

1 Audit Committee Charter



Audit Committee Charter

Authority

The Audit Committee (the "Committee") is a committee of the Board established under Article IV, Sec. 5 of the Bylaws.

Membership

Only directors may serve on the Committee. The Board will appoint members of the Committee and a chair, each to serve for one-year terms. Appointment to the Committee requires a majority vote of the Board.

The Committee may not include staff members, including the President or Chief Financial Officer. Members of the Finance committee may serve on the committee, provided, however, that Finance committee members cannot comprise fifty percent or more of the Audit committee.

No person may serve on the Committee who has a material financial interest in the Association or in any entity doing business with the Association. Committee members may not receive any compensation from the Association.

The Board may fill vacancies on the Committee. The Board may remove a member from the Committee by majority vote of the Board.

Operations

The Committee will meet with such frequency as it may determine. The chair of the Committee will preside over Committee meetings. A majority of Committee members will constitute a quorum. Committee approvals will require a vote of a majority of the Committee members present at a meeting at which a quorum is present.

The Committee will report its activities to the Board on a regular basis and will keep minutes of its meetings.

Unless the Committee otherwise directs, the President and Chief Financial Officer may attend all Committee meetings.

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The Committee may invite any non-Committee member to attend meetings or meet with Committee members.

The President and Chief Financial Officer will serve as the Committee's staff liaisons.

The Committee will review this charter periodically and recommend any proposed changes to the Governance Committee for review. The Board may amend this charter at any time.

Responsibilities

Review the performance and make recommendations to the Board on the retention and, when appropriate, termination of the independent auditor, and negotiate the terms of engagement subject to Board approval.

Meet with the independent auditor and staff to discuss the audit plan, relevant new financial reporting requirements, the annual financial statements and the completed audit.

Meet, at least annually, with the independent auditor, without staff present.

Review the audit and determine whether to accept the audit.

Review the independent auditor's observations including any management letter and confer with the independent auditor to satisfy Committee members that the Association's and Foundation's financial affairs are in order.

Approve any engagement of the independent auditor for non-audit services and verify that such services conform to standards in the Yellow Book issued by the U.S. Comptroller General.

Review and recommend approval of the Association's and Foundation's annual IRS Form 990 filing.

Review periodically the Association's risk management profile and policies, litigation matters and insurance coverage and complaints or other communications made under the Association's Whistleblower Policy.

Comply in all respects with the requirements of the Ohio Revised Code and all other applicable laws relating to audit committees.

Approved, on this day, May 19, 2023.



Rachel Miller

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Secretary of the Board of Directors

The Lakeside Association