

Committee Name:	Audit Committee	Session #:	Report #:
Committee Chair:	Elyce Dilworth	Vice Chair:	Teddy Decker
Minutes recorded by:	Elyce Dilworth	Date/time of meeting:	June 10, 2016/8:15 a.m.

Motions Passed:

1.

Number of committee members present: 7	Absent: 1	Number of others present: 1
Committee members present: Elyce Dilworth (Chair), Teddy Decker (Vice Chair), Phil Dodson, Jeanne Ensign, Jill Gellatly, Laura Winslow and Susan Kuhlman (CFO, ex-officio)		
Absent: Ralph Davis (Treasurer, ex-officio)		
Others present: Lynn Watson, National Office staff		

Minutes

The meeting was called to order at 8:15 a.m.

1. Review of Draft Materials –The Audit Committee (the “Committee”) reviewed and discussed the draft financial statements, Board report and Form 990 tax return. The Committee summarized their comments on the various documents for further discussion with representatives from Kerkering, Barberio & Co. (“K&B”) later in the meeting.
2. Report from Chief Financial Officer – Ms. Kuhlman introduced Ms. Watson, Staff Accountant, to the Committee and Ms. Watson provided her background and work experience. Ms. Kuhlman discussed the Conflict of Interest Policy and related forms noting that K&B reviews responses as part of their annual audit work. She also noted the National Office is working on guidelines for lobbying activities for USMS and the LMSCs as well as guidelines for crowdfunding for purposes of raising funds for Swimming Saves Lives. Both documents will be presented to the Board at the July Board meeting. Ms. Kuhlman discussed the process for the Strategic Plan and noted she is also working on the 5 year plan.
3. Presentation by K&B - Rob Lane, Laura Brock and Rebecca Stoner of K&B joined the meeting to discuss the 2015 audit results and tax return. Mr. Lane reviewed the required communications with the Committee and noted K&B would be issuing an unmodified opinion. He also indicated no material weaknesses were detected in the internal control system, no illegal acts or irregularities were noted and there were no management recommendations. Mr. Lane also discussed one audit adjustment which was prepared by management and there were no uncorrected misstatements.

The Committee discussed their comments and questions with K&B regarding the financial statements, including matters related to the termination of the lease at the Pagoda building. The Committee also reviewed the Board report and tax return with K&B. The Committee also discussed the draft Reserve Funds Policy with K&B.

K&B noted they were pleased with the quality of the audit materials and the assistance provided by Ms. Kuhlman and her staff during the audit. Ms. Kuhlman and Ms. Watson were excused from the meeting so that the Committee could meet in executive session with K&B. The Committee thanked K&B for their presentation and Mr. Lane, Ms. Brock and Ms. Stoner left the meeting.

4. Executive Session – The Committee held its annual executive session with the CEO, Dawson Hughes. At the completion of the executive session, Ms. Kuhlman and Ms. Watson rejoined the meeting. Jim Matysek and Jeff Perout joined the meeting to discuss current IT projects.
5. Other Matters – The Committee discussed proposed agenda items for Convention including reviewing the role and responsibilities of the Treasurer and a review of the Conflict of Interest Policy.

There being no further business, the meeting was adjourned at 4:55 p.m.
