



Regional Response

1001 17TH Street, Suite 700, Denver, CO 80202; 303-455-1000

AGENDA

REGIONAL RESPONSE, INC.

WEDNESDAY, November 17, 2021

VIDEO/WEB CONFERENCE

> 5:30 P.M. <

1. Call to Order
2. Move to Approve Minutes of May 19, 2021
(Attachment A)
3. Presentation of the Regional Response six-month 2021 Audit
(Attachment B) Jenny Dock, Division Director, Administration & Finance and CliftonLarsonAllen
4. Other Matters by Members
5. Adjournment

Several years ago, DRCOG established a nonprofit corporation known as Regional Response. Regional Response, which meets federal 501(c)(3) requirements, is specifically empowered to contract with and to accept grants, funds, gifts or services from any federal, state or local government or its agencies and from private, civic and foundation sources. An example of a Regional Response project is the Baghdad-Denver Region Partnership for Peace. Using Regional Response, DRCOG was able to receive donations to provide transportation, meals, etc. for visiting delegations from Iraq. **The Finance and Budget Committee is vested with the control and management of Regional Response, acting as the Regional Response Board of Directors.** The Finance and Budget Committee chair serves as chair of Regional Response.

Persons in need of auxiliary aids or services, such as interpretation services or assisted listening devices, are asked to contact DRCOG at least 48 hours in advance of the meeting by calling (303) 480-6701

ATTACH A

SUMMARY
REGIONAL RESPONSE INC.
Wednesday, May 19, 2021
Note: Meeting held virtually via Microsoft Teams

Present:

Wynne Shaw, Chair	Edgewater
Jeff Baker	Arapahoe County
Alison Coombs	Aurora
Claire Levy	Boulder County
Debra Mulvey	Castle Pines
Nicholas Williams	Denver County
George Teal	Douglas County
Jim Dale	Golden
Tracy Kraft-Tharp	Jefferson County
Ashley Stolzmann	Louisville

Others Present: Doug Rex, Executive Director; Paul Niedermuller, Faizan, CliftonLarsonAllen; Steve Conklin, Edgewater; and DRCOG staff.

Chair Shaw called the meeting to order at 5:30 p.m. with a quorum present.

Move to Approve Minutes of the

Director Dale **moved** to adopt the consent agenda. The motion was **seconded** and **passed** with seven in favor and three abstentions from Deborah Mulvey, Alison Coombs, and Claire Levy.

Items on the consent agenda included:

- Minutes of the July 15, 2020 Meeting

Presentation of 2020 Regional Response, Inc. Audit

Paul Niedermuller, Clifton Larsen Allen, briefed the committee on the results of the 2020 Audit. He stated that no deficiencies were found, and there was very little activity (three transactions total) for 2020.

Other Matters by Members

There were no other matters by members.

Next Meeting

The next meeting is scheduled for November 17, 2021

The meeting adjourned at 5:37 p.m.

ATTACH B

To: Chair and Members of the Finance and Budget Committee

From: Douglas W. Rex, Executive Director
303-480-6701 or drex@drcog.org

Meeting Date	Agenda Category	Agenda Item #
November 17, 2021	Informational	3

SUBJECT

Presentation of the Regional Response six-month 2021 Audit.

PROPOSED ACTION/RECOMMENDATIONS

No action is required. This item is for informational purposes.

ACTION BY OTHERS

N/A

SUMMARY

In February 2020, the Board of Directors approved DRCOG transitioning from a calendar fiscal year to the state fiscal year (July through June). As the 501(c)(3) subsidiary of DRCOG, Regional Response's fiscal year coincides with DRCOG's fiscal year. In order for the new fiscal year to commence on July 1, 2021, a six-month audit of January 1, 2021 through June 30, 2021 was required.

A presentation of the six-month 2021 audit will be made by CliftonLarsonAllen, certified public accountants.

Each year, in accordance with the Regional Response bylaws and DRCOG Articles of Association, Regional Response shall obtain an annual audit of its financial transactions and expenditures.

