



November 10, 2023

To the Board of Directors
Memphis Botanic Garden Foundation, Inc.
Memphis, Tennessee

We have audited the financial statements of Memphis Botanic Garden Foundation, Inc. (the Foundation) for the year ended June 30, 2023, and have issued our report thereon dated November 10, 2023. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America (U.S. GAAP), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 30, 2023. Professional standards require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Foundation are described in Note 1 to the financial statements. As described in Note 1, the Foundation adopted the following accounting policies during the year ended June 30, 2022:

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*, which is intended to increase transparency and comparability among organizations by recording lease assets and lease liabilities on the statements of financial position and disclosing key information about leasing arrangements. The effective date for the Association of this new guidance is for reporting periods beginning after December 15, 2021. Early implementation is permitted. The Foundation adopted Topic 842 with a date of the initial application of July 1, 2022, the effects of which were insignificant.

No other new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2023. We noted no transactions entered into by the Foundation 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.



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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 values of investments.

The methods and significant assumptions used to estimate fair value of financial instruments are as follows:

Mutual and exchange traded funds: Mutual funds and exchange traded funds are publicly traded investments and are valued daily at the closing prices reported on the active market on which the funds are traded.

Negotiable certificates of deposits: Investments are held at financial institutions and have a stated interest rate and maturity and are able to be traded. Fair values are based on quoted market prices for similar assets in an active market.

Corporate bonds: Valued at quoted prices from less active markets and/or quoted prices of securities with similar characteristics.

CFGM Funds: There is no limited or no observable market data for some of the prices of investments that are held in the Community Foundation Balanced Pool (the "Pool"), and the resulting fair values of these securities are categorized as Level 3. The Pool is invested in equities, fixed income securities, cash equivalents, alternative investments, and real estate securities. Management of Community Foundation calculated fair value using valuations received from the underlying managers.

We evaluated the methods, assumptions, and data used to develop the methodology over fair value measurements in determining that it is reasonable in relation to the financial statements taken as a whole.

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

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.



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Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 10, 2023.

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 Foundation's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

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



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Due to the limited number of individuals responsible for the accounting records, segregation of accounting duties is not always practical. This is common among organizations with a limited number of accounting staff. Management should continue to monitor internal controls and make changes when practical. The overall compensating control is the oversight and review of the interim financial statements for material misstatements by the Board of Directors Chair and Treasurer. Furthermore, since the main accounting functions are handled by one individual we recommend that the Foundation document its policies and procedures in a formal accounting manual.

This information is intended solely for the use of the Board of Directors and management of Memphis Botanic Garden Foundation, Inc. and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Reynolds, Bone & Griesbeck PLC



Memphis Botanic Garden Foundation, Inc.
 Schedule of Uncorrected Financial Statement Misstatements
 June 30, 2023

Description (Nature) of Audit Difference (AD)	Factual (F), Judgmental (J) or Projected (P)	Cause	Financial Statement Effect—Amount of Over (Under) Statement of:						
			Total Assets	Total Liabilities	Working Capital	Equity	(Income) Loss Before Taxes	FIT%	0.00%
								Income Taxes	Net (Income) Loss
Understatement of inventory	P	Inventory from gift shop not recorded	(35,000)			(35,000)	(35,000)	-	(35,000)
Total			(35,000)	-	-	(35,000)	(35,000)	-	(35,000)
Less Audit Adjustments Subsequently Booked								-	-
Effect of Unadjusted AD—Prior Years								-	-
Combined Current and Prior Year AD			(35,000)	-	-	(35,000)	(35,000)	-	(35,000)
Financial Statement Caption Totals			12,091,851	3,240,405	11,016,515	8,851,446	(1,068,361)	-	(1,068,361)