

**WATER PROFESSIONALS INTERNATIONAL**

**FINANCIAL STATEMENTS**

**September 30, 2023**

WATER PROFESSIONALS INTERNATIONAL

Financial Statements

September 30, 2023

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RICHARD L. TALLMAN

CERTIFIED PUBLIC ACCOUNTANT

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## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Water Professionals International  
Urbandale, Iowa

### ***Opinion***

I have audited the accompanying financial statements of Water Professionals International (a nonprofit organization), which comprise the statements of financial position as of September 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Water Professionals International as of September 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

I conducted my audits in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Water Professionals International and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audits. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 Water Professionals International's ability to continue as a going concern 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**

My 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 my 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 generally accepted auditing standards 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 there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, I:

- 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 Water Professionals International'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Water Professionals International's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

*Richard L. Tallman, CPA*

Ames, Iowa  
February 8, 2024

**WATER PROFESSIONALS INTERNATIONAL**  
**STATEMENTS OF FINANCIAL POSITION**  
September 30, 2023 and 2022

ASSETS		
	2023	2022
Cash and cash equivalents	\$ 514,657	\$ 308,553
Investments	1,945,705	1,888,819
Accounts receivable	208,007	274,717
Unbilled revenue	84,912	148,681
Prepaid expenses and other assets	36,263	11,870
Property and equipment, net	332,398	390,888
<i>Total Assets</i>	<b>\$ 3,121,942</b>	<b>\$ 3,023,528</b>

LIABILITIES AND NET ASSETS		
<b>LIABILITIES</b>		
Accounts payable	\$ 161,827	\$ 124,148
Deferred revenue	60,591	43,863
Accrued employee compensation	174,289	132,011
Capital lease obligation	---	23,859
<i>Total Liabilities</i>	396,707	323,881
<b>NET ASSETS</b>		
Without donor restrictions	2,725,235	2,699,647
<i>Total Liabilities and Net Assets</i>	<b>\$ 3,121,942</b>	<b>\$ 3,023,528</b>

See accompanying notes.

**WATER PROFESSIONALS INTERNATIONAL**  
**STATEMENTS OF ACTIVITIES**  
For the Years Ended September 30, 2023 and 2022

	2023	2022
Operating activities		
<b>REVENUES AND OTHER SUPPORT</b>		
Member dues	\$ 116,522	\$ 123,713
Services	2,280,559	1,940,391
Conference	92,996	58,332
Royalties	19,831	15,084
Interest and dividends	50,458	80,189
<i>Total revenues and other support</i>	2,560,366	2,217,709
<b>EXPENSES</b>		
Program expenses		
Testing services	814,836	774,881
Certification services	326,441	275,453
Conference	377,449	349,420
<i>Total program expenses</i>	1,518,726	1,399,754
Management and general expenses	1,253,069	1,178,637
<i>Total expenses</i>	2,771,795	2,578,391
<i>Change in net assets from operations</i>	(211,429)	(360,682)
Nonoperating activities		
Investment return, net	237,017	(493,602)
<i>Change in net assets without donor restrictions</i>	25,588	(854,284)
<b>NET ASSETS</b>		
Without donor restrictions, beginning of year	2,699,647	3,553,931
Without donor restrictions, end of year	\$ 2,725,235	\$ 2,699,647

See accompanying notes.

**WATER PROFESSIONALS INTERNATIONAL**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
For the Years Ended September 30, 2023 and 2022

	Year Ended September 30, 2023				
	Testing	Certification	Conference	Management	Total
	Services	Services		and General	
Salaries and benefits	\$ 418,342	\$ 139,312	\$ 142,388	\$ 508,025	\$ 1,208,067
Occupancy	49,475	13,193	19,790	49,475	131,933
Contracted services	24	30,630	---	185,453	216,107
Marketing	---	17,050	3,000	218,302	238,352
Program improvements	299,990	33,567	731	4,151	338,439
Printing	15,721	1,537	1,142	3,189	21,589
Information technologies	---	689	503	38,442	39,634
Meetings and travel	---	48,528	21,520	77,825	147,873
Interest	---	---	---	328	328
Depreciation and amortization	21,934	5,849	8,774	21,933	58,490
Other	9,350	36,086	179,601	145,946	370,983
	<b>\$ 814,836</b>	<b>\$ 326,441</b>	<b>\$ 377,449</b>	<b>\$ 1,253,069</b>	<b>\$ 2,771,795</b>

