

## **Budget and Audit Committee**

### **Proposed Guidelines & Discussion items for the Budget & Audit Committee**

#### **Committee Composition**

As committee chair I'm recommending that the committee consist of three persons plus myself. Currently Colin Greaney and Virginia Baxter have agreed to serve on the committee and I'm requesting that they be approved by the Board. I am currently looking for a third member. He is waiting to hear from Gail Harlamoff.

Given that all current members of the committee reside on the east coast I'm currently looking for someone that resides west of the Mississippi; however as of now I have not been successful in identifying one. Candidates should have a business or management background and be willing to attend the first "in person" Board meeting of each year.

#### **AUDIT Function**

Since rescue will be the function of the 501 C (3) audit activity does not include financial operations related to rescue except where funds come into the system via the BTCA.

First audit will be related to financial activity associated with the period 12/1/09 thru 10/31/10.

Financial records for the period to be audited will be made available to the committee 60 days after the close of the fiscal year (i.e. the first meeting occurring after 10/31/xx).

Audit committee findings will be presented to the Board 90 days after the receipt of the documents and the Board would be expected to formally accept or reject the committee's recommendations which would then be made available to the general membership at or before the third "in person" Board meeting of the fiscal year.

The committee does request the authority to start preliminary audit work immediately, for example examine the procedures currently in place to deal with funds received for the futurity, current procedures in place as they relate to the payment of current obligations of the organization, etc.

#### **BUDGET Function**

Work will begin immediately on a budget to be implemented on 11/1/2010.

The budget will examine both revenue and expenses.

Budget implementation will include expenditure monitoring

The budget committee will work directly with those responsible for the activity being budgeted.

The budget will be activity based. (See Layout below)

A draft budget will be presented to the Board for comments at the second "in person" Board meeting of the year.

The final budget will be approved and adopted at the third "in person" Board meeting of the year.

Again I currently assume that Rescue would be the 501C (3)'s responsibility and not part of this committee's process.

#### **Draft budget layout**

I. Web site

II. Education

III. Health

IV. Performance

V. Publications & Media

VI. Shows & Events

A. BTCA Specialties

B. National specialty weekend

VII. Other Administrative costs – Would include Legislative, Bar Sinister, new member liaison, regional club liaison, Nomination committee, etc.

## **Bull Terrier Club of America**

### **Audit & Budget Committee Charter**

#### **PURPOSE**

To assist the BTCA Board of Directors ("BOD") in fulfilling its oversight responsibilities to the BTCA membership for the financial reporting process, the system of internal financial controls, and the audit process, and to create and to recommend to the BOD an annual budget for adoption by the BTCA.

#### **AUTHORITY**

The Audit and Budget Committee ("the Committee") has the authority to:

- Prepare and recommend approval to the BOD of the BTCA annual operating budget;
- Conduct or authorize investigations into any matters within its scope of responsibility.

- Seek information as required from members of the Board of Directors or BTCA Committees with regard to BTCA expenditures.
- Meet with the Board of Directors, as necessary.
- At no time shall a member of the Committee have the authority to prepare or to sign checks on behalf of the BTCA.

## **COMPOSITION**

The Committee will consist of four members, including a Chairperson. The Board of Directors shall appoint the Chairperson. The Chairperson shall appoint the members of the Committee, subject to the final approval of the Board of Directors. No committee member shall serve a term of longer than four (4) consecutive years.

Each committee member will be both independent and shall possess skills in the disciplines of accounting, finance, and/or business practices.

## **MEETINGS**

The Committee will meet at least four times a year, with the chair having the authority to convene additional meetings, as circumstances require. Each committee member is expected to attend each meeting, in person or via teleconference. The committee will invite members of the Board of Directors, BTCA Committee Chairpersons or others to attend meetings and provide pertinent information, as necessary. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. Minutes will be prepared.

## **RESPONSIBILITIES**

The Committee will carry out the following responsibilities:

### **Audit Function:**

#### Financial Statements

- Review the annual financial statements, and consider whether they are complete, and consistent with generally accepted accounting principles, and any information known to committee members, including reviewing any unusual transactions.
- Review interim financial reports with the BOD and consider whether they are complete and consistent with the information known to committee members.

#### Internal Control and Audit

- Perform a periodic audit of the Treasurer's records to:
  - Ensure proper invoices (or other documentation) adequately support any payments.
  - Verify that bank reconciliations are performed accurately and timely.
  - Review the details of all cash receipts and disbursements
- Consider the effectiveness of the Club's internal control system and make recommendations for improvements to the Board of Directors.
  - The Committee will develop the annual audit plan and all major changes to the plan.
  - Review the effectiveness of the internal audit function, and revise as necessary
  - Audit activity shall not include financial operations related to rescue except where funds come into the system via the BTCA.

### **Budget Function:**

#### Budget Development

- Develop and recommend to the BOD no later than the second "in person" meeting of the BOD each year, an activity-based operating budget for the ensuing fiscal year.

- Finalize the budget based on BOD comments no later than the third “in person” meeting of the BOD each year.
- Provide guidance on modifications to the budget for new projects that happen to occur during the year.

**General Functions:**

Reporting Responsibilities

- Regularly report to the BOD about committee activities, issues, and related recommendations.
- Report annually to the BTCA membership, describing the committee's composition, responsibilities and how they were discharged, and any other pertinent issues.

Other Responsibilities

- Perform other activities related to this charter as requested by the BOD.
- Institute and oversee special reviews as needed.
- Review and assess the adequacy of the committee charter annually, requesting BOD approval for proposed changes.
- Confirm annually that all responsibilities outlined in this charter have been carried out.