.16%
Accumulated Depreciation - Fixed Oper...				
Accumulated Depreciation - Furn, Fix...	(\$27,800)	(\$26,707)	(\$1,093)	-4.09%
Accumulated Depreciation - Facilit...	(\$14,256)	(\$13,094)	(\$1,163)	-8.88%
Accum Deprec Vehicles	(\$31,296)	(\$21,742)	(\$9,554)	-43.94%
Total Accumulated Depreciation - Fixe...	(\$73,352)	(\$61,543)	(\$11,809)	-19.19%
Total Fixed Assets	\$104,955	\$49,786	\$55,169	110.81%
Total Non-Current Assets	\$104,955	\$49,786	\$55,169	110.81%
Total Assets	\$633,540	\$449,822	\$183,718	40.84%
LIABILITIES				
Short Term Debt				
Credit Card - Cap One x4	\$275	\$685	(\$410)	-59.85%
Accounts Payable				
Accounts Payable	\$1,900	\$1,500	\$400	26.67%

	2020 (YTD)	2019 (YTD)	Variance (\$)	Variance (%)
Other Current Liabilities				
Accrued Liabilities				
Accrued Payroll Taxes	\$0	\$12,800	(\$12,800)	-100.00%
Total Other Current Liabilities	\$0	\$12,800	(\$12,800)	-100.00%
Total Current Liabilities	\$2,175	\$14,985	(\$12,810)	-85.49%
Total Non-Current Liabilities	\$0	\$0	\$0	-
Total Liabilities	\$2,175	\$14,985	(\$12,810)	-85.49%
EQUITY				
Current Earnings				
Net Income	\$142,699	\$122,629	\$20,070	16.37%
Other Equity				
Unrestricted Net Assets	\$345,085	\$168,628	\$176,458	104.64%
Temporarily Restricted Net Assets				
Use Restricted Net Assets	\$143,581	\$143,581	\$0	0.00%
Total Other Equity	\$488,666	\$312,209	\$176,458	56.52%
Total Equity	\$631,365	\$434,838	\$196,528	45.20%
Total Liabilities & Equity	\$633,540	\$449,822	\$183,718	40.84%

	2020 (YTD)	Current Year Budget	2019 (YTD)
PROFIT & LOSS			
Revenue			
Direct Contributions			
Individual Contributions	\$256,952	\$280,000	\$248,919
Corporate Contributions	\$0	\$2,000	\$0
Total Direct Contributions	\$256,952	\$282,000	\$248,919
Grants Revenue			
Foundation Grants	\$0	\$400,000	\$2,000
Nonprofit Organization Grants	\$3,626	\$0	\$0
Total Grants Revenue	\$3,626	\$400,000	\$2,000
Program-Related Revenue			
Program Service Fees	\$139	\$8,000	\$2,309
Other Revenue			
Interest - Savings/Short-Term Inves...	\$12	\$25	\$29
Dividends & Interest - Securities	\$0	\$5	\$6
Unrealized Gain/Loss	\$0	\$0	\$42
Total Other Revenue	\$12	\$30	\$77
Special Events Revenue			
Special Events - Gift Revenue	\$0	\$10,000	\$0
Special Events - Direct Costs	\$0	\$0	(\$7,496)
Total Special Events Revenue	\$0	\$10,000	(\$7,496)
Total Revenue	\$260,729	\$700,030	\$245,809
Expenses			
Salaries & Related Expenses			
Salaries & Wages	\$17,500	\$70,000	\$31,250
Employee Benefits - Not Pension	\$1,001	\$5,000	\$889
Payroll Taxes, Etc.	\$1,584	\$20,000	\$2,571
Payroll Service Fees	\$351	\$1,700	\$444
Other Payroll Expenses	\$406	\$0	\$177
Total Salaries & Related Expenses	\$20,842	\$96,700	\$35,331
Professional Service Expenses			
Accounting Fees	\$4,449	\$30,000	\$4,333

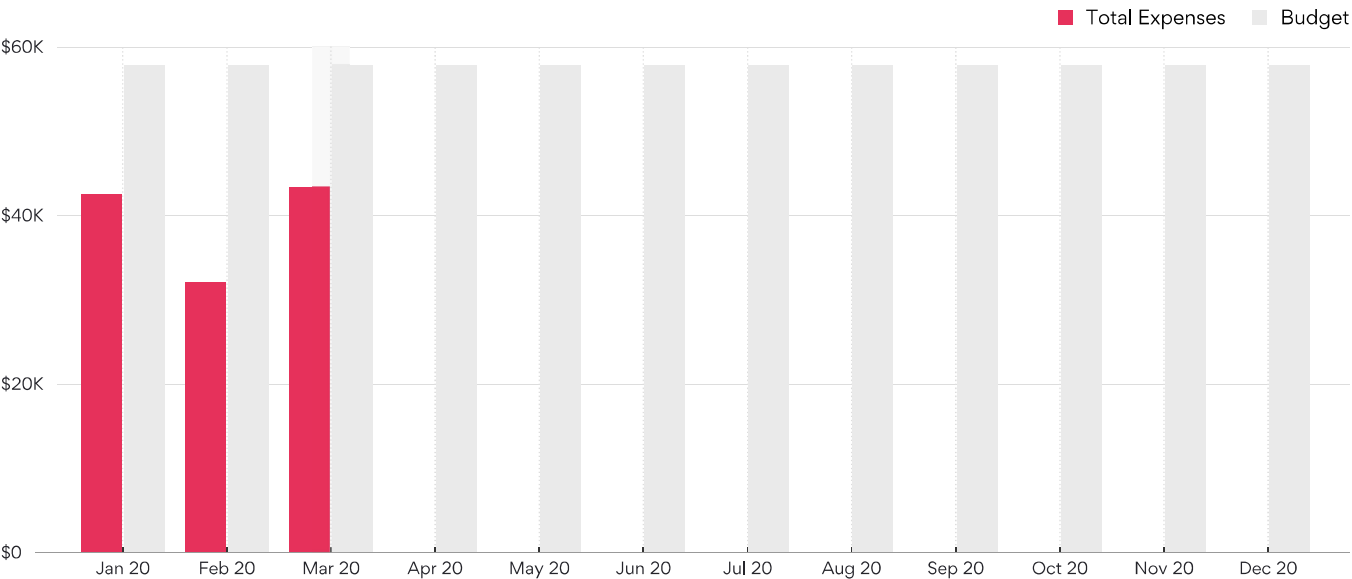
	2020 (YTD)	Current Year Budget	2019 (YTD)
Legal Fees	\$909	\$5,000	\$4,212
Advertising/Marketing	\$761	\$5,000	\$271
Professional Fees - Other	\$9,179	\$100,000	\$400
Temporary Help - Contract	\$936	\$10,000	\$1,528
Haiti Staff	\$41,239	\$190,000	\$45,385
Total Professional Service Expenses	\$57,472	\$340,000	\$56,129
Nonpersonnel Expenses			
Supplies	\$6,507	\$10,000	\$1,622
Internet/Web/Hosting Fees	\$760	\$600	\$291
Telephone & Telecommunications	\$914	\$4,900	\$1,095
Postage & Shipping	\$339	\$500	\$188
Computer Software & Hardware	\$1,195	\$3,000	\$1,367
Printing & Copying	\$424	\$3,375	\$157
Books, Subscriptions, References	\$260	\$7,000	\$399
Total Nonpersonnel Expenses	\$10,399	\$29,375	\$5,118
Facilities Expenses			
Rent, Parking, & Other Occupancy	\$2,416	\$8,000	\$2,520
Utilities	\$287	\$4,000	\$238
Equipment Purchase, Rental, & Main...	\$8,783	\$50,000	\$6,074
Depreciation & Amortization	\$3,173	\$22,000	\$2,565
Total Facilities Expenses	\$14,659	\$84,000	\$11,397
Travel Expenses			
Transportation	\$1,833	\$15,000	\$3,332
Meals	\$3,769	\$4,000	\$1,034
Lodging	\$2,281	\$6,000	\$1,563
Airfare	\$2,124	\$8,000	\$1,654
Conferences, Conventions, Meetings	\$0	\$6,000	\$247
Total Travel Expenses	\$10,007	\$39,000	\$7,830
Client-Specific Expenses			
Visitor & Volunteer Hosting	\$0	\$4,000	\$0
Internal Monitoring & Evaluation	\$0	\$25,000	\$0
Music Instruments & Equipment	\$947	\$20,000	\$2,702
Performance Production Costs	\$0	\$20,000	\$0
Total Client-Specific Expenses	\$947	\$69,000	\$2,702
Other Expenses			
Insurance - Non-Employee Related	\$216	\$5,000	\$1,628
Business Registration Fees	\$0	\$2,000	\$726
Staff Development/Training	\$0	\$5,000	\$19
Bank Fees	\$181	\$1,500	\$225
Processing Fees	\$432	\$1,250	\$244
Advertising/Marketing Expenses	\$222	\$20,000	\$0
Other Expenses	\$73	\$2,000	\$0
Exchange/Fees Gain/Loss	\$2,579	\$0	\$1,830
Total Other Expenses	\$3,704	\$36,750	\$4,673
Total Expenses	\$118,030	\$694,825	\$123,180
Operating Profit	\$142,699	\$5,205	\$122,629
Net Income	\$142,699	\$5,205	\$122,629

Budget vs. Actuals

Monthly Revenue vs Budget



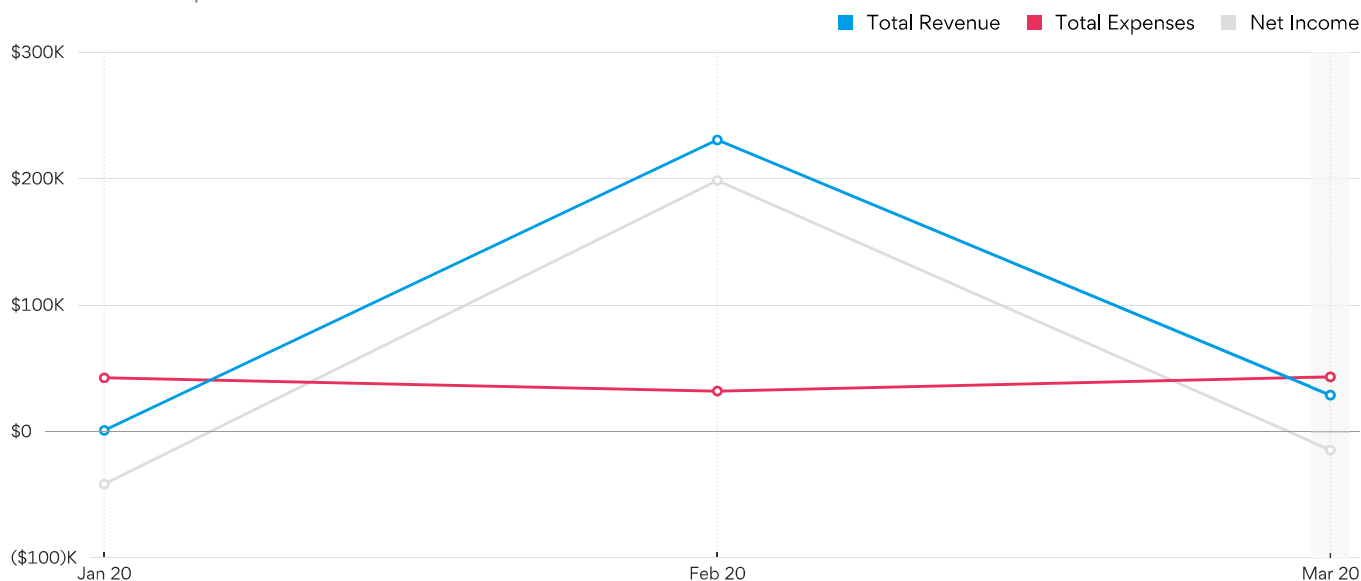
Monthly Expenses vs Budget



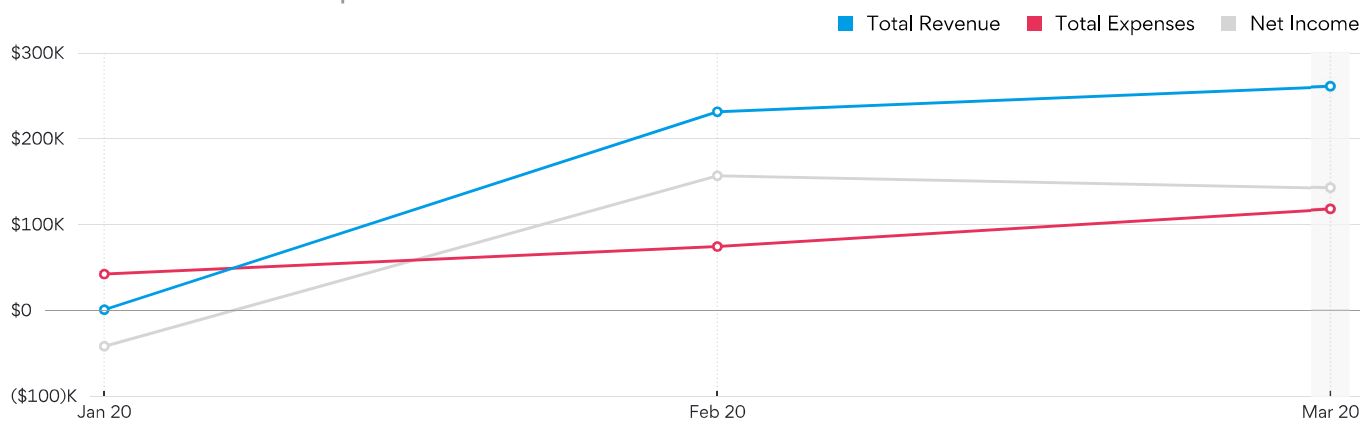
KPIs (This year vs target)	Mar 2020	Budget (This Month)	YTD	Budget (YTD)	Budget (Total)
Revenue	\$28,980	\$58,336	\$260,729	\$175,007	\$700,030
Expenses	\$43,399	\$57,902	\$118,030	\$173,706	\$694,825

