

## SERVICES

**Blazek & Vetterling is a Houston-based, audit and tax firm specializing in tax-exempt organizations, government entities and employee benefit plans.**

We operate in a technical industry, so many of our services must comply with standards created and imposed by regulatory bodies. At Blazek & Vetterling, we strive to always provide top-notch service that extends above and beyond compliance.

### Audit Services

During the audit process, we use industry-leading paperless audit software and have developed a robust and secure network environment for our email exchange and collaboration needs. We will share files with you via our secure, encrypted portal in order to maintain the utmost security of your data.

We conduct our independent audits in two basic parts: planning and fieldwork.

**Planning** is the most important stage of any audit. It determines the effectiveness and efficiency of the audit and to a great extent, establishes the working relationship between the client and auditor. Proper planning allows both the client and the auditor to know what to expect from the engagement.

Our audit methodology is primarily a risk-based approach. The nature, timing and extent of audit procedures are determined by our assessment of the risk of misstatement, related to each individual area's importance to the financial statements.

**Fieldwork** entails performing tests of the accounting records, including analysis of various account balances, examination of certain internal documents and confirmation with third parties of certain balances and transactions. Confirmation letters normally are sent to investment custodians and significant contributors. We perform reviews of various account reconciliations and examine invoices, contracts, correspondence or other supporting documentation for a sample of revenues and expenses.

After fieldwork is complete, we prepare a draft of the financial statements and related notes for client review. We then meet with management and the finance or audit committee to discuss the results of the audit and to communicate information required by the AICPA.

### Our audit services include:

- **Audits** of financial statements in accordance with generally accepted auditing standards
- **Compliance Audits** in accordance with Government Auditing Standards, OMB Uniform Guidance and State Uniform Grants Management Standards

## Our audit services include (cont.):

- **Program Audits** in accordance with Government Auditing Standards, OMB Uniform Guidance and State Uniform Grants Management Standards
- **Yellow Book Audits** in accordance with Government Auditing Standards
- **DOL Full-Scope Audits** of employee benefit plans
- **DOL Limited-Scope Audits** of employee benefit plans
- **Reviews** of financial statements in accordance with AICPA accounting and review standards
- **Agreed-Upon Procedures** in accordance with AICPA assurance standards
- **Reviews of Internal Controls** in connection with an audit of the financial statements (we can also provide it on a stand-alone or supplemental basis)

## **Tax Services**

Blazek & Vetterling understands the unique set of state and federal rules tax-exempt organizations must comply. We provide comprehensive tax services, including the filing of Form 990-PF, as well as tax consulting and compliance reviews to meet our clients' needs.

We keep our clients informed of the most recent tax developments affecting their organizations on an ongoing basis throughout the year through email newsletters and personal communication.

## Our tax services include:

- **IRS Annual Information Return.** IRS Form 990 is a required public document made available online. The complexity of this form makes it challenging to prepare without expert help. Presenting this form as a valuable public communication tool is a priority of our tax specialists.
- **Application for Tax Exemption.** Filing IRS Form 1023 is the established process for obtaining exemption from income tax. We help our clients identify the major issues the IRS will likely target in their review of this application.
- **IRS Audit of Nonprofit Organizations.** If the IRS has targeted your organization for a full audit or for a limited inquiry, we can assist with your response.
- **Unrelated Business Income.** We evaluate sources of income and determine whether any revenue is subject to unrelated business income tax. We also determine whether revenue is exempt from tax under the many exceptions and modifications for volunteer-run programs, irregular activity, donated goods or other non-business activity.
- **Compensation of Officials.** We evaluate the organization's methodology to establish and document the determination of compensation paid to personnel to ensure that prohibited private inurement does not occur.
- **Website/Internet Compliance Issues.** We review the organization's website and evaluate tax consequences of the items displayed on the site and determine the character of materials on the site as being related or unrelated to the organizations mission. We evaluate the consequence of any links to other sites, particularly those that return revenues to the organization.
- **Other Tax Compliance Issues.** We determine if federal and state reporting requirements are met for employment, sales, property and other tax purposes. We evaluate adherence to rules regarding donor disclosures and valuation of donor benefits.
- **UBIT Issues.** We review advertising, sponsorships, affinity relationships, royalties and commissions.