

**CATTLEMEN'S BEEF PROMOTION
AND RESEARCH BOARD
REPORT ON INTERNAL CONTROLS
IN ACCORDANCE WITH
*GOVERNMENT AUDITING STANDARDS***

For the Year Ended September 30, 2018



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Cattlemen's Beef Promotion and Research Board
Centennial, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the statements of assets, liabilities, and net assets – modified cash basis of the Cattlemen's Beef Promotion and Research Board (the Board), as of September 30, 2018, and the related statements of revenues, expenses, and changes in unrestricted net assets – modified cash basis for the year then ended, and the related notes to the financial statements and have issued our report thereon dated December 13, 2018. As described in Note 2, these financial statements were prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Board's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board's internal control.

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 a 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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**CATTLEMEN'S BEEF PROMOTION AND RESEARCH BOARD
SCHEDULE OF FINDINGS AND RESPONSES**

Year Ended September 30, 2018

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Greenwood Village, Colorado
December 13, 2018

**CATTLEMEN'S BEEF PROMOTION AND RESEARCH BOARD
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended September 30, 2018**

Financial Statement Findings

There were no findings required to be reported under *Government Auditing Standards* for the year ended September 30, 2018.

**CATTLEMEN'S BEEF PROMOTION AND RESEARCH BOARD
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
Year Ended September 30, 2018**

There were no findings required to be reported under *Government Auditing Standards* for the year ended September 30, 2017.