Revenue vs. Expenses

Revenue vs. Expenses



Cumulative Revenue vs. Expenses



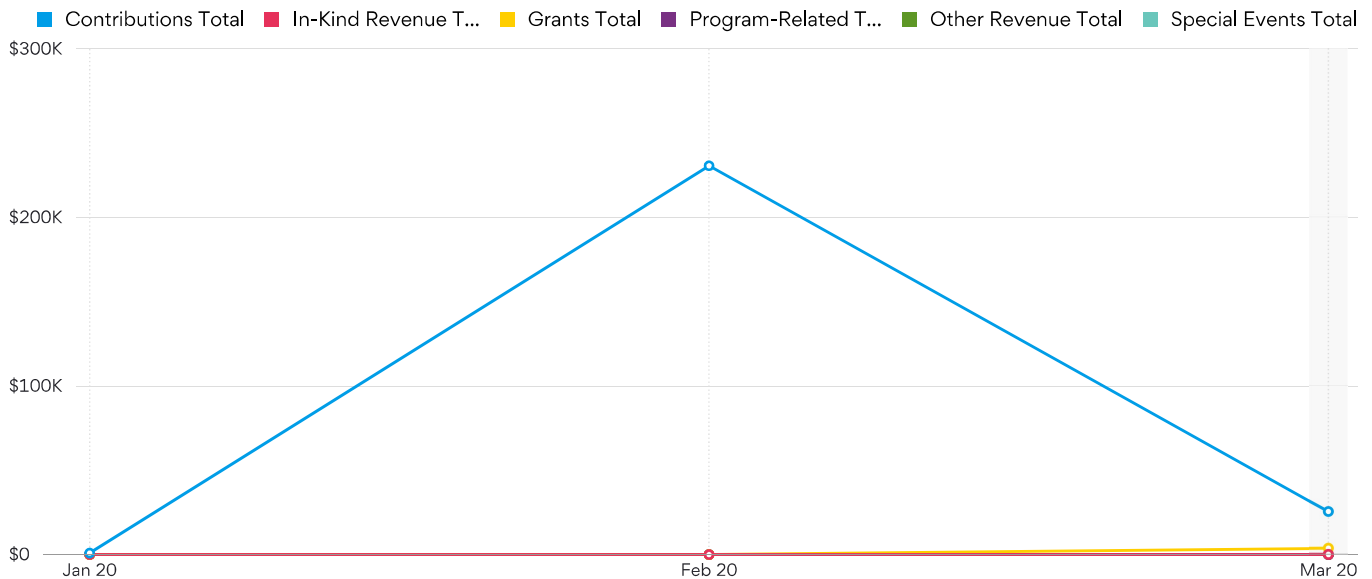
Revenue vs. Expenses	YTD	Mar 2020	Feb 2020	Budget (Total)
Total Revenue	\$260,729	\$28,980	\$230,761	\$700,030
Total Expenses	\$118,030	\$43,399	\$32,081	\$694,825
Net Income	\$142,699	(\$14,419)	\$198,680	\$5,205

Revenue Trends

Displays total revenue in each account type by month.

(Only 6 revenue types are shown on the graph - the table below lists all revenue accounts.)

Revenue Trends

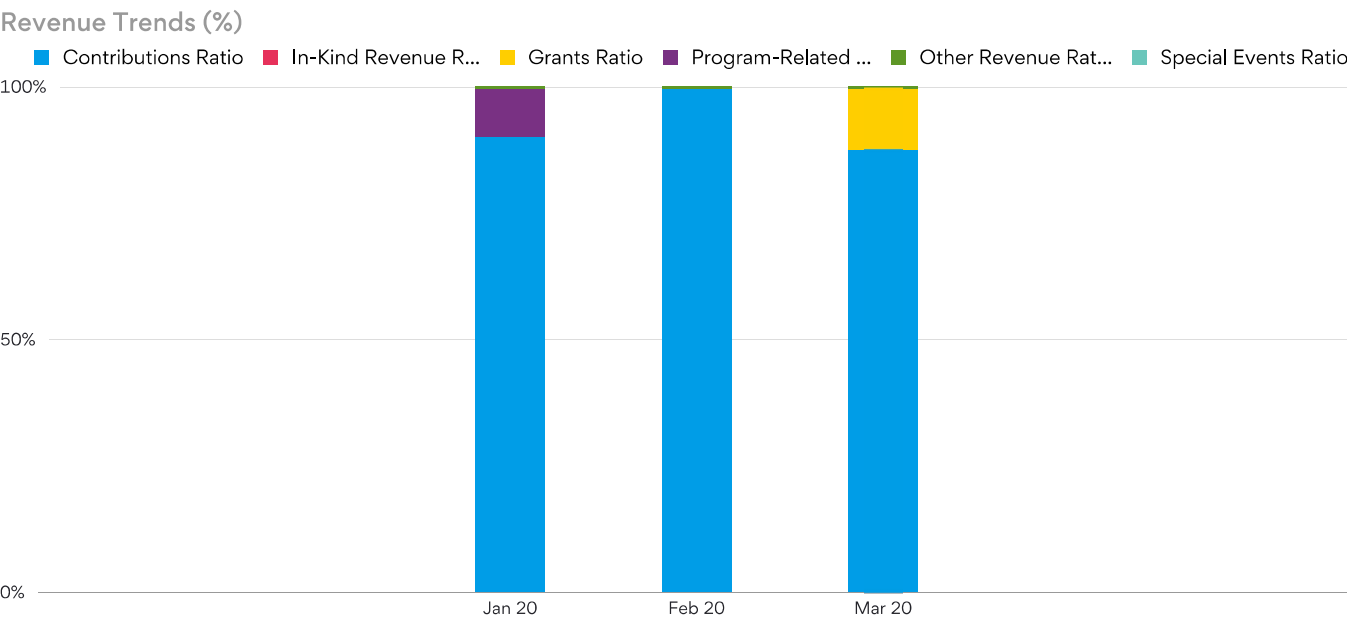


Revenue Trends	YTD	Mar 2020	Feb 2020	Total Budget
Contributions Total	\$256,952	\$25,350	\$230,712	\$282,000
Restricted Revenue Total	\$0	\$0	\$0	\$0
In-Kind Revenue Total	\$0	\$0	\$0	\$0
Grants Total	\$3,626	\$3,626	\$0	\$400,000
Program-Related Total	\$139	\$0	\$45	\$8,000
Other Revenue Total	\$12	\$4	\$4	\$30
Special Events Total	\$0	\$0	\$0	\$10,000

Revenue Trends (%)

Displays how much each revenue type contributes to total revenue each month.

(Only 6 revenue types are shown on the graph - the table below lists all revenue accounts.)



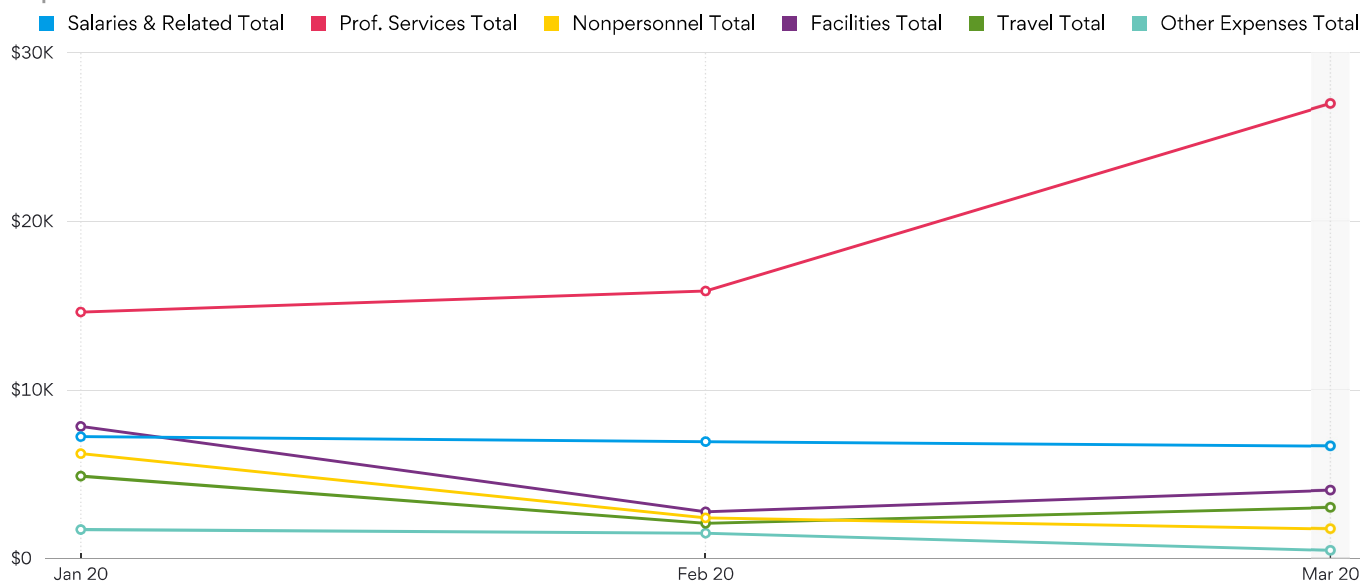
Revenue Trends (%)	YTD	Mar 2020	Feb 2020
Contributions Ratio	99%	87%	100%
Restricted Revenue Ratio	0%	0%	0%
In-Kind Revenue Ratio	0%	0%	0%
Grants Ratio	1%	13%	0%
Program-Related Ratio	0%	0%	0%
Other Revenue Ratio	0%	0%	0%
Special Events Ratio	0%	0%	0%

Expense Trends

Displays total expenses in each account type by month.

(Only 6 expense types are shown on the graph - the table below lists all expense accounts.)

Expense Trends



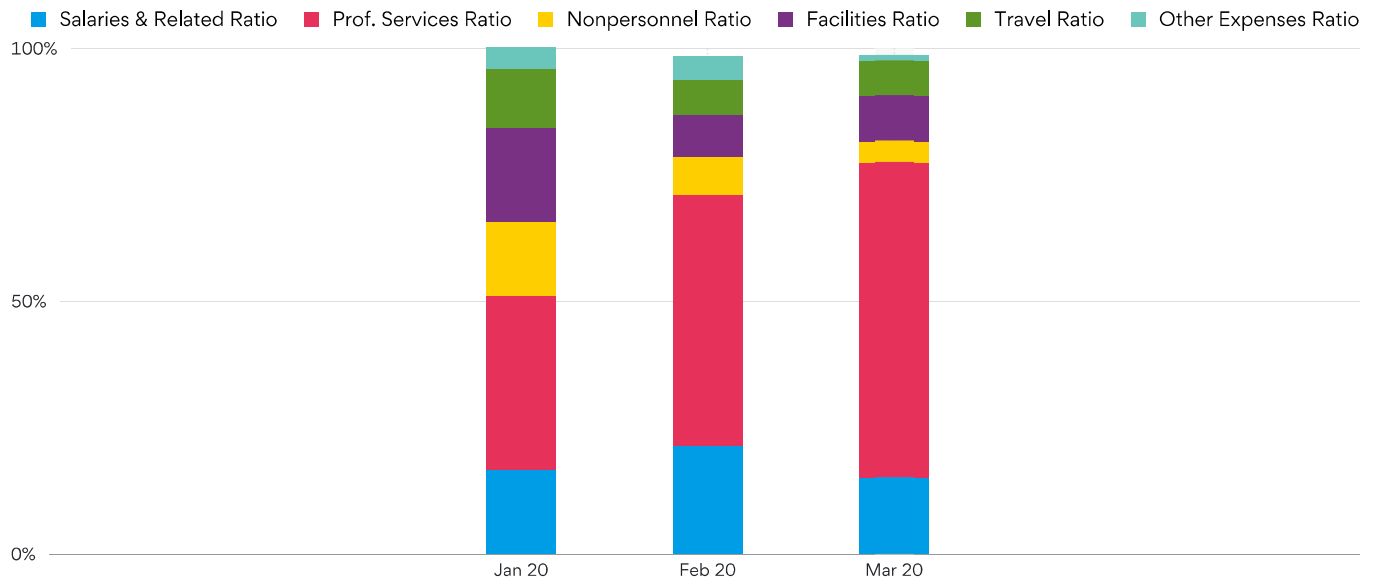
Expense Trends	YTD	Mar 2020	Feb 2020	Total Budget
Salaries & Related Total	\$20,842	\$6,665	\$6,941	\$96,700
Professional Services Total	\$57,472	\$26,965	\$15,877	\$340,000
Nonpersonnel Total	\$10,399	\$1,756	\$2,415	\$29,375
Facilities Total	\$14,659	\$4,043	\$2,775	\$84,000
Travel Total	\$10,007	\$3,020	\$2,094	\$39,000
Client-Specific Total	\$947	\$477	\$470	\$69,000
Other Expenses Total	\$3,704	\$473	\$1,509	\$36,750

Expense Trends (%)

Displays how much each expense type contributes to total expenses each month.

(Only 6 expense types are shown on the graph - the table below lists all expense accounts.)