	Year Ended September 30, 2022				
	Testing	Certification	Conference	Management	Total
	Services	Services		and General	
Salaries and benefits	\$ 355,146	\$ 95,237	\$ 124,965	\$ 378,434	\$ 953,782
Occupancy	50,910	13,576	20,364	50,911	135,761
Contracted services	32,584	13,308	2,500	434,727	483,119
Marketing	---	19,961	---	7,651	27,612
Program improvements	298,837	80,547	---	---	379,384
Printing	11,736	6,530	---	7,082	25,348
Information technologies	---	10,000	684	23,353	34,037
Meetings and travel	---	15,942	19,526	151,709	187,177
Interest	---	---	---	3,401	3,401
Depreciation and amortization	25,322	6,753	10,129	25,321	67,525
Other	346	13,599	171,252	96,048	281,245
	<b>\$ 774,881</b>	<b>\$ 275,453</b>	<b>\$ 349,420</b>	<b>\$ 1,178,637</b>	<b>\$ 2,578,391</b>

See accompanying notes.

**WATER PROFESSIONALS INTERNATIONAL**  
**STATEMENTS OF CASH FLOWS**  
For the Years Ended September 30, 2023 and 2022

	2023	2022
Cash Flows From Operating Activities		
Change in net assets	\$ 25,588	\$ (854,284)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	58,490	67,525
Net depreciation (appreciation) on investments	(270,910)	479,711
Decrease (Increase) in accounts receivable	66,710	(84,950)
Decrease (Increase) in unbilled revenue	63,769	(36,761)
Decrease (Increase) in prepaid expenses and other assets	(24,393)	1,542
Increase in accounts payable	37,679	53,815
Increase in deferred revenue	16,728	14,238
Increase in accrued employee compensation	42,278	51,968
<i>Net cash provided (used) by operating activities</i>	15,939	(307,196)
Cash Flows From Investing Activities		
Proceeds from sales and maturities of investments	315,712	1,346,114
Purchase of investments	(101,688)	(1,030,119)
Purchase of property and equipment	---	(6,643)
<i>Net cash provided by investing activities</i>	214,024	309,352
Cash Flows From Financing Activities		
Principal payments on capital lease and notes payable	(23,859)	(206,531)
<i>Net cash used by financing activities</i>	(23,859)	(206,531)
<i>Net increase (decrease) in cash and cash equivalents</i>	206,104	(204,375)
Cash and Cash Equivalents - Beginning of Year	308,553	512,928
Cash and Cash Equivalents - End of Year	\$ 514,657	\$ 308,553

See accompanying notes.

**WATER PROFESSIONALS INTERNATIONAL**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2023 and 2022

**NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Organization* – Water Professionals International (the Organization) is a nonprofit corporation through which environmental control certifying authorities may communicate and cooperate in order to better discharge their responsibility to ensure the competence of operating personnel and laboratories in environmental control systems. The Organization was formerly known as Association of Boards of Certification.

*Financial Statement Presentation* – The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (“US GAAP”), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

- *Net assets without donor restrictions:* Net assets that are not subject to donor imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization’s management and the board of directors.
- *Net assets with donor restrictions:* Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

The Organization had no net assets with donor restrictions at September 30, 2023 and 2022.

*Measure of operations* – The statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization’s ongoing services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

**WATER PROFESSIONALS INTERNATIONAL**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2023 and 2022

**NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

*Cash and Cash Equivalents* – The Organization's cash consists of cash on deposit with banks and credit unions. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase, unless held by investment managers as part of an investment portfolio.

*Investments* – Investments are reported at cost. Thereafter, investments are reported at their fair values in the statement of financial position, and changes in fair value are reported as investment return in the statements of activities.