No findings were reported in this audit.

PREVIOUS DISCUSSIONS/ACTIONS

N/A

PROPOSED MOTION

N/A

ATTACHMENT

Six-month 2021 Regional Response Financial Statement

ADDITIONAL INFORMATION

If you need additional information, please contact Douglas W. Rex, Executive Director, at 303-480-6701 at drex@drcog.org or Jenny Dock, Director of Administration and Finance at 303-480-6707 or at jdock@drcog.org.

DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
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**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021**

GOVERNING BOARD

FINANCE AND BUDGET COMMITTEE OF THE BOARD OF DIRECTORS

Jeff Baker Commissioner Arapahoe County	Larry Strock Trustee Lochbuie
Claire Levy Commissioner Boulder County	Wynne Shaw Mayor Pro Tem Lone Tree
Kevin Flynn Council Member City & County of Denver	Joan Peck Council Member Longmont
George Teal Commissioner Douglas County	Ashley Stolzmann Council Member Louisville
Tracy Kraft-Tharp Commissioner Jefferson County	Nicholas Angelo Mayor Lyons
Bob Fifer Council Member Arvada	Neal Shah Trustee Superior
Larry Vittum Council Member Bennett	Jessica Sandgren Council Member Thornton



INDEPENDENT AUDITORS' REPORT

Finance and Budget Committee of the Board of Directors
Denver Regional Council of Governments
Denver, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of Regional Response, Inc. (a Colorado nonprofit corporation), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, cash flows, and functional expenses for the six-month period then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Finance and Budget Committee of the Board of Directors
Regional Response, Inc.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Regional Response, Inc. as of June 30, 2021, and the changes in its net assets and its cash flows for the six-month period then ended in accordance with accounting principles generally accepted in the United States of America.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
September 30, 2021

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021**

ASSETS

Cash	65
Prepaid Insurance	<u>344</u>
Total Assets	<u><u>\$ 409</u></u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts Payable	<u>3,435</u>
Total Liabilities	3,435

NET ASSETS

Without Donor Restrictions	<u>(3,026)</u>
Total Net Assets	<u>(3,026)</u>
Total Liabilities and Net Assets	<u><u>\$ 409</u></u>

See accompanying Notes to Financial Statements.

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
STATEMENT OF ACTIVITIES
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021**

	Without Donor Restrictions
REVENUE AND OTHER SUPPORT	
Other Support	\$ -
Total Revenue and Other Support	-
EXPENSE	
Supporting Services Expense:	
Management and General	368
Total Supporting Services Expenses	368
Total Expenses	368
CHANGE IN NET ASSETS	(368)
Net Assets - Beginning of Year	(2,658)
NET ASSETS - END OF YEAR	\$ (3,026)

See accompanying Notes to Financial Statements.

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021**

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	\$ (368)
 Adjustment to Reconcile Changes in Net Assets to Net Cash Received by Operating Activities	
Change in Liabilities	687
Net Cash Used By Operating Activities	319
 NET DECREASE IN CASH AND CASH EQUIVALENTS	 319
Cash and Cash Equivalents - Beginning of Year	90
 CASH AND CASH EQUIVALENTS - END OF YEAR	 \$ 409

See accompanying Notes to Financial Statements.

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
JUNE 30, 2021**

Statement of Functional Expenses for the six-month period ended June 30, 2021

	<u>Program Activities</u>	<u>Supporting Activities</u>	
	<u>Bike to Work Day</u>	<u>Management and General</u>	<u>Total Expenses</u>
Marketing	\$ -	\$ -	\$ -
Catering	-	-	-
Insurance	-	343	343
Awards	-	-	-
Fees	-	25	25
Legal	-	-	-
Total Expenses	<u>\$ -</u>	<u>\$ 368</u>	<u>\$ 368</u>

See accompanying Notes to Financial Statements.