Expense Trends (%)

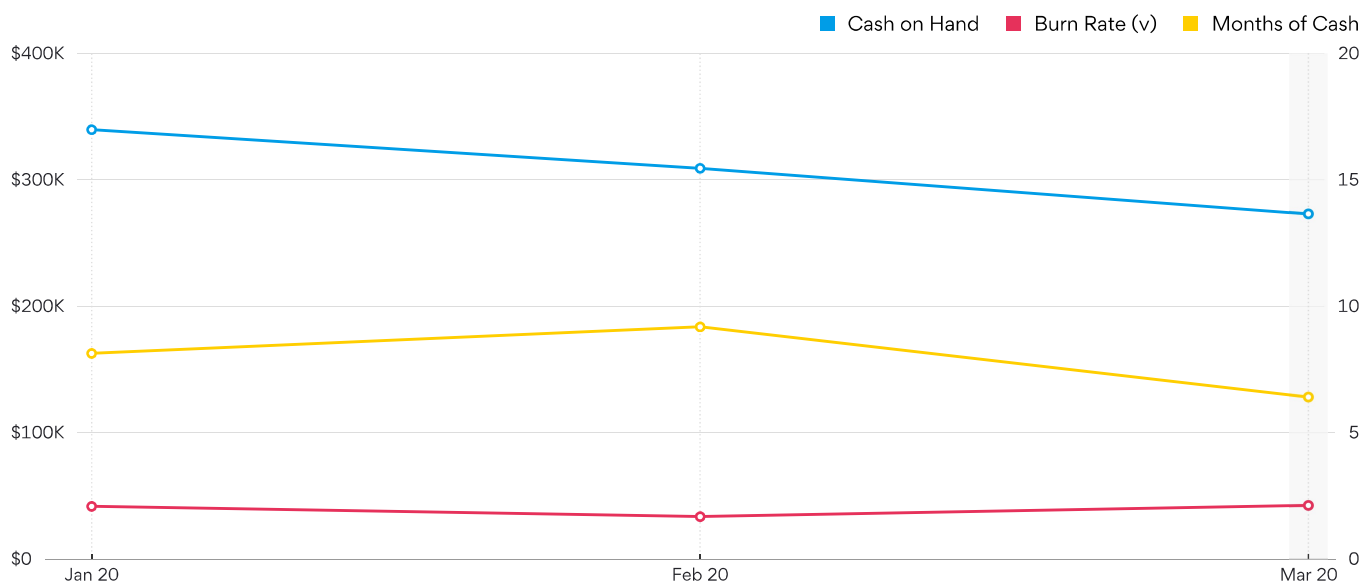


Expense Trends (%)	YTD	Mar 2020	Feb 2020
Salaries & Related Ratio	18%	15%	22%
Professional Services Ratio	49%	62%	49%
Nonpersonnel Ratio	9%	4%	8%
Facilities Ratio	12%	9%	9%
Travel Ratio	8%	7%	7%
Other Expenses Ratio	3%	1%	5%
Client-Specific Ratio	1%	1%	1%

Cash Trends

Displays total Cash on Hand, Burn Rate, and Months of Cash each month.

Cash Trends

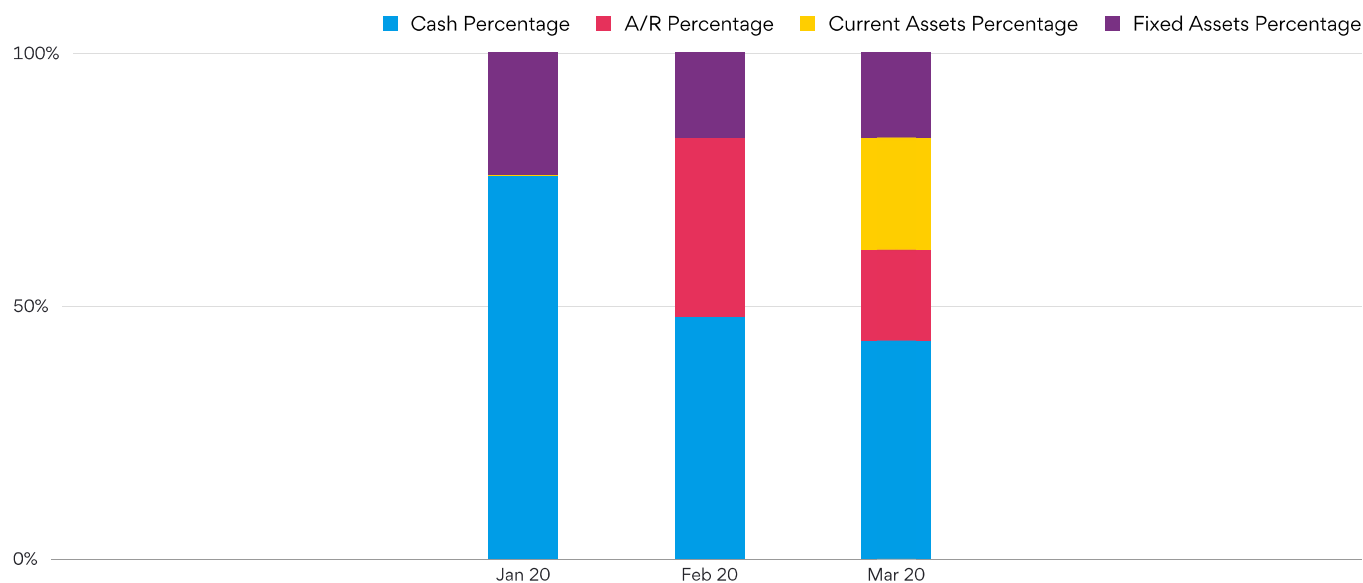


Cash Trends	Mar 2020	Feb 2020	Jan 2020	Dec 2019
Cash on Hand	\$273,040	\$309,229	\$339,782	\$324,487
Burn Rate (v)	\$42,582	\$33,648	\$41,749	\$24,995
Months of Cash	6.41	9.19	8.14	12.98

Asset Breakdown

Displays how much each asset type contributes to total assets each month.

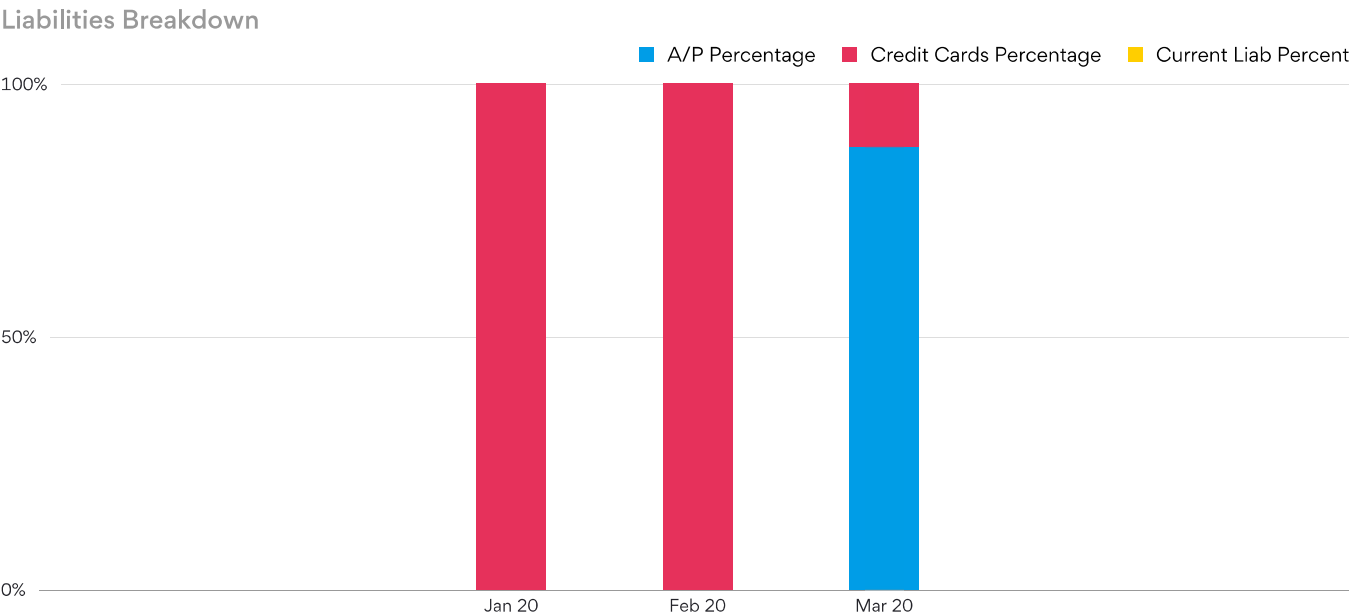
Asset Breakdown



Asset Breakdown	Mar 2020	Feb 2020	Jan 2020	Dec 2019
Cash Percentage	43%	48%	76%	66%
Accounts Receivable Percentage	18%	36%	0%	0%
Other Current Assets Percentage	22%	0%	0%	12%
Fixed Assets Percentage	17%	16%	24%	22%

Liabilities Breakdown

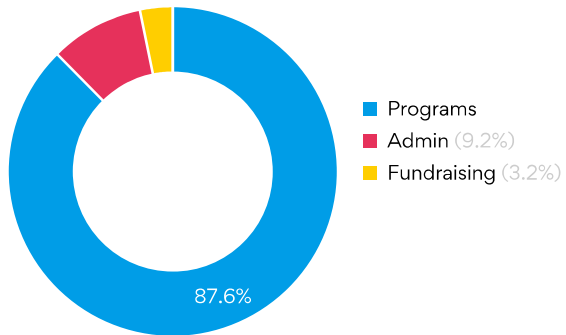
Displays how much each liability type contributes to total liabilities each month.



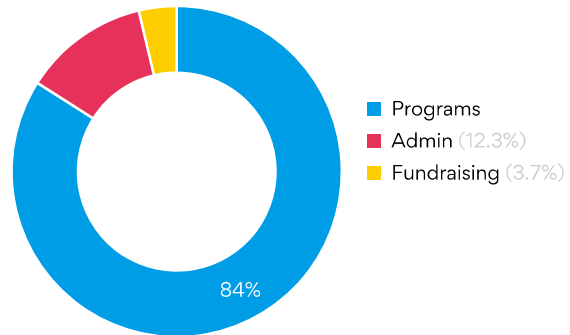
Liabilities Breakdown	Mar 2020	Feb 2020	Jan 2020	Dec 2019
Accounts Payable Percentage	87%	0%	0%	0%
Credit Cards Percentage	13%	100%	100%	100%
Current Liabilities Percentage	0%	0%	0%	0%

Functional Expenses

Functional Expense Breakdown (Mar 20)

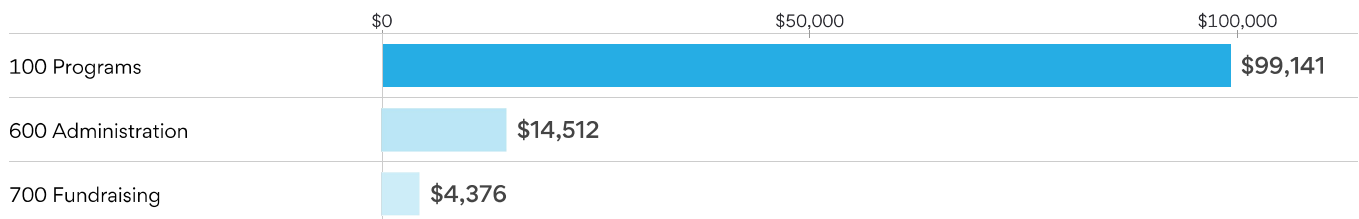


Function Expense Breakdown - YTD



Functional Expenses	YTD	Mar 2020	Feb 2020
Total Program Expense	\$99,141	\$38,014	\$25,445
Total Admin Expense	\$14,512	\$3,990	\$5,076
Total Fundraising Expense	\$4,376	\$1,395	\$1,560
Total Expenses	\$118,030	\$43,399	\$32,081

Expenses breakdown by Class (YTD)



KPI Results Table

	RESULT	TARGET	TREND	
A REVENUE TOTALS	MAR 2020			vs FEB 2020
Contributions Total	\$25,350	\$0	✓	▼ -89%
Restricted Revenue Total	\$0	\$0	✓	\$0
In-Kind Revenue Total	\$0	\$0	✓	\$0
Grants Total	\$3,626	\$33,333	✗	▲ \$3,626
Program-Related Total	\$0	\$667	✗	▼ -100%
Other Revenue Total	\$4	\$3	✓	▲ 8.8%
Special Events Total	\$0	\$833	✗	\$0
B EXPENSE TOTALS				
Salaries & Related Total *	\$6,665	\$8,058	✓	▼ -4%
Professional Services Total *	\$26,965	\$28,333	✓	▲ 69.8%
Nonpersonnel Total *	\$1,756	\$2,448	✓	▼ -27.3%
Facilities Total *	\$4,043	\$7,000	✓	▲ 45.7%
Travel Total *	\$3,020	\$3,250	✓	▲ 44.2%
Client-Specific Total *	\$477	\$5,750	✓	▲ 1.5%
Other Expenses Total *	\$473	\$3,063	✓	▼ -68.7%
C TOTAL ACTIVITY				
Total Revenue	\$28,980	\$58,336	✗	▼ -87.4%
Total Expenses *	\$43,399	\$57,902	✓	▲ 35.3%
D FUNCTIONAL				
Total Program Expense *	\$38,014	\$0	✗	▲ 49.4%
Total Admin Expense *	\$3,990	\$0	✗	▼ -21.4%
Total Fundraising Expense *	\$1,395	\$0	✗	▼ -10.6%
E REVENUE RATIOS				
Contributions Ratio	87%	0%	✓	▼ -13%
Restricted Revenue Ratio	0%	0%	✓	0%
In-Kind Revenue Ratio	0%	0%	✓	0%
Grants Ratio	13%	57%	✗	▲ 13%
Program-Related Ratio	0%	1%	✗	▼ 0%
Other Revenue Ratio	0%	0%	✓	▲ 0%
Special Events Ratio	0%	1%	✗	0%

	RESULT	TARGET	TREND	
F EXPENSE RATIO	MAR 2020			vs FEB 2020
Salaries & Related Ratio *	15%	14%	✗	▼ -6%
Professional Services Ratio *	62%	49%	✗	▲ 13%
Nonpersonnel Ratio *	4%	4%	✓	▼ -3%
Facilities Ratio *	9%	12%	✓	▲ 1%
Travel Ratio *	7%	6%	✗	▲ 0%
Client-Specific Ratio *	1%	10%	✓	▼ 0%
Other Expenses Ratio *	1%	5%	✓	▼ -4%
G BALANCE SHEET				
Cash Percentage	43%	0%	✓	▼ -5%
Accounts Receivable Percentage	18%	0%	✓	▼ -17%
Other Current Assets Percentage	22%	0%	✓	▲ 22%
Fixed Assets Percentage	17%	0%	✓	▲ 0%
Accounts Payable Percentage	87%	0%	✓	▲ 87%
Credit Cards Percentage	13%	0%	✓	▼ -87%
Current Liabilities Percentage	0%	0%	✓	0%
H CASH FLOW				
Cash on Hand	\$273,040	\$100,000	✓	▼ -11.7%
Burn Rate (v) *	\$42,582	\$56,813	✓	▲ 26.6%
Months of Cash	6.41	5.00	✓	▼ -2.78

* For this metric, a result below target is favourable



Independent Service Auditors' Report

*Independent Service Auditors' Report on Easy Office, Inc.'s
(dba: Jitasa) Description of Its Nonprofit Finance and
Accounting Services System and the Suitability of the
Design of Controls Relevant to Financial Reporting*

As of October 31, 2021



CliftonLarsonAllen LLP
Boise, Idaho



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I. Independent Service Auditors' Report

Executive Management
Easy Office, Inc. dba: Jitasa
Boise, Idaho

Scope

We have examined Easy Office, Inc. dba: Jitasa's (Jitasa) description of its finance, accounting, and bookkeeping services system entitled, "Easy Office, Inc. dba: Jitasa's Description of Its Finance, Accounting, and Bookkeeping Services System," for processing user entities' transactions as of October 31, 2021 (description) and the suitability of the design of the controls included in the description to achieve the related control objectives stated in the description, based on the criteria identified in "Easy Office, Inc. dba: Jitasa's Assertion" (assertion). The controls and control objectives included in the description are those that management of Jitasa believes are likely to be relevant to user entities' internal control over financial reporting, and the description does not include those aspects of the Finance, Accounting, and Bookkeeping Services system that are not likely to be relevant to user entities' internal control over financial reporting.

