

	FMCA POLICIES AND PROCEDURES	INDEX NO. 4013	APPROVAL LEVEL EB
	SUBJECT Audit Committee	EFFECTIVE 5/14	SUPERSEDES 5/12
	SPECIAL DISTRIBUTION		

POLICY

To oversee the accounting and financial reporting processes of the issuer of audits of the financial statements.

PROCEDURE

Composition

1. The Chairman of the Audit Committee shall be a member of the Executive Board, in good standing, and all members shall be independent in order to serve on this committee. The Audit Committee will consist of the Finance Committee and two additional Executive Board members. The Chairman of the Audit Committee, elected by the Audit Committee, shall be the Association’s Compliance Officer. The Audit Committee should have access to financial expertise, whether in the form of a single individual serving on the committee, or collectively among committee members. The National Treasurer shall serve in a non-voting, advisory capacity.
2. In order to be considered independent, a member of the Audit Committee may not, other than in his or her capacity as a member of the committee or any other committee, accept any consulting, advisory or other compensatory fee from FMCA.

Responsibilities

1. The Audit Committee, in its capacity as a committee of the Executive Board, shall be directly responsible for the appointment, compensation, and oversight of the work of any registered public accounting firm employed by FMCA for the purpose of preparing or issuing an audit report or related work, and each such registered public accounting firm shall report directly to the Audit Committee.
2. The Audit Committee shall establish procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters; and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

Authority

The Audit Committee shall have the authority to engage independent counsel and other advisers, as it determines necessary to carry out its duties.

Funding

FMCA shall provide appropriate funding, as determined by the Audit Committee, in its capacity as a committee of the Executive Board, for payment of compensation to the registered public accounting firm employed by FMCA for the purpose of rendering or issuing an audit report; and to any advisers employed by the Audit Committee under the paragraph titled “Authority.”