

From: Bob Peoples [<mailto:bpeoples@carpetrecovery.org>]
Sent: Friday, March 02, 2018 8:54 AM
To: Levenson, Howard@CalRecycle <Howard.Levenson@CalRecycle.ca.gov>
Cc: Smyth, Brenda@CalRecycle <Brenda.Smyth@CalRecycle.ca.gov>; Bob Peoples <bpeoples@carpetrecovery.org>; Dana Stover <dstover@carpetrecovery.org>; Jacy Bolden <jbalden@carpetrecovery.org>
Subject: Request for Extension of CARE 2017 Annual Report Submission
Importance: High

Dear Howard,

CARE is requesting a one-time extension of the statutory filing date for our 2017 annual report until September 1, 2018. As we have discussed, the reason for this request is the new statutory requirement that the Advisory Committee must review this report and submit comments 30 days prior to submission to CalRecycle. As a result, CARE must have time to process any comments and make considered adjustments to the annual report and review same with both the SPC and SFOC prior to submission.

Experience teaches us we can complete the bulk draft narrative of this report by the end of May. However, our financial audits, which must be incorporated into the annual report, cannot be completed and reviewed by our Executive Committee until normally the second week of June due to timing of closing our 2017 books before the audits can commence. It is natural that our independent audits will occasionally drive adjustments in final numerical or financial data to clarify or amplify our narrative. These are not major changes, but CARE strives to make sure we are accurate and can transparently answer any questions. Since our auditor also audits CARE's performance against statutory requirements, they must await compilation of our 2017 results against which the review is conducted. This is normally completed sometime in late March. To ask the Advisory Committee to read a partially complete document and try to put a follow-up financial analysis and any narrative changes in to context would be unreasonable given both the complexity of this program and the length of the report. Under normal circumstances this is a challenging timeline to hit. Given the new Advisory Committee 30 day review period and the fact CARE is in the final stages of preparing a modified Plan for submission, such a request to delay is rational.

Addressing another question that has been raised: CARE has a three year contract with the audit firm, who also has extensive experience and understanding of this program. In addition, it would not be feasible to switch firms at such a late date and certainly not enough time to conduct an RFP process for that selection.

Finally, since this will be a recurring challenge on timing of submission, CARE has submitted legislation (AB 2097, Acosta) to request a revision in the timing of the submission date to September 1st of each year.

Sincerely,

Bob

Robert Peoples, Ph.D.

Executive Director, CARE
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www.carpetrecovery.org

2018 CARE Annual Meeting
May 7 - 11, Orlando
In Partnership with Re|Focus and NPE 2018

Visit the CARE website at: www.carpetrecovery.org