Jitasa uses subservice organizations for file sharing and online accounting software. The description includes only the control objectives and related controls of Jitasa and excludes the control objectives and related controls of the subservice organizations. The description also indicates that certain control objectives specified by Jitasa can be achieved only if complementary subservice organization controls assumed in the design of Jitasa's controls are suitably designed and operating effectively, along with the related controls at Jitasa. Our examination did not extend to controls of the subservice organizations, and we have not evaluated the design or operating effectiveness of such complementary subservice organization controls.

The description indicates that certain control objectives specified in the description can be achieved only if complementary user entity controls assumed in the design of Jitasa's controls are suitably designed and operating effectively, along with related controls at the service organization. Our examination did not extend to such complementary user entity controls, and we have not evaluated the suitability of the design or operating effectiveness of such complementary user entity controls.

Service Organization's Responsibilities

In Section II, Jitasa has provided an assertion about the fairness of the presentation of the description and suitability of the design of the controls to achieve the related control objectives stated in the description in Section III. Jitasa is responsible for preparing the description and its assertion, including the completeness, accuracy, and method of presentation of the description and assertion, providing the services covered by the description, specifying the control objectives and stating them in the description, identifying the risks that threaten the achievement of the control objectives, selecting the criteria stated in the assertion, and designing, implementing, and documenting controls that are suitably designed and operating effectively to achieve the related control objectives stated in the description.

Service Auditors' Responsibilities

Our responsibility is to express an opinion on the fairness of the presentation of the description and on the suitability of the design of the controls to achieve the related control objectives stated in the description, based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether, in all material respects, based on the criteria in management's assertion, the description is fairly presented and the controls were suitably designed to achieve the related control objectives stated in the description as of October 31, 2021. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

An examination of a description of a service organization's system and the suitability of the design of controls involves

- performing procedures to obtain evidence about the fairness of the presentation of the description and the suitability of the design of the controls to achieve the related control objectives stated in the description, based on the criteria in management's assertion.
- assessing the risks that the description is not fairly presented and that the controls were not suitably designed to achieve the related control objectives stated in the description.
- evaluating the overall presentation of the description, suitability of the control objectives stated in the description, and suitability of the criteria specified by the service organization in its assertion.

Inherent Limitations

The description is prepared to meet the common needs of a broad range of user entities and their auditors who audit and report on user entities' financial statements and may not, therefore, include every aspect of the system that each individual user entity may consider important in its own particular environment. Because of their nature, controls at a service organization may not prevent, or detect and correct, all misstatements in processing or reporting transactions. Also, the projection to the future of any evaluation of the fairness of the presentation of the description, or conclusions about the suitability of the design of the controls to achieve the related control objectives, is subject to the risk that controls at a service organization may become ineffective.

Other Matter

We did not perform any procedures regarding the operating effectiveness of controls stated in the description and, accordingly, do not express an opinion thereon.

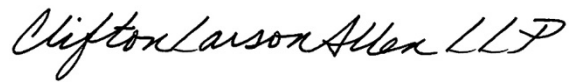
Opinion

In our opinion, in all material respects, based on the criteria described in Jitasa's assertion

- a. the description fairly presents the finance, accounting, and bookkeeping services system that was designed and implemented as of October 31, 2021.
- b. the controls related to the control objectives stated in the description were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively as of October 31, 2021 and subservice organizations and user entities applied the complementary controls assumed in the design of Jitasa's controls as of October 31, 2021.

Restricted Use

This report is intended solely for the information and use of management of Jitasa, user entities of Jitasa's finance, accounting, and bookkeeping services system as of October 31, 2021, and their auditors who audit and report on such user entities' financial statements or internal control over financial reporting and have a sufficient understanding to consider it, along with other information, including information about controls implemented by user entities themselves, when assessing the risks of material misstatements of user entities' financial statements. This report is not intended to be, and should not be, used by anyone other than the specified parties.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

December 21, 2021

II. Management's Assertion

Management of Easy Office, Inc. dba: Jitasa Assertion Regarding Its Finance, Accounting and Bookkeeping Services System as of October 31, 2021

We have prepared the description of the system entitled, "Description of System for Finance, Accounting and Bookkeeping Services System Provided by Easy Office, Inc. dba: Jitasa", for processing user entities' transactions as of October 31, 2021 (description) for user entities of the system as of October 31, 2021, and their auditors who audit and report on such user entities' financial statements or internal control over financial reporting and have a sufficient understanding to consider it, along with other information, including information about controls implemented by subservice organizations and user entities themselves, when obtaining an understanding of user entities' information and communication systems relevant to financial reporting.

Jitasa uses a subservice organization for file sharing and online accounting software. The description includes only the control objectives and related controls of Jitasa and excludes the control objectives and related controls of the subservice organization(s). The description also indicates that certain control objectives specified in the description can be achieved only if complementary subservice organization controls assumed in the design of our controls are suitably designed and operating effectively, along with the related controls. The description does not extend to controls of the subservice organization.

The description indicates that certain control objectives specified in the description can be achieved only if complementary user entity controls assumed in the design of Jitasa's controls are suitably designed and operating effectively, along with related controls at the service organization. The description does not extend to controls of the user entities.

We confirm, to the best of our knowledge and belief, that

- a. the description fairly presents the Finance, Accounting and Bookkeeping system made available to user entities of the system as of October 31, 2021 for processing their transactions as it relates to controls that are likely to be relevant to user entities' internal control over financial reporting. The criteria we used in making this assertion were that the description.
 - i. Presents how the system made available to user entities of the system was designed and implemented to process relevant transactions, including, if applicable:
 - (1) The types of services provided including, as appropriate, the classes of transactions processed.
 - (2) The procedures, within both automated and manual systems, by which services are provided, including, as appropriate, procedures by which transactions are initiated, authorized, recorded, processed, corrected as necessary, and transferred to the reports and other information prepared for user entities of the system.
 - (3) The information used in the performance of the procedures including, if applicable, related accounting records, whether electronic or manual, and supporting information involved in initiating, authorizing, recording, processing, and reporting transactions; this includes the correction of incorrect information and how information is transferred to the reports and other information prepared for user entities.



- (4) How the system captures significant events and conditions, other than transactions
 - (5) The process used to prepare reports and other information for user entities
 - (6) Services performed by a subservice organization, if any, including whether the carve-out method or the inclusive method has been used in relation to them.
 - (7) The specified control objectives and controls designed to achieve those objectives, including, as applicable, complementary user entity controls and complementary subservice organization controls assumed in the design of the service organization's controls.
 - (8) Other aspects of our control environment, risk assessment process, information and communications (including the related business processes), control activities, and monitoring activities that are relevant to the services provided.
- ii. does not omit or distort information relevant to the service organization's system, while acknowledging that the description is prepared to meet the common needs of a broad range of user entities of the system and their user auditors, and may not, therefore, include every aspect of the Finance, Accounting and Bookkeeping system that each individual user entity of the system and its auditor may consider important in its own particular environment.
- b. the controls related to the control objectives stated in the description were suitably designed as of October 31, 2021 to achieve those control objectives if subservice organizations and user entities applied the complementary controls assumed in the design of Jitasa's controls as of October 31, 2021. The criteria we used in making this assertion were that:
 - i. the risks that threaten the achievement of the control objectives stated in the description have been identified by management of the service organization;
 - ii. the controls identified in the description would, if operating effectively, provide reasonable assurance that those risks would not prevent the control objectives stated in the description from being achieved.

By:

Jeff Russell

Chief Executive Officer
Easy Office, Inc. dba: Jitasa
December 21, 2021

Don Needs

VP of Finance
Easy Office, Inc. dba: Jitasa
December 21, 2021

III. Description of System for Finance, Accounting and Bookkeeping Services Provided by Easy Office, Inc. dba: Jitasa

Scope

The scope of this report describes controls relevant to Jitasa's Finance, Accounting and Bookkeeping services including:

- Organization Management
- Business Process
- General Computer
- Physical Environment*

* Physical controls are limited to those implemented at the Boise, Idaho location.

Jitasa has a contracted relationship with Synoptek for hosting Jitasa's Active Directory server and managed services for workstation administration and Tier II help desk. This examination did not extend to the controls of Synoptek or any other application vendor.

Overview of Operations

Company Profile

Easy Office, Inc. dba: Jitasa (Jitasa) was founded in 2007 as a business process outsourcing firm focused on bookkeeping and accounting for nonprofit organizations. Jitasa provides finance, accounting and bookkeeping services for our clients as part of their internal control over financial reporting. Over the past thirteen years, Jitasa currently serves over 800 nonprofits throughout the United States.

We help nonprofits:

- Focus more time on programs and less time on day-to-day financial management
- Make better financial decisions with more accurate and timely financial data
- Provide expertise in nonprofit specific accounting rules, such as restricted funds and grant tracking
- Provide improved controls for our clients through our team based structure

Business Solutions and Services

Specific solutions offered by Jitasa include the following:

Solution	Description
Bookkeeping & Accounting Services	Jitasa's Bookkeeping & Accounting Services are provided via a team based model and include Access to Online Accounting Software, COA Setup, Grant Tracking, Bank Reconciliations, Monthly Close, Financial Report Packages, and Monthly Recaps & Phone Meetings as Needed.
Payroll Services	We will work with third-party payroll providers such as Gusto, ADP, IOI, or Paychex to handle your payroll taxes and direct deposits.
990 Filings	Jitasa offers 990 Filing Services for our clients.
Audit Prep	Jitasa can provide direct client support during an audit and provide the auditor with any financial documentation that they require.

Solution	Description
Financial Analysis	Jitasa provides services such as budgeting, cash flow analysis, financial dashboards creation & maintenance, and board document creation.

Vendor Relationships

Company Name	Product Name	Service(s) Provided
Citrix Systems, Inc.	ShareFile	Provides secure document storage and management system and a secure e-signature platform.
Bill.com, LLC	Bill.com	Provides a platform for supporting accounts payable services
Intuit, Inc.	Quickbooks	Provides a platform for hosting Quickbooks Online for Jitasa clients
LogMeIn, Inc.	LastPass	Provides secure password storage via the LastPass application
Synoptek, Inc	None	Provides IT management and hosting the Jitasa Active Directory server

Relevant Aspects of the Control Environment, Risk Assessment Process, and Controls Monitoring

Organization Structure

The organization structure of Jitasa provides the overall framework for planning, directing, and controlling operations for its services and uses an approach whereby personnel are segregated based on job responsibilities. The Jitasa hierarchy and reporting structure has been established to support its strategic objectives and to promote its operational independence from other functions.

Jitasa has a staff of approximately 265 full-time employees and occasionally utilizes contract resources. Key management roles responsible for service delivery include:

Position Title	Responsibility	Reporting Relationship(s)
Chief Executive Officer (CEO)	Leads the development of Jitasa's strategy and ensures that Jitasa has effective internal controls and appropriate systems in place.	Reports To Board of Directors
General Manager of Bookkeeping and Accounting	Manages the operations and ensures compliance with the control environment. Monitors and reviews operational systems on a regular basis.	Reports To CEO
Managing Director of Global Client Delivery	Manages the Jitasa Thailand office and ensures compliance with the control environment. Monitors and reviews operational systems on a regular basis.	Reports To CEO

Position Title	Responsibility	Reporting Relationship(s)
Managing Director, Sarajevo	Manages the Jitasa Sarajevo office and ensures compliance with the control environment. Monitors and reviews operational systems on a regular basis.	Reports to Managing Director of Global Delivery
Manager of Client Services, Boy Scouts of America	Manages the operations of the Boy Scouts of America segments and ensures compliance with the control environment. Monitors and reviews operational systems on a regular basis.	Reports To General Manager of Bookkeeping and Accounting
Chief Financial Officer (CFO)	Manages the onboarding and setup of clients and ensures signed contract and EFT authorization are received before starting services. Responsible for Jitasa's formal hiring practices and ensures that new employees are qualified for their job responsibilities. Leads the onboarding of new hires, and also the off boarding of employee terminations.	Reports to CEO

Management Control

Jitasa's control environment reflects the overall attitude, awareness, and actions of management concerning the importance of controls and the emphasis given to controls in its policies, procedures, and organizational structure. Jitasa's control environment includes, among other things, policy and procedural guidelines which are reviewed and updated on an ongoing basis and provide guidance by which administrative and reporting activities are conducted. In addition, formal information and reporting systems exist which permit monitoring by management of key control and performance measurements.

