



AUDIT COMMITTEE

ORIGIN

This committee is neither a Standing Committee nor an “ad hoc” committee. Its composition and role is identified in Article VII, Section 12 of the MGCA By-Laws. Additionally, the By-Laws state that the committee need not be formed if its function is performed by an independent Certified Public Accountant.

PURPOSE

To conduct an annual audit of the MGCA’s financial accounts.

MEMBERSHIP

If required, the committee is formed per MGCA By-Laws, Article VII, Section 12, and “shall consist of at least one Manager and three (3) members of the Association who are not Managers.” This has been interpreted to mean that the committee must include at least one Manager, but that the Committee Chair need not be a Manager.

MEETINGS

Not specified in the By-Laws. Meetings are normally called by the committee chair on an as-needed basis.

RESPONSIBILITIES

Per MGCA By-Laws, Article VII, Section 12:

- Conduct an annual audit by examining all of the acts of the officers and Board of Managers for the previous year as recorded on the books, records and minutes of the Association.
- Recommend to the Board of Managers that the audit be ratified, approved and adopted.
- Make an annual report in writing of its audit of the accounts of the Association.

AUTHORITY

Per MGCA By-Laws, Article VII, Section 12, “the Committee shall have the power to examine all of the acts of the officers and Board of Managers for the previous year as recorded on the books, records and minutes of the Association.”

FINANCING/BUDGET

There is no specific budget allocation/line item for this committee. However, allocation for a professional audit conducted by a CPA is noted in the budget and may be used to cover activities of this committee. The Committee may make additional funding requests to the Board if needed.

The Committee Chair is responsible to ensure that expenditures do not exceed budgeted/allocated funds.

Dates:

Adoption: December 21, 2021

Revision:

Rescission: