

MOTION FOR ACTION BY THE CONDO BOARD

DATE THIS MOTION WAS WRITTEN: March 7, 2018

AGENDA PLACEMENT: NEW BUSINESS

SUBJECT: Terms of Reference for Audit Committee

SUBMITTED BY: Bert Sebastian

MOTION: I move that the Condo Board approve the Terms of Reference of the Audit Committee for the 2018/19 year as outlined in the rationale below and appoint the following members to the committee: Bert Sebastian as chair, Randy Lopaschuk and Carol Perkinson as resident representatives and Mary Schmit from the Venture Out management team.

RATIONALE:

STANDING COMMITTEE TERMS OF REFERENCE AUDIT COMMITTEE

March 2018

PREAMBLE

This Committee is created under the Venture Out Bylaws (Article IV, Section 11, f.) to assist and advise the Board of Directors. Committees may request assistance for outside professional advice and help but may not contract directly for these services. This responsibility lies solely with the Board of Directors and the Venture Out Manager.

MEMBERSHIP

The committee shall consist of lot owners as voting members, one condo Board Member as a Liaison (voting) to operate as a two-way conduit between the Com-

mittee and the Board of Directors, the Venture Out General Manager (non-voting), and other members of the Venture Out Management team (non-voting) may be included as required. Under the VO Rules and Regulations (Section III, Articles 7 & 8) a lot owner appointed to a Standing Committee established by the Board of Directors shall serve on such committee for a three-year term. A member may be reappointed for another three-year term but not to exceed six years. In the event of Committee vacancies the Committee will solicit applicants and recommend appointments to the Condo Board.

COMMITTEE PURPOSE

1. Review and update if necessary the “Terms of Reference”. Must be completed and submitted to Condo Board for approval in March.
2. Recommend to the Condo Board the appointment of, and where warranted in the committee’s judgment, the termination of independent auditors selected to audit financial statements. (The Condo Board makes the appointment in March.)
3. If needed, meet with the auditors and the controller to review the scope of the proposed audit for the current year and the audit procedures to be utilized.
4. The committee will make an annual report to the Condo Board upon completion of the audit, sometime between October and December of each year.
5. Recommend the use of the auditor for any other service that may be required.
6. If needed, meet with the auditors at the conclusion of the audit to review the results

of the audit and to receive any comments or recommendations from the auditors.

7. If needed, review with the auditors any significant accounting alternatives and review any problems or difficulties they may have in obtaining information during the course of the audit.
8. Review and recommend approval of any recommendations for improvement in our accounting, internal control or business practices.

OPERATIONAL GUIDELINES:

Meetings are to be during the season of October through March. The meetings shall comply with A.R.S 33-1248 {Bylaws art. IV & 13} all board meetings (and regularly scheduled Board Committee meetings) must be open to members to attend and observe. The Board may place reasonable time restrictions but shall permit a member (or rep.) to speak once, after the Board has discussed a specific agenda item, before the Board takes formal action on an item under discussion. The Board shall provide for a reasonable number of persons to speak on each side an issue. Note: This section does not expressly apply to regularly scheduled committee meetings.

Agendas for Committee meetings are to be posted 48 hours in advance. The committee's function is one of oversight and review.

The committee shall not assume any responsibilities that would normally be attributed to management or independent auditors.

The committee is not expected to conduct investigations or resolve and disagreements between management and the independent auditors.

Committee membership for 2018/2019 shall be as follows:

Bert Sebastian (Chair), Treasurer (appointed 2018)

Randy Lopaschuk, Resident Representative, (appointed 2015)

Carol Perkinson, Resident Representative, (appointed 2018)

Mary Schmit, General Manager