The CEO and senior management take an active role in the management of Jitasa. Unusual items occurring in daily operation of Jitasa are immediately brought to the attention of management. Management resolves any concerns expediently. Management reviews operational information on a regularly scheduled basis.

Personnel Administration

Control Objective: *Controls provide reasonable assurance that personnel employed by the organization are qualified to perform responsibilities outlined in position descriptions. Employee hiring is based on a structured process that includes background investigations and role-based training. In addition, separation procedures have been established to support both voluntary resignations and involuntary terminations.*

Position Descriptions

Position descriptions for each role within the organization have been documented and identify specific responsibilities, required skills and experience, education and certification requirements.

Background Investigation(s)

A criminal background check is performed on all candidates as a condition of employment.

New Employee Hiring Process

Jitasa has formal hiring practices that are designed to ensure that new employees are qualified for their job responsibilities. In addition, prospective employees that are extended offers of employment with Jitasa sign a confidential information, invention assignment, noncompetition and nonsolicitation agreement, prior to employment.

Employee Handbook / Written Acknowledgement

A newly hired employee is required to sign the employee handbook that includes guidelines outlining an ethics code and the nondisclosure of client sensitive information.

Onboarding Checklist

The company has an Onboarding Checklist that hiring managers complete at the beginning of employment.

Logical / Physical Access Request

Logical Access

The Team Leads are responsible for submitting a request to the Infrastructure Team (Internal Jitasa Team) as authorization to establish the appropriate user accounts access for each employee. For specific client data access, each new hire is added to a specific team, that team has set authorizations to client information through shared files.

Physical Access

Key cards provide access to the main entrance as well as to the company's suite within the building, and are issued to all employees upon hiring. Access to the controlled area of the IT facilities at Jitasa's corporate office location is limited only to upper management employees.

Employee Training

New Hire(s)

Training of personnel is accomplished through a new hire training program that includes supervised on-the-job training. Depending on the employee's job function, outside training programs may be utilized.

Information Security

Information Security training is provided to employees upon hiring and annually thereafter. Such topics include how to keep Jitasa and client private and confidential materials safe and secure. A newly hired employee is required to sign IT Policies that include guidelines outlining appropriate uses related to use of computers, internet, email, and guidelines around internet usage and remote access security.

Employee Performance Reviews

Employee review and disciplinary procedures are in place to allow for the continued growth of our staff.

Employee Separation

When an employee terminates, procedures are in place to disable their user ID and acquire key cards and any other physical access devices they have been issued.

Vendor Management

Control Objective: *Controls provide reasonable assurance that relationships with vendors who receive, process, store, or have access to customer information are supported by contractual agreements and maintain internal controls appropriate for the environment.*

Overview

Jitasa has contracted with various service providers and application vendors in support of service delivery.

Contractual Agreement(s)

Services obtained from external business partners required for service delivery to customers are supported by written agreements that outline specific responsibilities of each unit including nondisclosure of confidential information when applicable.

Vendor Control Environment

Operations personnel within Jitasa obtain SOC Reports from service providers as part of the initial screening process in contracting with them to obtain an understanding of controls implemented by the service provider.

Policy Statements, Standards, Guidelines & Operational Procedures

Jitasa has developed policy statements and related processes to ensure systems are secure and available when needed and have integrity for reliance by customers and their auditors. Organizational values and behavioral standards are communicated to all personnel through various agreements and policy statements. Specific policy statements are identified below:

- Employee Handbook
- Security Policy

Detailed information can be found in the following policy statements:

- FAC.POL.001 – Physical Access & Security Awareness
- IT.POL.002 – Internet Security and Remote Access
- IT.POL.001 – Acceptable Use: Computer, Internet & Email

Risk Assessment Process

Jitasa has established a risk assessment process to identify and manage risks that could affect the organization's ability to provide reliable reporting and accounting services to their client's organizations. This process requires management of each functional area to identify significant risks within their area of responsibility. Once identified, appropriate measures are taken to mitigate known risks. This process has identified risks within each functional area and has allowed Jitasa to continuously improve the reliability of its systems and services.

Control Objectives and Related Control Activities

Management is required to implement control activities that help assure the achievement of business objectives associated with the: (1) reliability of financial reporting, (2) effectiveness and efficiency of operations, and (3) compliance with applicable laws and regulations as they relate to internal control over financial reporting. These control activities are designed to address the specific risks associated with the operations.

Information and Communication

Computerized Information Management Systems

Bill.com

Jitasa uses Bill.com for accounts payable processing. Clients are responsible for uploading invoice information to Jitasa. Jitasa staff input invoice information into Bill.com. Upon completion the information is reviewed and approved by the client. Payment of invoices can occur electronically or via check. Two factor authentication is enforced for access to the Bill.com system.

QuickBooks Online

A majority of Jitasa's clients subscribe to Intuit's hosted QuickBooks online application. Jitasa employees access the QuickBooks online application with a unique user name and password to perform accounts payable and monthly financial statement transactions on behalf of the client. Two factor authentication is enforced for access to the system.

Other Accounting Systems

On an exception basis, Jitasa will provide accounting services to clients that host and manager their accounting or ERP systems within their environment. In these situations, the clients are responsible for administering user accounts based on notification from Jitasa.

LastPass

LastPass is used to store client account information and passwords that are required to access a client system. Access to LastPass by Jitasa employees is restricted by client assignment. LastPass requires two-factor authentication that is administered by Jitasa IT staff.

ShareFile

ShareFile is used to store client documents and financial statements. Access to ShareFile by Jitasa employees is restricted by teams within Jitasa. In addition, each client has access to a folder that is specific to that company. Jitasa IT staff are responsible for administration of ShareFile user accounts and two factor authentication is enforced for access to the system.

Communication

Overview

Management has established an organizational structure and has set a tone to facilitate the communication of important business information. It has implemented various methods of communication to ensure that all employees understand their roles and responsibilities and to ensure that significant events are communicated in a timely manner.

Jitasa has implemented various methods of communication to ensure that all employees understand their individual roles and responsibilities with respect to the organization's control objectives. Orientation and training programs for newly hired employees cover important control topics and responsibilities. All employees receive an employee handbook and sessions are scheduled to review material changes. Employees are required to provide written confirmation of their understanding of and adherence to each of these documents.

An annual security awareness training program covers IT/operational issues and simulated phishing emails are sent to all staff to assess employee risk. Managers meet, as needed, to discuss various initiatives or changes in service controls, information technology, and operational processes.

Internal Communications

From a communication perspective, the Executive Management Team meets periodically as needed to discuss matters pertinent to Jitasa including a review of financial information and operating objectives. The Executive Management Team then meets as needed with the respective managers who are responsible for conducting employee meetings to review operational goals. It is the philosophy of Jitasa to have an open line of communication between the Executive Management team and all levels of staff. On an as-needed basis, information from these meetings is disseminated to appropriate staff members for follow-up and action. Managers are then responsible to communicate with their direct reports this information.

Description of Business Process (Transaction Processing) Controls

Management is responsible for assigning authority and responsibility to Jitasa employees for each client relationship. This includes establishing authorization levels necessary to execute specific business transactions and achieve overall processing objectives. Processing of transactions by Jitasa staff are conducted in accordance with established procedures and checklists.

Customer Relationships

Control Objective: *Controls provide reasonable assurance that services provided to new customers or changes to existing customers are established in the system in accordance with applicable contracts and requirements*

Client Contract(s)

A signed contract is obtained prior to performing any bookkeeping or accounting functions.

Client Setup

The billing details of the contract are inputted into the accounting/billing system by the Operations Associate and verified by the CFO.

Team leaders review all new client set-ups and enter client information in Bill.com including the client's banking information. In addition, the accounts payable workflow is established within Bill.com that identifies the invoice processing steps and designated client approver(s). Jitasa team members are also assigned to the client during the setup process.

Client Changes

Changes to client contracts are captured via contract addendums. Once contract addendums are signed, information is updated by the finance team in all relevant systems (Billing, Project Management, etc.).

Accounts Payable

Control Objective: *Controls provide reasonable assurance that the receipt, processing, and payment of client's accounts payable items are accurate and complete.*

Jitasa Employee Access

Employee access to Bill.com is restricted to employees that have a business need to view or enter information in the hosted application. Permissions within the application are restricted by assigning either a "payer" or "entry" role to users. Only designated Jitasa users are authorized to setup employee and/or client user accounts.

Invoice Review & Data Entry

Client submits invoices for payment to Jitasa through the Bill.com platform. The initial data entry clerk checks Bill.com on a scheduled basis to ensure bills are entered in a timely manner. Invoice details are entered into Bill.com by a Jitasa employee including the coding for each invoice item. Upon completion of the data entry process, the client is automatically notified via Bill.com that the invoice is ready for approval to pay.

Invoice Approval

Prior to invoices being paid, approval is obtained from the appropriate client contact via Bill.com. Invoices cannot be paid by Jitasa until client approval is indicated within Bill.com

Invoice Payment(s)

Payment of accounts payable invoices is initiated after approval is indicated within Bill.com by the client. Method of payment is based on vendor preference that is maintained within Bill.com.

Accounting System(s) Interface

QuickBooks

Entries into Bill.com automatically interface with each client's specific account within QuickBooks. A clearing account is established within QuickBooks for each client that should reconcile to zero each day.

Client-Hosted Accounting System(s)

For clients that use their own accounting system, Jitasa creates a file that is uploaded to the client's account system on a weekly basis. Jitasa is responsible for reconciling accounts payable activity between the client's accounting system and Bill.com.

Month-End Close

Control Objective: *Controls provide reasonable assurance that the month-end reconciliations are performed, reviewed, and the month-end reporting package is accurate and complete.*

Overview

Jitasa provides month-end closing services for customers that choose to outsource account reconciliations and preparation of monthly financial statements.

Month End Reconciliations

At the beginning of each month, each client's bank statements are downloaded from the client's bank or requested from the appropriate client. Accounting staff will then pre-reconcile the account to look for any missing transactions, for which they will follow up with the client on any additional information needed. Once all of the activity is accounted for, the bank statement will be passed to senior accounting staff for review and final reconciliation. These final reconciliations can only be performed by an employee who does not enter daily transactions into the client's account. Reconciliations are done for each bank account, credit card accounts, and merchant accounts (such as PayPal).

Month End Report Package

Before monthly financials are generated, accounting staff will check for any unidentified or uncategorized income and expenses. Any items found in these categories will be researched and discussed with the client via email or phone. Current month financials will then be compared to prior month to identify any large variance items that need to be investigated. After the initial review is complete and financials are created by accounting staff, a supervisory review is performed by the appropriate team lead, and the final report package is issued to the client. The month end close packages are sent to the client electronically and saved on a secure server.

General Computer Controls

Overview

Jitasa contracts with Synoptek to host the Active Directory server and manage firewalls to protect Jitasa's internal data network. Synoptek is responsible for administration of servers and workstations within Jitasa including operating system updates and patches.

Logical Access

Control Objective: *Controls provide reasonable assurance that logical access to Jitasa workstations and client accounting systems require Jitasa employees to enter valid credentials including a unique user name and password.*

Jitasa Domain Authentication

Domain User Name & Password

A unique username and password is required upon login to authenticate to the Active Directory domain.

Password controls are technically enforced for length, complexity and change frequency within Active Directory.

Account Locking

User accounts are locked after a specified number of unsuccessful attempts and remain locked for a predetermined time or until reset by Jitasa IT staff.

Password Reset

Password resets are performed by Jitasa IT staff and require the user to change the password during the next login.

Jitasa Employee User Account Administration

New User Account(s)

System access for new users is approved by the CFO and follows a predefined set of roles based on job title. Jitasa is responsible for establishing user accounts for new employees within Active Directory and applications relevant to the employee's assigned job responsibilities. User accounts are established with an initial password that is changed by the employee upon first login.

Disable/Delete User Account(s)

Managers will notify HR of employee separations. HR is responsible for notifying the IT staff within Jitasa with instructions to disable or delete a user account based on the last date of employment. For voluntary separations, access is terminated on the last day of employment. For involuntary separations, access is requested to be removed immediately.

Privileged User Accounts

Domain

Users that have been assigned domain administrator responsibilities are members of a designated Active Directory group.

Application System(s)

Users within application systems with administrative privileges varies by application, but is restricted to users approved by management.

Application Authentication

Hosted Application(s)

Jitasa employees are required to enter a valid user name and password to access each client's instance of Bill.com and/or QuickBooks.

As applicable to the application, password requirements are technically enforced for length, upper/lower case alpha character, numeric and special characters. Jitasa employee user accounts are established and managed by IT staff within Jitasa.

Client-Managed Application(s)

Clients are responsible for user account administration of applications that are hosted and managed within their environment including: add, change and delete of user accounts based on notification from Jitasa.

Jitasa is responsible for providing notification of user account additions, changes and deletions to clients for appropriate administration. In addition, clients are responsible for validating all user accounts on their system(s)

Transaction Activity

Jitasa employees are responsible for selecting the correct company prior to entering transactions within Bill.com, Quickbooks or client-hosted applications. Transaction activity performed by Jitasa employees within Bill.com and Quickbooks is logged and available to users for review and monitoring.

Physical Environment

Physical Environment Security

Control Objective: *Controls provide reasonable assurance that physical access to facilities and areas where technology assets are located are appropriately restricted and monitored for unauthorized access or activity.*

Physical Security – Jitasa Facility

Corporate Office Access

Jitasa corporate offices reside in leased space within a facility located in Boise, Idaho. Public Access to the Jitasa corporate office during normal business hours is not restricted. Employee entrances are secured via an electronic access point and require a valid keycard to access the suite.