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 NATURE OF ACTIVITIES

Regional Response, Inc. (the Corporation) was formed in 1999. The Corporation is a nonprofit foundation and component unit of the Denver Regional Council of Governments (DRCOG). The exclusive purpose of the Corporation is to support the activities of DRCOG meeting 509(a)(3) foundation requirements. Acting upon this purpose, the Corporation promotes, conducts, finances, coordinates, and provides services and functions to governmental units, organizations, corporations and the general public. The Corporation administers contracts and/or seeks financial support for such services and functions as appropriate and necessary.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Corporation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

Net assets and revenues, gains, and losses are classified based on the existence or absence of externally imposed restrictions. Accordingly, net assets of the Corporation are classified as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations.

Net Assets With Donor Restriction – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by 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 restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash and Cash Equivalents

The Corporation considers all unrestricted, highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Accounts Payable

The Accounts Payable balance represents the balance owed to the Denver Regional Council of Governments for covering insurance expenses incurred by Regional Response.

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets

Net assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are liabilities imposed on their use either through the enabling legislation adopted by the Corporation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Use of Net Assets Without/With Donor Restrictions

When an expense is incurred for purposes for which both net assets with donor restriction and without donor restriction are available, the Corporation's policy is to apply net assets with donor restriction first.

Donated Services and In-Kind Contributions

Contributions of services are recognized if the service received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Volunteers contribute significant amounts of time to our program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. We record donated professional services at the respective fair values of the services received. No significant contributions of such goods or services were received during the six-month period ended June 30, 2021.

Functional Allocation of Expenses

The cost of providing the programs and supporting services are applied on a functional basis. Certain costs have been allocated amongst the program and services benefited.

Estimates

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

Donations

1. **Contribution** - A contribution is an unconditional transfer of cash or other assets to an entity or a settlement or cancellation of its liabilities in a voluntary nonreciprocal transfer by another entity acting other than as an owner.
 - a. **Exchange Transaction** - Reciprocal transfer in which each party receives and sacrifices something of approximately equal value (e.g., fees for performance of services or sale of goods).
 - b. **Agency Transaction** - A transfer of assets to an intermediary organization that acts as an agent or trustee to transfer those assets to a third-party donee where the intermediary has little or no discretion over the use of the funds/property.

**DENVER REGIONAL COUNCIL OF GOVERNMENTS
REGIONAL RESPONSE, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- 2. Without Donor Restrictions** - Contributions that are not explicitly or implicitly restricted for use at a particular future time or for a particular purpose are recognized as increases in net assets without restrictions in the period in which they are received (or the promise is made).
- 3. With Donor Restrictions** - Restricted contributions result when donors impose restrictions that expire either by the passage of time or by fulfillment of the donor's stipulated purpose. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity

The Corporation reports gifts of cash and other assets as restricted support if they are restricted with donor stipulations that limit the use of donated assets. When a donor restriction expires that is, when a stipulated time restriction or purpose restriction is accomplished. The Corporation's policy is to recognize revenue without donor restrictions if spent within the same year.

Income Taxes

The Corporation has received an Internal Revenue Service exemption from federal income taxes under Section 501(c)(3). Accordingly, no provision or liability for income taxes has been provided in the accompanying financial statements.

Subsequent Events

The Corporation has evaluated subsequent events through September 30, 2021, the date the financial statements are considered available to be issued.

NOTE 3 LIQUIDITY AND AVAILABILITY

Cash deposits at June 30, 2021 amounted to \$65. Cash deposits are available for general expenditure without donor or other restrictions limiting their use, within one year of the statement of financial position date. In the event of an unanticipated liquidity need, the Corporation would receive funding from DRCOG.

NOTE 4 NET DEFICIT WITHOUT DONOR RESTRICTION

Regional Response has a net deficit without donor restriction of (\$3,026) as of June 30, 2021. This was increase of \$368 from the net deficit without donor restriction of (\$2,658), as of December 31, 2020. Management will strive to reduce the deficit without donor restriction by increasing support from corporate and individual donors with more unrestricted contributions. If increased donor support is not obtained, DRCOG will absorb the general and administrative costs of the Corporation.