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the statement of activities in the period in which the securities are sold. Interest is recorded when earned. Dividends are accrued as of the ex-dividend date.

*Accounts Receivable* – Accounts receivable, which are unsecured, consists primarily of charges for testing programs provided by the Organization and require payment upon the customer's receipt of the invoice. Accounts receivable are stated at the amount billed to the customer and payments are allocated to the specific invoices identified with the payment. In the opinion of management, substantially all accounts receivable are collectible; therefore, no allowance for doubtful accounts is provided.

*Unbilled revenue* – Unbilled revenue consists of unsecured and unbilled charges for testing programs provided by the Organization prior to the end of the year and invoiced after the end of the year.

*Property and Equipment* – Property and equipment are stated at cost at the date of purchase. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. The useful lives range from three to ten years. The Organization's policy is to capitalize renewals and betterments and expense normal repairs and maintenance as incurred. The Organization's management periodically evaluates whether events or circumstances have occurred indicating that the carrying amount of long-lived assets may not be recovered.

*Deferred Revenue* – Deferred revenue represents amounts received from members and other organizations in the current year for revenue attributable to the following fiscal year.

**WATER PROFESSIONALS INTERNATIONAL**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2023 and 2022

**NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT  
ACCOUNTING POLICIES - continued**

*Fair value measurements* – Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). The Organization groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

- Level 1    Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.
  
- Level 2    Other observable inputs, either directly or indirectly, including:
  - Quoted prices for similar assets/liabilities in active markets;
  - Quoted prices for identical or similar assets in non-active markets;
  - Inputs other than quoted prices that are observable for the asset/liability; and,
  - Inputs that are derived principally from or corroborated by other observable market data.
  
- Level 3    Unobservable inputs that cannot be corroborated by observable market data.

*Advertising* – Advertising costs are expensed as incurred.

*Income Taxes* – The Organization is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

**WATER PROFESSIONALS INTERNATIONAL**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2023 and 2022

**NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

*Functional Allocation of Expenses* – The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the services and supporting services benefited. Such allocations are determined by management on an equitable basis.

*Estimates* – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

*Subsequent Events* – Subsequent events have been evaluated through February 8, 2024, which is the date the financial statements were available to be issued.

**NOTE B – AVAILABILITY AND LIQUIDITY**

Financial assets available for general expenditure, that is, without restrictions limiting their use, over the next twelve months comprise the following:

Cash and cash equivalents	\$ 514,657
Investments	<u>1,888,375</u>
	<u>\$2,403,032</u>

The Organization's goal is generally to maintain financial assets consisting of cash, financial institution deposits, and investments equal to the average annual expenditures for the preceding five-year period to meet 365 days of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments including money market accounts, bank deposit sweep accounts and certificates of deposit.

**NOTE C – RELATED PARTY LOAN**

The Organization advanced \$88,136 on behalf of the President and Chief Executive Officer (the CEO) of the Organization on May 10, 2022 under an executive loan agreement with the CEO. The loan was secured by a vehicle and carried interest at a rate of 1.95% per annum. The loan was repaid in full on September 27, 2022. Total interest paid by the CEO under the agreement in the amount of \$252.06 is included in the statements of activities for the year ended September 30, 2022.

**WATER PROFESSIONALS INTERNATIONAL**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2023 and 2022

**NOTE D – INVESTMENTS**

The following is a summary of investments at September 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Cash and equivalents	\$ 12,126	\$ 16,274
Certificates of deposit	102,356	100,083
Bond funds	164,687	260,309
Equity funds	391,368	377,591
Exchange traded funds	1,253,907	1,113,278
Stocks	<u>21,261</u>	<u>21,284</u>
	<u>\$ 1,945,705</u>	<u>\$ 1,888,819</u>

As of September 30, 2023 and 2022 all investments other than certificates of deposit are considered level 1 investments. The Organization's certificates of deposit are measured using level 2 inputs.