Restricted Area Access

Access to restricted areas within Jitasa's leased office space, including the telecommunications equipment room, is controlled by a key lock and is limited to executive management and the Infrastructure Group. The physical keys for the telecommunications equipment room are managed by Jitasa.

Nonemployee Access

All visitors enter a lobby area and are required to be escorted while on the Jitasa office premises.

Physical Access Administration

Overview

Jitasa is responsible for the administration of physical access controls for the suite. An inventory of key cards and card assignments is maintained by Jitasa.

Keycard Issuance

Keycards are created and assigned a unique ID for each new hire, and then issued to the employee during the onboarding process.

Keycard Retrieval

When an employee terminates, procedures are in place to retrieve the keycards and any other physical access devices they have been issued. The Infrastructure Team within Jitasa is responsible for disabling the keycard as part of the employee separation process.

Complementary Subservice Organization(s) Controls

Jitasa has established relationships with the following business partners (vendors) in support of service(s) delivery that have been designated as a subservice organization. The following identifies the vendor, the product and/or service and describes controls that are the responsibility of subservice organization.

Vendor Name	Product	Control(s) Responsibility
Control Objective 4 and 5		
Bill.com, LLC	Bill.com	Vendor is responsible for application updates and enforcing access controls to their hosted application(s).
Intuit, Inc	Quickbooks	
Control Objective 5		
Citrix Systems, Inc.	ShareFile	Vendor is responsible for securing documents within ShareFile and technically enforcing access controls.

As previously stated, processes and controls that are the responsibility of the subservice organizations are excluded from this engagement.

Complementary User Entity Control

The controls described within this section are the responsibility of client user organizations and should be in operation to complement the controls of Jitasa. Each client user organization must evaluate its own control environment to determine if the following controls are in place and operating effectively. Accordingly, this list does not purport to be and is not a complete listing of the controls that provide a basis for the assertions underlying the financial statements of clients.

With these limitations in mind, Jitasa's applications and processes were designed under the assumption that certain controls would be implemented by the user organizations for which it provides managed finance and accounting services. In certain situations, the application of specific controls at these user organizations is necessary to achieve certain control objectives included in this report.

User auditors should consider whether the following controls have been placed in operation by the user organizations:

Control Objective	Control Description
Control Objective 3 Customer Relationships	User organization has internal controls to provide reasonable assurance that documents and the related instructions received by Jitasa are appropriately authorized, complete, and accurate.
Control Objective 4 Accounts Payable	User organization employees are knowledgeable about GAAP for not-for-profit accounting.
Control Objective 5 Month-End Close	
Control Objective 6 Logical Access	User organization maintains controls to manage the user IDs and passwords used to access QuickBooks Online or other accounting software.
	User organization notifies Jitasa when an employee needs to be added or removed as authorized users within Quickbooks.
	User organization notifies Jitasa when any password to a system has been compromised.

The list of user control considerations presented above does not represent a comprehensive set of all the controls that could be employed by user organizations. Other controls may be required at user organizations.

IV. Controls Specified by Jitasa

Control Objective 01. Personnel Administration	
Controls provide reasonable assurance that personnel employed by the organization are qualified to perform responsibilities outlined in position descriptions. Employee hiring is based on a structured process that includes background investigations and role-based training. In addition, separation procedures have been established to support both voluntary resignations and involuntary terminations.	
Control Activity Specified by Easy Office, Inc. dba: Jitasa	
Job Descriptions	
01.01	Position descriptions for each role within the organization have been documented and identify specific responsibilities, required skills, experience, education and certification requirements.
Background Investigations	
01.02	A criminal background check is performed on all candidates as a condition of employment.
New Employee Hiring Process	
01.03	Prospective employees that are extended offers of employment with Jitasa sign a confidential information, invention assignment, noncompetition and nonsolicitation agreement, prior to employment.
01.04	A newly hired employee is required to sign the employee handbook that includes guidelines outlining an ethics code and the nondisclosure of client sensitive information.
01.05	The company has an Onboarding Checklist that hiring managers complete at the beginning of employment. For specific client data access, each new hire is added to a specific team, that team has set authorizations to client information through shared files.
Employee Training	
01.06	Training of personnel is accomplished through a new hire training program that includes supervised on-the-job training.
01.07	A newly hired employee is required to sign IT Policies that include guidelines outlining appropriate uses related to use of computers, internet, email, and guidelines around internet safety and remote access security.
Employee Separation	
01.08	When an employee terminates, procedures are in place to disable their user ID and retrieve keys, key cards and any other physical access devices they have been issued.

Control Objective 02. Vendor Management

Controls provide reasonable assurance that relationships with vendors who receive, process, store, or have access to customer information are supported by contractual agreements and maintain internal controls appropriate for the environment.

**Controls Specified by
Easy Office, Inc. dba: Jitasa**

Contractual Agreement(s)

02.01 Services obtained from external business partners required for service delivery to customers are supported by written agreements that outline specific responsibilities of each unit including nondisclosure of confidential information when applicable.

Vendor SOC Report(s)

02.02 Operations personnel within Jitasa obtain and review SOC Reports from service providers as part of the initial screening process in contracting with them to obtain an understanding of controls implemented by the service provider.

Control Objective 03. Customer Relationships

Controls provide reasonable assurance that services provided to new customers or changes to existing customers are established in the system in accordance with applicable contracts and requirements.

**Controls Specified by
Easy Office, Inc. dba: Jitasa**

Client Onboarding

03.01 A signed contract is obtained prior to performing any bookkeeping or accounting functions.

Client Billing

03.02 The billing details of the contract are inputted into the billing system by the Operations Associate and verified by the CFO.

Client Changes

03.03 Changes to client contracts are captured via signed contract addendums. Information is then updated by the finance team in all relevant systems.

Control Objective 04. Accounts Payable

Controls provide reasonable assurance that the receipt, processing, and payment of client's accounts payable items are accurate and complete.

**Controls Specified by
Easy Office, Inc. dba: Jitasa**

User Access and Approvals

04.01 Employee access to bill.com is restricted to employees that have a business need to view or enter information in the hosted application.

Permissions within the application are restricted by assigning either a "payer" or "entry" role to users.

Invoice Review and Data Entry

04.02 Client submits bills to Bill.com and the data entry person checks the inbox on a scheduled basis. The employee will enter the bill and all invoice details and submit to the customer for approval.

Invoice Payment

04.03 Payment of accounts payable invoices is initiated after approval is indicated by the client within Bill.com.

Method of payment is based on vendor preference that is maintained within Bill.com.

Control Objective 05. Month-End Close

Controls provide reasonable assurance that the month-end reconciliations are performed, reviewed, and the month-end reporting package is accurate and complete.

**Controls Specified by
Easy Office, Inc. dba: Jitasa**

Month End Reconciliations

05.01 Upon completion of the pre-reconciliation process by the Accounting Associate, the client's bank statement is reviewed by the Senior Accountant for final reconciliation on a monthly basis.

Month End Report Package

05.02 Before monthly financials are generated, an Accounting Associate will check for any unidentified or uncategorized income and expenses. Any items found in these categories will be researched and discussed with the client via email or phone.

05.03 After the initial review of the monthly activity is complete and financials are created by the Accounting Associate, a supervisory review is performed by the appropriate team lead, and the final report package is issued to the client.

05.04 The month end close packages are sent to the client electronically and saved on a secure server, and the books are closed, and password protected annually for security purposes.

Control Objective 06. Logical Access

Controls provide reasonable assurance that logical access to Jitasa workstations and client accounting systems require Jitasa employees to enter valid credentials including a unique user name and password.

**Controls Specified by
Easy Office, Inc. dba: Jitasa**

Jitasa Domain Authentication

06.01 Username

A unique username and password is required upon login to authenticate to the Active Directory domain.

06.02 Password Requirements

Password controls are technically enforced for length, complexity and change frequency.

06.03 Account Locking

User accounts are locked after a specified number of unsuccessful attempts and remain locked for a predetermined time or reset by IT staff within Jitasa.

Jitasa User Account Administration

06.04 New User Account(s)

System access for new users is approved by the CFO prior to IT establishing user accounts.

06.05 Disable/Delete User Account(s)

HR is responsible for notifying the IT staff within Jitasa with instructions to disable or delete a user account based on the last date of employment.

Privileged User Accounts

06.06 Domain

Users that have been assigned domain administrator responsibilities are members of a designated Active Directory group.

06.07 Application Systems

Users within application systems with administrative privileges varies by application but is restricted to users approved by management.

Control Objective 07. Physical Environment

Controls provide reasonable assurance that physical access to facilities and areas where technology assets are located are appropriately restricted and monitored for unauthorized access or activity.

**Controls Specified by
Easy Office, Inc. dba: Jitasa**

Corporate Office Access

07.01 Employee entrances are secured via an electronic access point and require a valid keycard to access the suite.

Restricted Area Access

07.02 Access to restricted areas within the leased office space, including the telecommunications equipment room, is controlled by a key lock.

Control Objective 07. Physical Environment

Controls provide reasonable assurance that physical access to facilities and areas where technology assets are located are appropriately restricted and monitored for unauthorized access or activity.

**Controls Specified by
Easy Office, Inc. dba: Jitasa**

Physical Access Administration

07.03 Jitasa is responsible for the administration of physical access controls for the suite. An inventory of key cards and card assignments is maintained by Jitasa.

07.04 Keycards are created and assigned a unique ID for each new hire, and then issued to the employee during the onboarding process.

07.05 The Infrastructure Team within Jitasa is responsible for disabling the keycard as part of the employee separation process.

V. Other Information Provided by Jitasa

Other Service Provided by Synoptek	
Hosted Application Server	Synoptek hosts Microsoft Dynamic NAV for Jitasa. The application itself is managed internally by Jitasa. Synoptek manages the server infrastructure only.
Hosted SQL Server	Synoptek hosts the SQL server used to house all Dynamic NAV data. The databases are not actively managed by Synoptek. The databases are backed up and available for restore in the event of a corrupt data file.
Hosted Web Server	Synoptek hosts two web servers that run the Dynamic NAV portal, and JoinMyUnion.Org.
Server Management	All servers listed above are under Proactive Maintenance and Management contract. This includes monthly patching of servers, critical monitor sets to alert support of any issues like CPU spikes, stopped services, hardware issues, etc. All servers are under a daily, weekly, monthly, and yearly backup routine. We back up data to disk daily, to tape weekly, and monthly backups are taken offsite and kept for 12 months.
Email Continuity and Protection	Jitasa subscribes to Proofpoint. This solution provides anti-spam and email continuity to all email accounts. Synoptek supports and maintains this solution for Jitasa.
Network Monitoring	Synoptek's data center network has intrusion detection services. Jitasa's network is behind Synoptek's firewalls that provide this high level of network protection. Our data centers also offer dual firewalls for redundancy.
IT Advisor	Synoptek is Jitasa's IT advisor. As Jitasa's business changes, Synoptek helps provide recommendations for growth and security.
Data Backup and Storage	Physical encrypted disk backups are performed daily by Synoptek, while tape backups are performed weekly and monthly. Monthly tape backups are stored in an offsite facility and remain available for 12 months.
Service Provided by Citrix ShareFile Not Linked to a Specific Control Objective	
File Sharing	Secure data synchronization and sharing service.

OFFICE OF JOHN S. TOUNGER, CPA

TAX, ACCOUNTANCY AND BUSINESS CONSULTING SERVICES

June 30, 2022

Emeryville Transportation Management Association
1211 Newell Ave #200
Walnut Creek, CA 94596

Dear Roni,

Please consider this my proposal for my continued engagement providing accounting and tax services, as detailed in your June 6, 2022 Request for Proposals for Bookkeeping and Accounting Service.

My qualifications, approach, work sample.

I have provided the accounting and tax services to the TMA since 1997. Over these last 25 years I worked successfully with the three different directors. My services will continue with the same level of profession and scope as I have been providing.

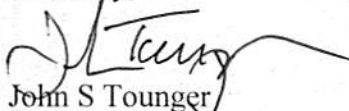
My current contract with the TMA ends September 30, 2022. The current term includes, \$2,035 flat monthly rate, \$275 per hour for excess time, and \$4,400 annual fee for the tax return preparation.

My proposal for work starting October 1st would be \$2,500 flat monthly rate, \$275 per hour, and \$4,750 for the tax return preparation, with an annual fee increase starting January 1, 2024. The increase will be negotiated with the TMA Director and will not exceed 10% unless the scope of the engagement differs.

I have enjoyed the past 25 year relationship and hope it continues.

Any questions, please contact me.

