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Board of Directors and Management
CSJ Ministries, Inc.
St. Paul, Minnesota

In planning and performing our audit of the consolidated financial statements of CSJ Ministries, Inc. (the Organization) as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to fraud or error may occur and not be detected by such controls. However, as discussed below, we identified a deficiency in internal control that we consider to be a material weakness.

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 Organization's consolidated financial statements will not be prevented, or detected and corrected, on a timely basis.

Material weakness

We consider the following deficiency in the Organization's internal control to be a material weakness:

Material Audit Adjustment

Management is responsible for the accuracy and completeness of all financial records and related information. Their responsibilities include adjusting the consolidated financial statements to correct misstatements. Management is responsible for controls over the year-end financial reporting process, including controls over procedures used to enter transaction totals into the general ledger; initiate, authorize, record, and process journal entries into the general ledger; and record recurring and nonrecurring adjustments to the consolidated financial statements.

During the performance of our audit engagement procedures, we noted a material adjustment needed to ensure the consolidated financial statements are fairly stated. The adjustment related to a pledge to be paid over a four year period that was not recorded. The adjustment increased both pledges receivable, net of discount by $3,757,800 and revenue.

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Other deficiencies in internal control and other matters

During our audit, we became aware of other deficiencies in internal control and other matters that are opportunities to strengthen your internal control and improve the efficiency of your operations. While the nature and magnitude of the other deficiencies in internal control were not considered important enough to merit the attention of the board of directors, they are considered of sufficient importance to merit management's attention and are included herein to provide a single, comprehensive communication for both those charged with governance and management.

Information technology policies

CLA recommends that IT security policies and procedures should be documented and revised periodically to be in line with current practices. IT policies and procedures should include standards for system access, incident response, backup and recovery, data management, physical access, and vendor management. They should also outline how those changes should be approved and documented.

Bank reconciliation and journal entry review

During our testing of internal controls, it was noted that a bank reconciliation that we selected was prepared by the Director of Finance and not reviewed by another individual. We recommend that the bank reconciliations are reviewed by another capable individual on a monthly basis and that there is documentation of the review retained.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various entity personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

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

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Minneapolis, Minnesota
October 15, 2024