

2015 EMAIL MOTION

ABC BOARD OF DIRECTORS

MOTION TO Perform External Audit with Substitute Amendment

MOTION BY: Robin Tomasi, West Coast Director

SECONDED BY: Karen Hanson, East Coast Director

MOTION MADE & SECONDED: Wednesday, Jan. 28, 2015

DISCUSSION FOR 7 DAYS: Thur. Jan. 29 – Wed., Feb 4, 2015

VOTES ACCEPTED– For 5 Days: Thur. Feb. 5 – Mon. Feb. 9, 2015

MOTION TO AMEND BY SUBSTITUTION: I move an independent external audit or annual review be conducted of the Treasurer's books for the fiscal year ending December 31, 2014. A three member audit committee of Certified Public Accountants will be established to determine the scope of the audit or review, and request quotes from CPA firms. The Audit Committee is to be established and report back to the board within 120 days. This report will outline the recommended course of action, and cost estimates. The BOD will approve the CPA firm, and recommended course of action. The audit or review will begin as the selected CPA's schedule allows, but must be completed no later than the deadline for inclusion into the Board of Directors Agenda Book for the 2015 BOD meeting.

At a minimum, the scope of this audit or review should be thoroughly conducted to satisfy the directors' fiduciary responsibilities and to bring all non-compliance reporting into compliance with Federal and State laws for 501c(7), and IRS guidelines. In addition, the audit or review is to insure an accountable process to investigate and remediate any problematic issues brought to the Board's attention with process and control adjustments recommended based upon the audit's or reviews results.

The Audit Committee shall submit to the BOD at the 2015 BOD meeting, recommendations for Bylaw and Policy Book changes to allow for internal audits and or reviews performed under the direction of the Audit Committee, and external audits or reviews as deemed necessary but remove the annual requirement

Rationale:

- Per the ABC by-laws Article VI, Section 6, Paragraph g an annual audit of the Treasurers books is to be conducted by a Public Accountant. Due to the significant length of time since the last ABC full external financial audit (30 years), an external independent audit or review should be performed for the fiscal year ending December 31, 2014. The scope of which is to be recommended by an ABC Audit Committee.

- Entrusting the Audit Committee comprised of CPA's with the task of determining the audit or review that best fits the needs of ABC, will insure we are performing our fiduciary duty while at the same time being financially prudent in relation to cost
- The proposed motion is comprehensive to establish an Audit Committee to commence the external independent audit/annual review process. The objective is to complete the task with recommendations (findings) for implementation consideration to update the bylaws and establish a standing Audit Committee based on Roberts Rules to allow for future internal/external audit controls, and present these to the ABC Board of Directors at the 2015 Annual Meeting. Any Bylaw changes will require the vote of the ABC membership.

VOTE ON MOTION

DIRECTOR	YES	NO	ABSTAINED	NO VOTE
D. Dow	xx			
K. Hanson	xx			
B. Fleury		xx		
K. Patterson		xx		
B. Hendrickson		xx		
R. Gulembo		xx		
J. Brigham		xx		
S. Ralph		xx		
T. Jagielski		xx		
M. Karbiner		xx		
A. Christensen		xx		
E. Tillson		xx		
J. Henderson	xx			
J. Gower		xx		
R. Tomasi	xx			

4 Yes Votes , 11 No Votes, MOTION DEFEATED