Sincerely,



John S Tounger
Certified Public Accountant
California certificate # 48127

585 Mandana Blvd. Suite 10
Oakland, California 94610
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jessica@tounger.com

Emeryville Transportation Mgt. Assoc.
Cash flow by month
January through December 2021

	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	TOTAL
Income													
City General Benefit Contributi	0.00	0.00	0.00	278,184.00	0.00	0.00	0.00	278,184.00	0.00	0.00	0.00	0.00	556,368.00
Interest Income	196.41	154.80	141.78	128.29	158.58	153.47	142.15	204.48	0.00	319.31	127.73	120.10	1,847.10
Paratransit 8 to go	16,520.41	0.00	15,593.96	0.00	0.00	0.00	23,089.85	0.00	25,015.01	8,996.80	9,160.42	8,706.61	107,083.06
ETMA Direct Billed Revenue	0.00	0.00	0.00	0.00	0.00	109,763.50	0.00	0.00	0.00	0.00	0.00	0.00	109,763.50
West Berkeley Shuttle	0.00	0.00	48,126.75	0.00	43,395.25	37,692.90	0.00	0.00	59,836.80	18,846.45	0.00	17,949.00	225,847.15
PBID Proceeds	0.00	0.00	0.00	2,041,506.00	0.00	0.00	0.00	2,041,506.00	0.00	0.00	0.00	0.00	4,083,012.00
Total Income	16,716.82	154.80	63,862.49	2,319,818.29	43,553.83	147,609.87	23,232.00	2,319,894.48	84,851.81	28,162.56	9,288.15	26,775.71	5,083,920.81
	16,716.82	154.80	63,862.49	2,319,818.29	43,553.83	147,609.87	23,232.00	2,319,894.48	84,851.81	28,162.56	9,288.15	26,775.71	5,083,920.81
Expense													
Shuttle Operations													
Paratransit 8 to go	5,156.51	349.28	1,446.97	21,465.04	8,046.36	601.98	15,036.15	2,612.45	17,968.68	9,473.52	16,612.54	7,414.30	106,183.78
West Berkeley Shuttle Service	1,007.49	17,296.04	0.00	55,765.21	18,735.49	616.00	27,768.06	95.00	17,312.06	18,312.38	34,618.66	325.00	191,851.39
Miscellaneous operating costs													
Bus Stop Signs	0.00	0.00	0.00	564.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	564.33
Total Miscellaneous operating costs	0.00	0.00	0.00	564.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	564.33
Communications													
Other communications	0.00	0.00	0.00	0.00	0.00	0.00	1,118.40	1,118.40	0.00	2,236.80	1,118.40	1,118.40	6,710.40
Real time tracking	5,615.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00	36,715.00	0.00	600.00	0.00	43,530.00
Driver communication-cell phone	878.38	883.15	883.61	922.59	828.88	866.60	791.33	588.65	0.00	2,365.54	0.00	180.23	9,188.96
Total Communications	6,493.38	1,483.15	883.61	922.59	828.88	866.60	1,909.73	1,707.05	36,715.00	4,602.34	1,718.40	1,298.63	59,429.36
Fuel													
AC Transit Contract	0.00	11,030.34	11,137.14	26,661.78	0.00	34,081.73	13,557.64	16,205.90	33,419.30	0.00	35,613.76	17,498.32	199,205.91
Total Fuel	0.00	11,030.34	11,137.14	26,661.78	0.00	34,081.73	13,557.64	16,205.90	33,419.30	0.00	35,613.76	17,498.32	199,205.91
Operations contracts													
MV Transportation	128,619.45	135,665.04	787.80	523,277.56	179,015.79	0.00	336,156.35	12,735.04	172,158.27	165,581.63	335,925.38	598.57	1,990,520.88
Total Operations contracts	128,619.45	135,665.04	787.80	523,277.56	179,015.79	0.00	336,156.35	12,735.04	172,158.27	165,581.63	335,925.38	598.57	1,990,520.88
Bus leases/purchase costs													
751,752,753	8,900.31	0.00	8,900.31	17,800.62	8,900.31	8,900.31	8,900.31	8,900.31	8,900.31	8,900.31	8,900.31	8,900.31	106,803.72
2018 Intl 8698,8699,8700,8701	11,346.14	11,346.14	11,346.14	11,346.14	11,346.14	11,346.14	11,346.14	11,346.14	11,346.14	11,346.14	11,346.14	11,346.14	136,153.68
Starcraft 696,697,698	7,763.00	7,763.00	7,763.00	15,526.00	0.00	15,526.00	7,763.00	7,763.00	7,763.00	0.00	15,526.00	7,763.00	100,919.00
Ford/Starcraft 649,650,651	7,980.50	7,980.50	7,980.50	7,980.50	7,980.50	7,980.50	0.00	0.00	0.00	0.00	0.00	0.00	47,883.00
Total Bus leases/purchase costs	35,989.95	27,089.64	35,989.95	52,653.26	28,226.95	43,752.95	28,009.45	28,009.45	28,009.45	20,246.45	35,772.45	28,009.45	391,759.40
Total Shuttle Operations	177,266.78	192,913.49	50,245.47	681,309.77	234,853.47	79,919.26	422,437.38	61,364.89	305,582.76	218,216.32	460,261.19	55,144.27	2,939,515.05
Bus maintenance													
Bus cleaning	0.00	2,600.00	0.00	5,385.88	2,785.80	0.00	2,785.80	0.00	2,878.66	2,785.80	0.00	0.00	19,221.94
Bus Repair & Maintenance	40,069.70	58,410.62	17,066.04	20,706.78	13,999.66	0.00	25,638.01	11,302.96	500.00	0.00	25,714.71	11,020.41	224,428.89
Total Bus maintenance	40,069.70	61,010.62	17,066.04	26,092.66	16,785.46	0.00	28,423.81	11,302.96	3,378.66	2,785.80	25,714.71	11,020.41	243,650.83
Indirect Expense													
Insurance													
Directors Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,910.00	0.00	0.00	0.00	0.00	2,910.00
Property Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,316.00	1,102.00	0.00	3,418.00
Liability Insurance	0.00	0.00	0.00	15,512.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15,512.28
Total Insurance	0.00	0.00	0.00	15,512.28	0.00	0.00	0.00	2,910.00	0.00	2,316.00	1,102.00	0.00	21,840.28
Professional Fees													
Accounting & Tax Preparation	1,787.50	1,787.50	1,787.50	1,787.50	1,787.50	6,787.50	1,787.50	8,975.00	6,787.50	1,787.50	1,787.50	1,787.50	38,637.50
Legal Fees	0.00	1,152.00	144.00	216.00	0.00	0.00	792.00	216.00	72.00	0.00	0.00	454.00	3,046.00
Management contract	34,362.00	35,216.00	36,572.15	35,930.38	0.00	42,674.13	40,599.25	74,997.25	0.00	77,855.83	0.00	71,006.90	449,213.89
Total Professional Fees	36,149.50	38,155.50	38,503.65	37,933.88	1,787.50	49,461.63	43,178.75	84,188.25	6,859.50	79,643.33	1,787.50	73,248.40	490,897.39
Occupancy													
Security	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13,838.00	7,471.00	26,040.00	15,655.00	26,784.00	89,788.00

Emeryville Transportation Mgt. Assoc.
Cash flow by month
January through December 2021

	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	TOTAL
Yard and shop expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	550.00	550.00
Telephone & DSL	306.10	0.00	641.18	320.96	0.00	637.51	343.04	1,319.05	1,124.96	601.81	601.81	102.81	5,999.23
Utilities	132.39	132.39	394.43	259.17	132.39	1,027.72	0.00	713.11	890.23	919.44	1,118.04	3,249.23	8,968.54
Bus Yard Site Development & Rel	31,447.45	663,554.17	273,128.20	355,391.09	306,914.36	28,775.00	371,473.97	116,276.28	296,462.41	4,200.00	2,800.00	36,865.47	2,487,288.40
Janitorial Expense	475.00	475.00	475.00	475.00	475.00	475.00	475.00	140.00	1,190.00	675.00	675.00	1,038.44	7,043.44
Rent Expense	10,124.67	10,124.67	10,124.67	10,124.67	10,124.67	10,124.67	300.53	2,013.18	652.97	14,325.00	14,325.00	14,325.00	106,689.70
Total Occupancy	42,485.61	674,286.23	284,763.48	366,570.89	317,646.42	41,039.90	372,592.54	134,299.62	307,791.57	46,761.25	35,174.85	82,914.95	2,706,327.31
Office expense													
Taxes, Fees and Licenses	0.00	0.00	28.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14.00	42.00
Postage and Delivery	7.75	7.95	15.90	0.00	0.00	0.00	0.00	0.00	7.95	17.40	0.00	0.00	56.95
Office supplies	0.00	43.78	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	43.81
Total Office expense	7.75	51.73	43.93	0.00	0.00	0.00	0.00	0.00	7.95	17.40	0.00	14.00	142.76
Public/membership outreach													
Web Design	0.00	0.00	0.00	0.00	3,520.00	0.00	720.00	0.00	0.00	0.00	840.00	0.00	5,080.00
Printing and publications	0.00	0.00	0.00	0.00	322.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	322.57
Total Public/membership outreach	0.00	0.00	0.00	0.00	3,842.57	0.00	720.00	0.00	0.00	0.00	840.00	0.00	5,402.57
Total Indirect Expense	78,642.86	712,493.46	323,311.06	420,017.05	323,276.49	90,501.53	416,491.29	221,397.87	314,659.02	128,737.98	38,904.35	156,177.35	3,224,610.31
Total Expense	295,979.34	966,417.57	390,622.57	1,127,419.48	574,915.42	170,420.79	867,352.48	294,065.72	623,620.44	349,740.10	524,880.25	222,342.03	6,407,776.19
	-279,262.52	-966,262.77	-326,760.08	1,192,398.81	-531,361.59	-22,810.92	-844,120.48	2,025,828.76	-538,768.63	-321,577.54	-515,592.10	-195,566.32	-1,323,855.38
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	-279,262.52	-966,262.77	-326,760.08	1,192,398.81	-531,361.59	-22,810.92	-844,120.48	2,025,828.76	-538,768.63	-321,577.54	-515,592.10	-195,566.32	-1,323,855.38

**EMERYVILLE TRANSPORTATION
MANAGEMENT ASSOCIATION
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2021

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INTRODUCTORY SECTION

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EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION
Financial Statements
For the Year Ended December 31, 2021

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
Emeryville Transportation Management Association
Walnut Creek, California

Opinion

We have audited the financial statements of the Emeryville Transportation Management Association (Association), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Emeryville Transportation Management Association as of December 31, 2021, 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Finance Statements section of our report. We are required to be independent of the Emeryville Transportation Management Association 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 the 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 from 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 the Association's ability to continue as a going concern for a reasonable period of time, generally 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 GAAS 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 are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, 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 the Association'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 the Association'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.

Report on Summarized Comparative Information

We have previously audited the Emeryville Transportation Management Association's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 17, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Pleasant Hill, California
May 19, 2022

EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2021
WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Current Assets:		
Cash and cash equivalents (Note 2B and 3)	\$3,644,920	\$4,973,615
Accounts receivable	93,994	94,905
Prepays	<u>14,325</u>	
Total Current Assets	<u>3,753,239</u>	<u>5,068,520</u>
Non Current Assets:		
Property and equipment, net (Note 4)	<u>459,634</u>	<u>840,600</u>
Total Non Current Assets	<u>459,634</u>	<u>840,600</u>
TOTAL ASSETS	<u><u>\$4,212,873</u></u>	<u><u>\$5,909,120</u></u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable and accrued expenses	\$681,116	\$812,102
Current portion of notes payable (Note 5)	<u>258,013</u>	<u>362,160</u>
Total Current Liabilities	<u>939,129</u>	<u>1,174,262</u>
Non Current Liabilities:		
Notes payable (Note 5)	<u>242,591</u>	<u>498,612</u>
Total Non Current Liabilities	<u>242,591</u>	<u>498,612</u>
TOTAL LIABILITIES	<u>1,181,720</u>	<u>1,672,874</u>
Net Assets (Note 2F)		
Without Donor Restrictions:		
Designated (Note 9)	1,441,810	3,318,744
Undesignated	<u>1,589,343</u>	<u>284,393</u>
Total Without Donor Restrictions	3,031,153	3,603,137
With Donor Restrictions (Note 8)	<u>633,109</u>	<u>633,109</u>
Total Net Assets	<u>3,031,153</u>	<u>4,236,246</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$4,212,873</u></u>	<u><u>\$5,909,120</u></u>

See accompanying notes to financial statements

EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH SUMMARIZED AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions	With Donor Restrictions	2021	2020
SUPPORT AND REVENUE				
Property Business Improvement District proceeds	\$4,083,012		\$4,083,012	\$4,039,223
Emeryville general benefit contribution	556,368		556,368	560,301
West Berkeley shuttle services	230,351		230,351	242,844
Paratransit 8 To Go	101,668		101,668	70,994
Direct billed revenue	109,763		109,763	106,392
Grant revenue				1,046,654
Other	1,989		1,989	2,292
	<u>5,083,151</u>		<u>5,083,151</u>	<u>6,068,700</u>
Total Support and Revenue				
Net assets released from restrictions:				
Satisfaction of usage requirements (Note 8)	633,109	(\$633,109)		
EXPENSES				
Program services	3,473,986		3,473,986	3,403,410
Management and general	2,814,258		2,814,258	929,453
	<u>6,288,244</u>		<u>6,288,244</u>	<u>4,332,863</u>
Total Expenses				
Changes in net assets	<u>(571,984)</u>	<u>(633,109)</u>	<u>(1,205,093)</u>	<u>1,735,837</u>
Net assets at beginning of year	<u>3,603,137</u>	<u>633,109</u>	<u>4,236,246</u>	<u>2,500,409</u>
Net assets at end of year	<u><u>\$3,031,153</u></u>	<u><u>633,109</u></u>	<u><u>\$3,031,153</u></u>	<u><u>\$4,236,246</u></u>

See accompanying notes to financial statements

EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH SUMMARIZED AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	Program	Management	Totals	
	Services	and General	2021	2020
FUNCTIONAL EXPENSES				
Contract services - Shuttle Buses	\$2,252,166		\$2,252,166	\$1,920,137
Bus repairs, maintenance and other	211,180		211,180	369,754
West Berkeley shuttle services	209,507		209,507	253,493
Paratransit 8 To Go	110,936		110,936	67,224
Management contract	309,231	\$133,526	442,757	404,352
Depreciation (Note 4)	380,966		380,966	518,403
Office expense		7,144	7,144	5,800
Marketing expenses		5,403	5,403	9,865
Insurance		21,840	21,840	20,961
Interest		31,592	31,592	44,619
Professional fees		40,672	40,672	46,931
Yard rent and property tax charges		106,690	106,690	121,273
Yard repairs and maintenance		550	550	1,995
Yard site development and relocation		2,335,187	2,335,187	541,803
Taxes, fees and licenses		42	42	587
Telephone and utilities		16,448	16,448	5,666
Security		115,164	115,164	-
Total Functional Expenses	<u>\$3,473,986</u>	<u>\$2,814,258</u>	<u>\$6,288,244</u>	<u>\$4,332,863</u>

See accompanying notes to financial statements

EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	<u>(\$1,205,093)</u>	<u>\$1,735,837</u>
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation	380,966	518,403
Decrease (increase) in current assets:		
Accounts receivable	911	(79,497)
Prepays	(14,325)	
Increase (decrease) in current liabilities:		
Accounts payable and accrued expenses	<u>(130,986)</u>	<u>(4,896)</u>
Total Adjustments	<u>236,566</u>	<u>434,010</u>
Net Cash (Used) Provided by Operating Activities	<u>(968,527)</u>	<u>2,169,847</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Notes payable and advance billing repayments	<u>(360,168)</u>	<u>(377,296)</u>
Net Cash (Used) by Financing Activities	<u>(360,168)</u>	<u>(377,296)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,328,695)	1,792,551
Cash and cash equivalents, beginning of year	<u>4,973,615</u>	<u>3,181,064</u>
Cash and cash equivalents, end of year	<u><u>\$3,644,920</u></u>	<u><u>\$4,973,615</u></u>
Supplemental information:		
Interest paid	<u><u>\$31,592</u></u>	<u><u>\$44,619</u></u>

See accompanying notes to financial statements

EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 1 – REPORTING ENTITY

Emery Go Round is a shuttle bus service of the Emeryville Transportation Management Association (the Association), a nonprofit organization, whose primary purpose is to increase access and mobility to, from, and within the City of Emeryville (the City), while alleviating congestion through operation of a shuttle program. The Association's Board of Directors, who also serve as the official representative of property owners for the City formed Emeryville Property Based Business Improvement District (PBID), determines tax assessment rates as well as the level of shuttle service on an annual basis.

