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2 **SUBJECT: Internal Audit Committee Job Description**

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4 *(This section to be completed by the Agenda and Resolutions Committee.)*
5 Committees required to review:

Committee Action:
Approve Disapprove

Board of Directors			
Budget & Finance Committee			

6
7 **CONVENTION ACTION:**

8
9 _____ Approved _____ Approved with Modification _____ Disapproved
10
11 _____ Withdrawn _____ Referred to Committee _____
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13 **RESOLUTION:**
14 *(Refer to Article 901 for submission requirements.)*

15
16 Whereas, The AHA Board of Directors adopted a job description of the Internal Audit Committee at their August
17 2007 meeting which is more definitive than the one defined in Resolution 13-88; and

18
19 Whereas, AHA Resolution 13-88 states,

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21 That the IAHA Internal Audit Committee, consisting of three (3) people with Accounting and/or
22 Business backgrounds, be formed and approved as a Standing Committee of IAHA, and BE IT
23 FURTHER

24
25 That said IAHA Internal Audit Committee be nominated and elected by the IAHA Board of
26 Directors, and BE IT FURTHER

27
28 That the terms of office be established by the IAHA Board of Directors; and

29
30 Whereas, There is a need for a more active monitoring and information gathering body to relate financial conditions
31 and activities to the Executive Committee which is imperative for budgeting and managing the business of
32 AHA; Therefore, Be It

33
34 Resolved, That AHA Resolution 13-88 be rescinded: and, Be It Further

35
36 Resolved, That the Internal Audit Committee job description, subject to modification by the Board of Directors, be
37 implemented, as follows:

38
39 Internal Audit Committee

40 A. Deliverable #1: Annual specification of scope of audit, prior to outside audit, consistent with Board
41 monitoring policy. This may include engaging the auditor to assess, in addition to a standard G.A.A.P.
42 Audit, the operating organization’s performance with specific governing policies (e.g. Financial Condition
43 and Activities).

44
45 Deliverable #2: Assessment and confirmation of auditor’s independence, and recommendation to
46 Executive Committee for engagement of auditor -- by no later than the Executive Committee meeting held
47 at the Annual Convention of each year.

48
49 Deliverable #3: Direct inspection monitoring of the Financial Condition & Activities, Financial Planning
50 and Budgeting, Asset Protection, Investment Management and Compensation and Benefits policies,
51 consistent with Board monitoring policy.

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53 Deliverable #4: Recommendations to the Executive Committee for changes, as deemed appropriate, to

54 AHA's Investment Management and other finance-related governing policies.

55
56 B. Authority: To direct work of outside auditors, to use management time as needed for administrative
57 support, and to incur costs of no more than the amount established by the Executive Committee for all
58 matters related to the audit.

59
60 C. Composition: Chaired by the Treasurer, and including 3 other Board of Director members elected by the
61 Board of Directors; and, Be It Further

62
63 Resolved, That these changes be made to the AHA Handbook where applicable.

64
65 Effective: Immediately

67 PROPONENT'S FINANCIAL IMPACT:
68 (Refer to Article 901.2.e. for financial requirements.)

69
70 Minimal cost of conference calls and postage for the Committee members as reflected in past budgets.

72 AHA IMPACT STATEMENT:

73
74 Contact Person:

76 SUBMITTED BY:

77 Name: AHA Board of Directors

78 Member Organization Committee Commission Board Region (check one)

79 Who voted: Members Board Delegates (check voting body)

80 Total Number Eligible to Vote: 29 Number of Yes votes: 29 Number of No votes: 0

81 How vote was taken: mail email phone meeting (check one) (Must have Quorum with majority of yes votes)

82 Where documentation of this vote is recorded: August 11, 2007 Minutes (Must have printed documentation on file)

83 Date vote taken: August 11, 2007

84 Contact Person: Jan Decker (Has authority to amend, combine or withdraw)

85 Phone: (317) 861-4814 Email: Fax:

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