

Audit Committee

Purpose

Per the ARL Bylaws Article VI, Section 3, the Audit Committee oversees matters related to the Association's annual financial audit.

Charge

The Audit Committee is a Board Committee tasked with the oversight of the annual financial audit process and the timely filing of all compliance reports. The Committee functions as the ombuds for the confidentially and anonymously submitted concerns of staff regarding the association's accounting, compliance, and/or auditing matters.

Membership

- The Committee is composed of three board members. Members of the Committee shall not include the Board President or Treasurer.
- The Executive Committee appoints the chair. The Executive Director may serve as staff lead or delegate as appropriate.

Terms

A member of the Committee serves for one year.

Meetings

The Committee meets as needed to conduct the work of its charge but not less than twice annually.

Areas of Responsibility

- Recommends to the Board the retention and termination of the Association's independent, external auditor
- Oversees the annual financial audit process, including the negotiation of the annual engagement agreement, determination of the audit's scope, and determination of a desired schedule
- Reviews and recommends to the Board whether to accept the management letter and audited financial statements prepared and submitted by the independent auditor

- Stays abreast of changes in regulations and Generally Accepted Accounting Principles (GAAP) that may have a significant impact on the Association's financial statements and accounting practices, in tandem with management and the independent auditor
- Ensures the timely completion of all required municipal and federal compliance reporting, such as IRS Form 990
- Establishes written procedures whereby employees can confidentially and anonymously submit concerns or issues regarding the Association's accounting, compliance, and/or auditing matters

Decision-Making

- The Committee makes recommendations to the Executive Committee and Board of Directors.
- The actions of the Committee are subject to subsequent ratification by the Board of Directors.

Code of Conduct

The committee adheres to the ARL Code of Conduct in all of its deliberations and activities.

Approved by the Board of Directors December 20, 2019