The Association entered into a "Shuttle Bus Service Fund Agreement" with the City effective July 1, 2015 through June 30, 2030, so that the City can continue to provide the Association with funding for the Shuttle via the PBID in return for the Association operating the Shuttle as contemplated in the PBID Management District Plan.

Emeryville Transportation Management Association contracts with Gray Bowen Scott for the maintenance of monthly bookkeeping and processing of disbursements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. *Basis of Accounting and Financial Statement Presentation*

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in the Accounting Standards Codification (ASC), No. 958, *Financial Statements of Not-for-Profit Organizations*.

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 restrictions. 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 period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Association 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.

B. *Cash and Cash Equivalents*

For purposes of reporting cash flows, the Association considers highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents were \$3,644,920 and \$4,973,615 at December 31, 2021 and 2020, respectively.

C. *Concentration of Credit Risk*

The Federal Deposit Insurance Corporation ("FDIC") insures account balances at each insured institution. Association maintains deposit accounts with four financial institutions and frequently carries balances that exceed FDIC insurance limits. Management believes the Association is not exposed to any significant credit risk related to cash.

EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
--

D. Property and Equipment

Depreciated fixed assets include buses, mobile office building, bus equipment and similar items, and are reported in the statement of net position. The Association capitalizes assets with a cost or donated value of more than \$2,500 and an estimated useful life in excess of five years. Depreciation is calculated using the straight-line method in lives ranging from five to forty years.

E. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

F. Net Asset Classifications

The Association is required to report information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions: Net assets available for use in general operations that are not subject to or are no longer subject to donor-imposed restrictions. The Association has designated net assets without donor restrictions for leasehold improvements, furniture and equipment.

Net Assets With Donor Restrictions: Net assets whose use is limited by donor-imposed time and/or purpose restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met with the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restrictions expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

G. Income Taxes

The Association is exempt from income tax under Section 501(c)(4) of the U.S. Internal Revenue Code. Accordingly, no provision for income taxes has been provided in these financial statements. In addition, the Association qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private association under Section 509(a)(1). Unrelated business income, if any, may be subject to income tax. The Association paid no taxes on unrelated business income in the years ended December 31, 2021 and 2020, respectively.

Generally accepted accounting principles require the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in the Association's tax returns. Management has determined that the Association does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Association's tax returns will not be challenged by the taxing authorities and that the Association will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the Association tax returns remain open for federal income tax examination for three years from the date of filing.

EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
--

H. Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Those expenses which cannot be specifically identified by function type have been allocated to functions based upon management's best estimate of usage. For certain such expenses, such as payroll costs, these estimates are based on time incurred in different activities.

I. Advertising Costs

Advertising costs, if any, are expensed as incurred.

J. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Accounting standards set a framework for measuring fair value using a three tier hierarchy based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or inputs (interest rates, currency exchange rates, commodity rates and yield curves) that are observable or corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Inputs that are not observable in the market and reflect the management's judgment about the assumptions that market participants would use in pricing the asset or liability.

K. Prior Year Totals

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Accordingly, such information should be read in conjunction with the financial statements for the year ended December 31, 2020, from which the summarized information was derived.

L. Subsequent Events

The Association evaluated subsequent events for recognition and disclosure through May 19, 2022, the date which these financial statements were available to be issued. Management concluded that no material subsequent events occurred since December 31, 2021 that requires recognition or disclosure in the financial statements.

EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 3 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following as of December 31:

	2021	2020
Checking accounts	\$459,189	\$289,816
Savings accounts	3,185,731	4,683,799
	<u>\$3,644,920</u>	<u>\$4,973,615</u>

NOTE 4 – PROPERTY AND EQUIPMENT

Fixed assets activity is comprised of the following:

	Balance December 31, 2020	Additions	Deletions	Balance December 31, 2021
Property and Equipment				
Transportation equipment	\$4,612,826		(\$336,024)	\$4,276,802
Equipment	12,239			12,239
Total fixed assets	<u>4,625,065</u>		<u>(336,024)</u>	<u>4,289,041</u>
Less accumulated depreciation				
Transportation equipment	3,772,226	\$380,966	(336,024)	3,817,168
Equipment	12,239			12,239
Total accumulated depreciation	<u>3,784,465</u>	<u>380,966</u>	<u>(336,024)</u>	<u>3,829,407</u>
Property and equipment, net	<u>\$840,600</u>	<u>(\$380,966)</u>	<u>\$0</u>	<u>\$459,634</u>

	Balance December 31, 2019	Additions	Balance December 31, 2020
Property and Equipment			
Transportation equipment	\$4,612,826		\$4,612,826
Equipment	12,239		12,239
Total fixed assets	<u>4,625,065</u>		<u>4,625,065</u>
Less accumulated depreciation			
Transportation equipment	3,253,823	\$518,403	3,772,226
Equipment	12,239		12,239
Total accumulated depreciation	<u>3,266,062</u>	<u>518,403</u>	<u>3,784,465</u>
Property and equipment, net	<u>\$1,359,003</u>	<u>(\$518,403)</u>	<u>\$840,600</u>

EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 5 – NOTES PAYABLE

On August 2, 2016, the Association purchased three 2016 Starcraft XL Shuttle Buses for \$421,685, with 60 monthly payments of \$7,980 at a 5.118% imputed interest rate. On April 1, 2017, the Association purchased three 2017 Starcraft XL Shuttle Buses, for \$421,627, with 60 monthly payments of \$7,763 at a 6.573% imputed interest rate. On May 3, 2018, the Association purchased four 2018 Starcraft XL Shuttle Buses for \$612,220, with 60 monthly payments of \$11,346 at a 2.990% imputed interest rate. On November 28, 2019, the Association purchased three XL Shuttle Buses for \$483,151, with 60 monthly payments of \$8,680 at a 2.990% imputed interest rate. Future principal payments are as follows:

Year Ending December 31,	Amount
2022	\$258,013
2023	155,302
2024	87,289
Total	<u>\$500,604</u>

NOTE 6 – RENT AGREEMENTS

Effective April 6, 2018, the Association entered into a bus storage parking lot agreement in which one of the Association's Board Members is an employee of the company that managed the bus storage parking lot. The agreement called for monthly payments of \$6,000, plus utilities. The agreement was amended in January 2021 and expired on August 31, 2021.

Effective July 1, 2020, the Association entered into a bus storage parking lot agreement with Caltrans calling for monthly payments of \$14,325, beginning September 1, 2021. The monthly rent is subject to a fixed 3% annual increase, beginning in September 2022.

Effective April 4, 2018, the Association entered into an office space agreement in which the Association's Treasurer is a partner with the company that owns and manages the property. The agreement called for monthly payments of \$3,713, plus utilities and janitorial costs, which was amended in March 2020 that increased monthly payments to \$3,824, plus utilities and janitorial costs. The agreement expired in August 2021.

EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 6 – RENT AGREEMENTS (Continued)

For the year ended December 31, 2021 and 2020, the Association paid \$118,257 and 117,555 in rents, respectively, and \$2,529 and \$3,718 in property tax charges, respectively. Future minimum lease payments are as follows:

Year Ending December 31,	Amount
2022	\$173,620
2023	178,820
2024	184,180
2025	189,740
2026	195,420
2027 - 2031	991,440
Total	<u>\$1,913,220</u>

NOTE 7 – COMMITMENTS AND CONTINGENCIES

Effective February 1, 2018 through December 31, 2022, the Association entered into an agreement with the MV Transportation, Inc. to provide bus driver services to the Association. The agreement calls for the Association to reimburse such services on a cost plus fix fee basis. The Association has also entered into various professional service agreements to assist with the planning, management and overall operations of the Association.

NOTE 8 – NET ASSETS WITH DONOR RESTRICTIONS

In October 2020, the Association entered into a grant agreement with the City of Emeryville for \$1,000,000. The grant funds are restricted for the purpose of establishing a long-term bus yard for the Emery Go-Round shuttle. Construction on the bus yard began in October 2020, and for the year ended December 31, 2021, \$633,109 of net assets were released from restriction for expenses related to the bus yard project.

NOTE 9 – DESIGNATED NET ASSETS WITHOUT DONOR RESTRICTIONS

Certain amounts of net assets without donor restrictions, have been designated by the Board of Directors as follows:

Designation	Balance December 31, 2020	Increase/ (Decrease)	Balance December 31, 2021
Non-PBID Activities	\$138,744	\$56	\$138,800
Operating Reserve	680,000		680,000
Facility Reserve	2,500,000	(1,876,990)	623,010
Totals	<u>\$3,318,744</u>	<u>(\$1,876,934)</u>	<u>\$1,441,810</u>

EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 10 – LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES
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Financial assets available for general expenditure that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, is as follows as of December 31:

	2021	2020
Total current financial assets:		
Cash and cash equivalents	\$3,644,920	\$4,973,615
Accounts receivable	93,994	94,905
Total current financial assets	3,738,914	5,068,520
Contractual or donor-imposed restrictions:		
Donor-imposed restrictions		(633,109)
Board-designations	(1,441,810)	(3,318,744)
Financial Assets Available to Meet Cash		
Needs for Expenditures Within One Year	\$2,297,104	\$1,116,667

The Association has established this cash balance to sustain the Association's operating needs through 2030 (the current PBID funding term), as operating costs are expected to increase significantly over the coming years, and funding increases are likely to be restricted for specific purposes. This balance is intended to bridge the gap between annual operating costs and capped funding commitments.

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**ETMA 2022 - 2nd Quarter Financial
Reports (Cash Basis)**

8/15/2022

EMERY GO-ROUND

(Cash Basis)

2nd Quarter Financials				
Revenue	2022 Budget	Actual Revenue Rec'd to Date	Variance	% of revenue received
<u>PBID Revenue</u>				
Net PBID Revenue	4,245,453	2,122,727	-	50%
<u>Non-PBID Revenue</u>				
City - General Benefit Contribution	564,726	282,363	-	50%
ETMA Billed Revenue	109,578	106,470	51,681	97%
BGTMA (Net balance of WBS revenue)	20,000	1,654	(8,346)	8%
City - IDEA Grant	-	46,654	46,654	N/A
Other Revenue	3,000	651	(849)	22%
Subtotal Non-PBID Revenues	697,304	437,792	89,140	63%
Total Revenue	4,942,757	2,560,518	1,324,829	52%
Expenditures	2022 Budget	Actual Costs to Date	Variance	% of Budget Expended
<u>Direct Costs</u>				
Bus Leases/Purchases	500,000	144,768	(105,232)	29%
Maintenance	300,000	70,113	(79,887)	23%
Operations Contract	2,420,000	1,216,159	6,159	50%
Fuel	325,000	98,671	(63,829)	30%
Communications	55,000	7,372	(20,128)	13%
Miscellaneous Operating Costs	5,000	-	(2,500)	0%
Subtotal Direct Costs	3,605,000	1,537,082	(265,418)	43%
<u>Indirect Costs</u>				
Professional Services	550,000	247,986	(27,014)	45%
Occupancy (site lease, utilities, etc.)	365,000	225,823	43,323	62%
Bus Yard (Site Development & Relocation)	-	131,587	131,587	N/A
Membership/Public Outreach Expenses	15,000	2,051	(5,449)	14%
Pilot Projects and Research	25,000	-	(12,500)	0%
TMA Insurance	25,000	42,713	30,213	171%
Meeting expenses, supplies, licenses, fees, etc.	10,000	272	(4,728)	3%
Subtotal Indirect Costs	990,000	650,432	155,432	66%
Total TMA Expenditures	4,595,000	2,187,515	(109,985)	48%

2022 Revenue vs. Expenditures Balance:

347,757

373,004

ETMA Reimbursable Programs**WEST BERKELY SHUTTLE**

<u>Revenue</u> BGTMA & Bayer Total Revenue - West Berkeley	Actual Revenue Rec'd to Date
	124,081
	124,081
<u>Expenditures</u> Shuttle Operations Professional Service Contracts Total Expenditures - West Berkeley	Actual Costs to Date
	118,503
	3,925
	122,427

Balance 1,654

City of Emeryville - 8 to Go Paratransit

<u>Revenue</u> City of Emeryville - 8 to Go Paratransit Total Revenue - City	Actual Revenue Rec'd to Date
	45,847
	45,847
<u>Expenditures</u> Shuttle Operations & Maintenance Fuel Communications Professional Service Contracts Total Expenditures - City	Actual Costs to Date
	42,272
	1,368
	248
	2,883
	46,770

Balance (923)