

## **Chapter 10-09**

### **AUDIT & FINANCE COMMITTEE CHARTER**

#### **I. PURPOSE AND OBJECTIVE**

The committee has been established to provide input/recommendations to the Board and Management and to perform other duties related to financial reviews as requested by the Board.

The Audit and Finance Committee's purpose is to assist the Board in its oversight responsibilities with respect to designated financial audits, compliance, departmental financial trending and implementation of

The objective is to provide operational financial feedback regarding reserve expenditures, departmental financial performance, and overall financial trends.

#### **II. ORGANIZATION OF COMMITTEE**

The A&F Committee is a standing committee consisting of a minimum of five (5) members. Due to the unique skills and experience required by committee members, special exemptions for term limits may be requested of the Board.

The Controller and the Board Treasurer, or their designated representatives, will attend the Committee meetings. The committee members should become knowledgeable about the rules, policies and procedures governing the operations of the Homeowners Association.

All Committee members are obligated to sign the Committee's Non-Disclosure Agreement and shall be bound by the terms discussed within.

#### **III. SPECIFIC DUTIES**

##### **A. Internal Control**

1. Review monthly operational reports and report any unusual financial trends or developments to the Controller and the Board. Assist in drill down of departmental operations as directed by the Board.
2. Meet with Management team or designee to assist in the preparation of the annual budget prior to submittal to the Board

and supply the Board with any pertinent information or recommendations.

3. Provide the Board and designated Management team a written review regarding departmental quarterly financial trends as compared to YTD budgets. Reports shall not include any confidential information as set forth in the Non-Disclosure Agreement.
4. Assist with Monitoring the Capital Reserve and Asset List and report findings to the Board.
5. Provide a year-end summary of accomplishments to the Board.
6. Perform any other task requested by the Board or Management.

**B. External Audit**

1. Receive and review copies of both the narrative report setting forth adjusting entries (if any) and other findings and the financial report prepared by the External Auditor.
2. Coordinate with the Controller to ensure that significant findings and recommendations communicated by the External Auditor are addressed as appropriate.
3. Submit a report of this effort to the Board and Controller (as appropriate).

**IV. ACCESS TO PERSONNEL/INFORMATION**

The Committee shall have access to members of Management and any information it needs to carry out its responsibilities working under the auspices and supervision of the Board. Any activity undertaken, by the Committee, involving the daily operations of the HOA shall be coordinated through the CWPV HOA GM. The Committee may request the Board to initiate an internal audit by the Committee or an audit by the External Auditor on any issue falling within the Committee's responsibilities.