

**RED RIVER PRESBYTERY
OF THE CUMBERLAND PRESBYTERIAN CHURCH**

Report to the Board of Trustees

For the Year Ended December 31, 2009



February 21, 2011

To the Board of Trustees
of the Red River Presbytery of the Cumberland Presbyterian Church:

In planning and performing our audit of the financial statements – cash basis of Red River Presbytery of the Cumberland Presbyterian Church (the “Presbytery”) as of and for the year ended December 31, 2009, in accordance with auditing standards generally accepted in the United States of America, we considered the Presbytery’s internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Presbytery’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Presbytery’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified; however, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in the Presbytery’s internal control to be significant deficiencies:

SIGNIFICANT DEFICIENCIES

Segregation of Duties

We noted only one person is primarily responsible for all accounting and reporting functions for the Presbytery. Accordingly, there is little segregation of duties; however, we have also noted there is significant board oversight, including review of all general ledger activity, which acts as a mitigating control to this lack of segregation of duties. Management does not feel that hiring additional employees is feasible to remedy this condition, and will continue to rely on the board oversight.

SIGNIFICANT DEFICIENCIES (Continued)

Information Technology Backup and Disaster Recovery Plan

We noted the Presbytery does not have a formally documented backup and disaster recovery plan nor are backups made on a regular basis. The Presbytery should design and document a formal disaster recovery plan in order to prevent total loss of data and provide ease of recovery and back up data daily.

Net Assets

We noted during our audit that net assets did not properly rollforward from the prior year resulting in an audit adjustment of \$5,310. We also noted that ending net assets at December 31, 2009 were in excess of the maximum allowed by board resolution because net assets did not initially roll forward properly. This resulted in an additional adjustment of \$8,449 to reclassify the excess from undesignated net assets to designated net assets. We recommend that the Presbytery prepare a rollforward of net assets annually and verify that the ending undesignated net asset balance does not exceed the maximum allowed.

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This communication is intended solely for the information and use of management, the Board of Trustees, and others within the Presbytery, and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Hartman Leito & Bolt, LLP

Hartman Leito & Bolt, LLP
Fort Worth, Texas