**NOTE E – PROPERTY AND EQUIPMENT**

Property and equipment consists of the following at September 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Leasehold improvements	\$ 362,820	\$ 362,820
Furniture and equipment including capitalized leased assets	<u>190,342</u>	<u>190,342</u>
	553,162	553,162
Less accumulated depreciation and amortization	<u>(220,764)</u>	<u>(162,274)</u>
	<u>\$ 332,398</u>	<u>\$ 390,888</u>

**NOTE F – COMMITMENTS**

The Organization has an agreement with a hotel to hold a future event. Under the terms of the agreement, cancellation of the event would cause the Organization to be liable for damages of \$113,708. Actual cancellation damages, if any, are determined using a sliding scale that reduces damages for earlier cancellations.

**WATER PROFESSIONALS INTERNATIONAL**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2023 and 2022

**NOTE G – LEASES**

The Organization leases office space under a lease agreement expiring in September, 2030.

Future minimum lease payments are as follows:

<u>Years ending September 30,</u>	<u>Amount</u>
2024	\$ 68,614
2025	69,279
2026	69,990
2027	70,701
2028	71,411
Thereafter	<u>144,954</u>
	<u>\$ 494,949</u>

In addition to the above base rents, the Organization is responsible for additional sums of money or charges including, for example, property taxes, common area maintenance and insurance. Rent expense for the years ended September 30, 2023 and 2022 totaled \$107,306 and \$107,531, respectively.

**NOTE H – PENSION AND DEFERRED COMPENSATION PLANS**

The Organization provides a 401(k) plan for employees meeting certain age and service requirements. Contributions made to the plan for the years ended September 30, 2023 and 2022 totaled \$60,143 and \$45,388, respectively. The plan provides for discretionary employer contributions of up to 8% of an eligible employee’s total compensation.

On January 1, 2022 the Organization established the Water Professionals International 457(b) Plan (the Plan) for a select group of highly compensated employees eligible as defined in the Plan document. The Plan is a non-qualified deferred compensation plan and is not subject to Employee Retirement Income Security Act (ERISA) guidelines. Employer contributions credited to employee accounts for the year ended September 30, 2023 and 2022 were \$28,625 and \$30,000, respectively. As of September 30, 2023 and 2022, the total value of the accounts, included in the Organization’s investments and accrued employee compensation, were \$57,330 and \$24,225, respectively.

**WATER PROFESSIONALS INTERNATIONAL**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2023 and 2022

**NOTE I – CONCENTRATIONS**

*Credit risk:* The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any such losses in the past and does not believe it is exposed to any significant credit risk.

*Market value risk:* The Organization also invests funds in professionally managed mutual and exchange traded funds that contain various types of marketable securities. Such investments are exposed to various risks, such as fluctuations in market value and credit risk. Thus, it is at least reasonably possible that changes in the near term could materially affect investment balances and the amounts reported in the financial statements.

RICHARD L. TALLMAN

CERTIFIED PUBLIC ACCOUNTANT

2515 UNIVERSITY BLVD., SUITE 101

AMES, IOWA 50010-8628

PHONE: (515) 292-6339 • FAX: (866) 237-3706

February 8, 2024

Board of Directors  
Water Professionals International  
Urbandale, Iowa

I have audited the financial statements of Water Professionals International (the Organization) for the year ended September 30, 2023 and have issued my report thereon dated February 8, 2024. Professional standards require that I provide you with information about my responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of my audit. I have communicated such information in my engagement letter dated December 14, 2023. Professional standards also require that I communicate to you the following information related to my audit.

**Significant Audit Findings**

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organization are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended September 30, 2023. I noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

Management's estimates of the fair value of investments are based on quoted market prices and comparable securities available in active markets. I evaluated the key factors and assumptions used in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of the fair value measurements used to value the Organization's investment assets in Note A to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

I encountered no significant difficulties in dealing with management in performing and completing my audit.

*Corrected and Uncorrected Misstatements*

Professional standards require me to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Adjusting journal entries to correct misstatements of the financial statements are attached and management has corrected all such misstatements.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to my satisfaction, that could be significant to the financial statements or the auditor's report. I am pleased to report that no such disagreements arose during the course of my audit.

