



July 7, 2015

**MINUTES
AUDIT COMMITTEE MEETING
Held: Wednesday, June 24, 2015**

Participants: Reginald Avery, Audit Committee
Nancy McCord, Board of Directors
Andrew Stack, Board of Directors
Edward Berman, Audit Committee
James Young, Audit Committee
Milton W. Matthews, President /CEO
Jackie Tuma, Chief Staff Liaison and Director of Internal Audit

Ms. Tuma called the meeting to order at 7:33pm.

Mr. Avery moved to approve the agenda and Ms. McCord seconded. The agenda was approved with a vote of 5-0-0.

For: Ms. McCord and Messrs. Avery, Stack, Berman and Young
Against: None
Abstain: None

Mr. Avery moved to approve the draft minutes from the March 11, 2015 meeting and Ms. McCord seconded. The minutes were approved as presented with a vote of 1-0-4.

For: Mr. Avery
Against: None
Abstain: Ms. McCord and Messrs. Stack, Berman and Young (did not attend meeting on 3/11/15)

Ms. Susan Krabbe, Chief Financial Officer, presented the FY15 fourth quarter Financial Report. Staff responded to questions from the committee. She informed the committee that there may be an adjustment to record additional depreciation expense. Mr. Young requested that the committee be provided copies of the organization charts that were effective before and after the most recent reorganization.

Mr. Avery moved to provide the FY15 fourth quarter Financial Report to the Board of Directors, noting that additional depreciation expense may be recorded. Ms. McCord seconded. The motion passed with a vote of 5-0-0.

For: Ms. McCord and Messrs. Avery, Stack, Berman and Young
Against: None
Abstain: None

Mr. Stack moved to nominate Mr. Schwind as Chair and Mr. Avery as Vice Chair of the Audit Committee for FY16. Mr. Avery seconded the motion, and it passed with a vote of 5-0-0.

For: Ms. McCord and Messrs. Avery, Stack, Berman and Young
Against: None
Abstain: None

The committee reviewed the draft Audit Committee Charter and Office of Internal Audit Mission Statement and Charter (both with proposed revisions). Mr. Berman requested modifications to the Office of Internal Audit Mission Statement and Charter to expand the description of Internal Audit's independence.

Ms. McCord moved to recommend to the Board of Directors that it approve the revised Audit Committee Charter and the revised Office of Internal Audit Mission Statement and Charter (with additional description of Internal Audit's independence) and Mr. Young seconded. The motion passed with a vote of 5-0-0.

For: Ms. McCord and Messrs. Avery, Stack, Berman and Young
Against: None
Abstain: None

At 8:20pm, Mr. Berman moved to close the meeting pursuant to HOA Section 11B-111.(4)(i, iv and v) to review several internal audit reports and for consultation with staff personnel on legal matters. Ms. McCord seconded the motion. The motion passed with a vote of 5-0-0.

For: Ms. McCord and Messrs. Avery, Stack, Berman and Young
Against: None
Abstain: None

The meeting continued in closed session.

At 9:50pm the open meeting reconvened.

The committee reviewed the open tracking form.

At 9:51pm the meeting was adjourned by unanimous consent.