
RESOLUTION PROPOSAL

DATE: April 22, 2010
SUBJECT: Proposed Audits for 2010
SPONSOR: Bud Mauldin, Chair Audit Committee

BACKGROUND INFORMATION:

The Audit Committee Charter PM 16.07 states the Audit Committee 'shall recommend to the Board that internal audits of segments of the accounting system be conducted. The committee's recommendations should outline the purpose, the scope and the time frame of the audit work to be completed. These recommendations shall be submitted annually to the Board president, who will approve the audit schedule and scope in consultation with the Board of Directors".

The members of the Audit Committee recommend the attached list of 2010 audit proposals to the Board for consideration and approval.

In accordance with its charter, the Audit Committee is submitting the attached list of proposed audits for 2010 to the President and Board of Directors for their approval.

STAFF RECOMMENDATION: Staff concurs

PROPOSED FINANCIAL IMPACT: NA

PROPOSED SOURCE OF FUNDING: NA

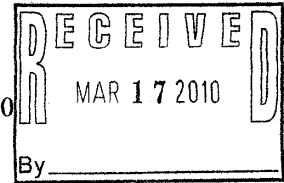
STRATEGIC PLAN REFERENCE:

4.1 Prudently manage the Association's finances and reserves

POSSIBLE MOTION: Move that the Board of Directors approve the list of proposed audits for 2010 from the Audit Committee as presented in the April 22, 2010 Board packet.

PERSON RESPONSIBLE FOR FOLLOW UP: Chair, Audit Committee

March 16, 2010



To: President, LMOA Board of Directors— L. Cumming
Cc: John Korhonen

Proposed Audits by Audit Committee for 2010

The members of the Audit Committee agreed to recommend the following internal audits for 2010 to the Board for approval.

Golf Course Equipment

To ensure compliance with LMOA policy related to inventory, purchase, and disposal of Fixed Assets; we will count and/or inspect the items included in LMOA records.

Pool Snack Bar

To determine that cash controls are effective, we will count cash and trace receipts to daily and monthly records, then review records for the last three months for any irregularities.

Membership Dues

To determine that billing of Property Owners, payments, and follow up for nonpayment conforms to LMOA policy, we will trace a representative number of transactions,

Pool Fees and Charges

To conduct a review of procedures relating to annual pool fees and the collection of other fees, we will count daily cash receipts and trace those and the annual fees to LMOA records,

Some audits for 2009 are still in various stages prior to completion. We will finish these soon.

Audit Committee

M.F.Mauldin, Chairman