

LMOA POLICY MANUAL
CHAPTER FOUR - Section 4.02 - G
FINANCIAL MANAGEMENT: RELATIONSHIPS WITH AUDITORS

Date: Oct. 17, 1983

SUBJECT: Financial Management Relationships with Auditors
CONTACT: President of LMOA Board of Directors
Chairman of the Audit Committee

I. POLICY

This policy affirms the LMOA Board of Directors procedures regarding its relationships with the independent and impartial inspection and verification of the Association's financial and business transactions to be conducted by independent public accountants as well as internal audits.

In connection with any examination conducted by independent accountants or an internal audit, no employee of the Association shall directly or indirectly:

- A. Make or cause another person to make a false or misleading statement to an auditor; or
- B. Fail to disclose or cause another person to fail to disclose any information to an auditor that would aid the auditor in carrying out his assigned responsibilities.

Access to all appropriate records is essential to a proper financial audit. Accordingly auditors are to be allowed to examine necessary financial records or other appropriate records and perform procedures to whatever extent they deem necessary in the circumstances.

II. RESPONSIBILITIES

Since the above policy applies to all individuals and their acts. Managers are responsible to take the necessary steps to communicate and ensure that their employees understand the implications of this policy.

Requests for interpretations or questions which arise as the result of the application of this policy should be directed to the President of the LMOA and /or Chairman of the Audit Committee. A written record shall be maintained of such requests and replies.

Each and every audit must be documented and a written report provided to the LMOA Board of Directors. The Executive Committee has the authority to approve an internal audit.

III. APPLICATION

The LMOA Audit Committee shall meet with the auditor at least once each year to assess the overall accounting and internal control performance of the Association during the year. The LMOA Audit Committee shall provide a written report to the LMOA Board of Directors independent of the one provided by the Auditor.

The LMOA Audit Committee has the authority to recommend an informal internal audit at least once but no more than twice a year.

Management will provide requested documentation and information requested by the auditor and/or the Audit Committee. Management is responsible for fulfilling these duties with diligence and reasonable care.
