

Title: Audit Committee

Purpose: To assist with selecting the external CPA firm who will file the 990 return and perform the audit and/or review (within the parameters of the budget approved by the Board).

Composition:

Appointment of Chair/Vice-Chair: The Secretary/Treasurer will serve as the Chair. No Vice-Chair will be named.

Appointment of Members: The two member-at-large Board members and the Industry Observer will serve as committee members (providing Board oversight and continuity as currently structured).

Terms: The term of the chair and the members is a one-year term.

Mid-Term Vacancies: The President will fill mid-term vacancies by appointing a member of the Board if deemed necessary given the remaining work of the committee to be completed.

Roles and Responsibilities: NAGDCA has an audit performed every 3 years, a review engagement in other years, and a 990 filed annually.

The association management company obtains quotes from at least three CPA firms to file the annual 990 returns and makes the recommendation to the committee. The committee either accepts the recommendation or suggests another alternative.

The association management company engages at least four outside CPA firms for a response to the audit RFP. Following receipt of the responses, the association management company makes a recommendation to the committee and the committee either accepts the recommendation or suggests another alternative.

When there is an audit, a call is scheduled for the committee members to speak directly with the auditor without the association management company. The auditor reviews the report with the committee member(s) and members can ask any questions directly to the auditor.

Meetings: The committee shall hold meetings on an as-needed basis conference calls. NAGDCA staff will assist the Chair in developing meeting agenda and coordinating committee meetings/calls.

Minutes: NAGDCA staff will prepare and distribute meeting minutes to the committee and upon committee approval, to the Executive Board.