



Committee Charter

VHA Audit Committee

Authorization

- Bylaws of The Villages Homeowners Advocates, Inc., (VHA) Article V, Board of Directors; and Article VIII, Committees
- Bylaws of VHA Community Foundation, Inc., (VHA-CF) Article V, Board of Directors
- Bylaws of VHA Helping Hands, Inc., (VHA-HH) Article V, Board of Directors

Purpose

The Audit Committee conducts proper review of the financial statements of the VHA, the VHA Community Foundation, and VHA Helping Hands, as well as the organizations' risk management to include monitoring the internal control environments. Each member shall be free of any relationship that, in the opinion of the Boards of Directors of the VHA, VHA-CF, and/or VHA-HH, would interfere with his or her individual exercise of independent judgment.

Limitation of Audit Committee's Role

Although the Audit Committee has the responsibilities set forth in this charter, it is not the responsibility of the Audit Committee to plan or conduct routine audits or to be the primary determinant that the organization's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These tasks are the responsibility of management and any external auditor, and the Audit Committee has an oversight responsibility to see that the objective is achieved.

Reporting

Because the Audit Committee is responsible for all three VHA member corporations, it reports directly to the President of the VHA, acting as the Sole Member, who represents the three Boards of Directors.

Responsibilities

Specifically, the Audit Committee performs the following functions:

- Develops and periodically reviews financial related policies; has a regular process of determining whether it is receiving quality audit/tax services for a fair price based on established policies and regulations.
- Reviews with management, the internal control process and risk management and mitigation process.
- Reports and recommends the results of findings to the Boards for approval.
- Acts as external point of contact for any whistle-blowing issues, and, if necessary, initiates special investigations of policies, procedures, and practices.
- May review the presentation of the financial information in the annual report before printed.
- Conducts private executive sessions at least annually with management and the three Boards of Directors.



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Composition

- The committee consists of three to five persons, with the Chairperson being a VHA Board member, and at least one member each representing the VHA-CF and the VHA-HH.
- The committee must include members with basic expertise in financial management; the committee may wish to consult with an independent financial expert on special topics.
- Members of other VHA committees that are involved in budgeting, finance, investment, or similar responsibilities, may not serve on this committee, in order to avoid conflicts of interest.
- Likewise, the organizations' Presidents and Treasurers and associates shall not serve on the Audit Committee for the same reasons.

Terms

- The members of this committee are nominated by the VHA President and are approved by the Boards.
- All committee members, excluding the person serving as chair, may serve two one-year terms.

Meetings

The Audit Committee meets as needed to fulfill its responsibilities but shall meet at least twice annually: once to formulate the audit/review plan, and as required to review any investigations related to fraud, financial irregularities, and internal control failures and prepare the final report to the Board.