*Management Representations*

I have requested certain representations from management that are included in the management representation letter dated February 8, 2024.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, professional standards require the consulting accountant to check with me to determine that consultant has all the relevant facts. To my knowledge, there were no such consultations with other accountants.

*Other Audit Finding or Issues*

I generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditor. However, these discussions occurred in the normal course of my professional relationship and my responses were not a condition to my retention.

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

*Richard L. Tallman, CPA*

Ames, Iowa

Water Professionals International			
Adjusting Journal Entries			
September 30, 2023			
No.	Account	Debit	Credit
(1)	Accrued Salaries & Wages	9,101.77	
	Personnel:Employee Benefits:401(k) - Match	515.67	
	Personnel:Employee Benefits:401(k) - SH	515.66	
	5540 Contracted Services:Payroll		350.63
	Employee Benefits:Employee Deduction-GTL		46.83
	Employee Benefits:Life Premium-ER		57.65
	5433 Employee Benefits:LTD Premium		124.36
	5434 Employee Benefits:Medical Premium - ER		7,413.31
	5435 Employee Benefits:Phone Allowance		700.00
	Personnel:Payroll Taxes:FICA		1,440.32
	To reclassify payroll benefits associated with payroll checks dated 10.01.24.		
(2)	Salaries & Wages	6,992.88	
	Personnel:Employee Benefits:401(k) - Match	1,103.73	
	Personnel:Employee Benefits:401(k) - SH	1,103.72	
	5540 Contracted Services:Payroll		350.63
	Employee Benefits:Employee Deduction-GTL		46.83
	Employee Benefits:Life Premium-ER		57.65
	5433 Employee Benefits:LTD Premium		124.36
	5434 Employee Benefits:Medical Premium - ER		6,038.38
	5435 Employee Benefits:Phone Allowance		578.69
	Personnel:Payroll Taxes:FICA		2,003.79
	To reclassify duplicate May/Jun, 2023 reclassification of expenses.		
(3)	Salaries & Wages	336.02	
	5400 Personnel		336.02
	To reclassify miscellaneous refunds of benefits/charges from PEO.		
(4)	Capital Gains/Losses	4,959.81	
	Investment Advisory Fees	8,258.43	
	Uncategorized Income	250,000.00	
	Unrealized Investment Gain/Loss		263,218.24
	To reclassify and adjust to actual Schwab investment earnings for the year ended September 30, 2023		
(5)	Salaries & Wages	4,479.94	
	Investment Advisory Fees	266.18	
	Unrealized Investment Gain/Loss		3,698.18
	Interest Income		2.73
	Dividend Income		1,045.21
	To reclassify investment earnings and fees paid in employee deferred compensation accounts.		

Water Professionals International			
Adjusting Journal Entries			
September 30, 2023			
No.	Account	Debit	Credit
(6)	Capital Gains and Losses	22,557.91	
	Unrealized Investment Gain/Loss		22,557.91
	To reclassify 2022-2023 Charles Schwab net realized capital losses.		
(7)	Royalties Receivable	2,405.29	
	Royalties & Publications		2,405.29
	To record accrued royalties receivable at September 30, 2023.		
(8)	Amortization Expense	36,282.00	
	Depreciation Expense		36,282.00
	To reclassify 2022-2023 amortization of leasehold improvements.		
(9)	Interest Income	55.09	
	Flourish		55.09
	To record interest received 4/4/23 and reverse interest received 10/3/23.		
(10)	Retained Earnings		8,668.00
	Sales		900.00
	Accounts Receivable Adjustment		1,700.00
	Sales	11,268.00	
	To adjust beginning of year retained earnings to actual.		
(11)	Investment Advisory Fees	2,811.29	
	Accounts Payable		2,811.29
	To record investment advisory fees paid 10/25/23.		
(12)	Loan Interest Paid	327.62	
	Miscellaneous Expense		327.62
	To reclassify final imputed interest paid on Steelcase lease during the year ended 9/30/23.		
(13)	Conference Income	20,000.00	
	Deferred Income		20,000.00
	To record deferred income for 2024 conference revenue received.		
		383,341.01	383,341.01