



AUA Staff Liaison Barbara Hartford

Chair David F. Green, MD Treasurer (2017-2021)

Terms of Office Treasurer - 4-year term (ex-officio)
Section Representatives - 3 year terms (non-renewable)
Audit Sub-committee Chair (appointed in 2nd year on committee)
Compensation Chair (appointed in 2nd year on committee)

Committee Makeup

Treasurer – 4 Year Term; Three (3) Section Representatives – 3 year Terms. *One member shall serve as the Audit Sub-Committee Chair and another as the Compensation Sub-Committee Chair, and the Treasurer will serve in a consultant, non-voting position for audit matters* (AUA, Inc. Bylaws, May 2013). Non-voting members include the Executive Director (ED); Chief Financial Officer, Senior Manager of Finance , plus every 4 years the Treasurer-elect will be an ex-officio member of the committee for 1 year.

Mission Statement

The committee shall advise the Board in fulfilling its financial oversight responsibilities with respect to audit and compensation activities, budgetary impact of major projects and financial planning. (The Committee shall make recommendations to the Board for the selection of the Association's investment counselor(s) and fund manager(s) to assist in establishing investment strategy guidelines. The Association's portfolio is monitored at least three times per year by the Committee for adherence to established policy guidelines and market performance vs. objectives with regard to the Association's investments. The Committee reports and makes recommendations at each Board of Directors meeting. (AUA, Inc., AUAER and UCF, May 2013) Investment recommendations include short and long term strategies, contracts with professional portfolio managers, monitoring of debt covenants and financial analysis/scorekeeping for significant new initiatives.

- **Audit** – The sub-committee contracts with independent auditors for annual audits of the organizations' operating financial statements, benefit plans, tax returns and review of comprehensive risk assessments and operating procedures. Additional audit sub-committee functions include responsibility for regulatory reporting obligations, adequacy of insurance and oversight of the system of internal controls.
- **Compensation** – The sub-committee manages the evaluation and contract negotiations for the CEO and key AUA physician consultants; making its recommendations to the Executive Committee of the Board of Directors.
- **Finance Committee** – Chaired by Treasurer and responsible for policies related to Financial matters, annual budgets, investments, insurance, capital purchases and issues related to cash flow.



Committee Meetings

Meetings will be by teleconference (t) unless they can be combined with another in-person meeting or unless it is absolutely necessary.

Finance & Audit Sub-Committee: expected meetings: January (t), April, May, July (t), September (t)

Compensation Sub-Committee: March (during JAC meeting), April (t), May (two meetings, one on Wednesday before Annual Meeting for planning and the other on Monday to meet with the CEO for evaluation).

Time Commitment (for typical year)

Treasurer's time for the Finance Committee is all part of officer duties; prep-time for board meetings could be up to a ½ day times three meetings plus any travel time to the Headquarters office. Tele-conference meetings would take up to two hours each for prep time and review of meeting minutes.

Estimated time for all meetings, preparation and either attendance or giving presentations; is 30 hours. Keep in mind this does not include time required for the treasurer's many other duties, only time for this committee and the resulting presentations to the board.

Committee members' time to attend meetings; ½ day plus travel time for in-person meetings but committee meetings held during the Annual Meeting or regularly scheduled board meetings would not generally require any additional travel time. Estimated time of 18 hours.

The sub-committee chair for the Compensation functions could be an additional 11 hours on top of the 18 general committee members' time above, for a total of 29 hours a year.

The Audit sub-committee chair could spend an additional 3 hours to the above 18 for a total of 21.

As the committee absorbs financial analysis and scorekeeping projects, all committee members could be required to spend some additional time researching project costs and outcomes and preparing reports for the board.

Qualifications

The voting members of the Finance Committee will be the Treasurer (who will be the committee chair) and three section representatives from the board who will preferably be in their third or fourth year of their term on the AUA Board, two will serve as chair of sub-committees (compensation and audit functions).

Responsibilities

Committee: Monitor the activity and make recommendations at each board meeting on the investment and banking/debt functions and strategy of the organization. Select investment and banking managers and ensure adherence to regulatory and performance standards.

For audit functions, the committee will recommend to the board selection of professional audit, tax and Security and Risk Assessment consultants. The committee, through its work with the consultants, will be responsible for verifying that AUA staff and the Treasurer maintain a sound



system of internal controls, are in compliance with tax, regulatory reporting and computer security requirements, that adequate insurance coverage is in place and that annual operational and benefit audits are performed. The chair for audit functions will be assigned to a section representative serving on the committee and the chair will be responsible for reports to the board at each meeting as well as to the association membership at the annual business meeting.

The compensation subcommittee will be chaired by a member of the finance committee from among the section representatives; the Treasurer will vote as part of the compensation committee. The focus of this subcommittee will be to evaluate the performance, negotiate contracts and recommend to the full board changes in benefits, base pay and bonuses for the Chief Executive Officer and compensated physician consultants in accordance with Board-Approved Standard Operating Procedures.

Recent Accomplishments 2018

- Finalized new 5 year contract for CEO and amended 457(f) payment schedule
- Transitioned new Compensation Committee Chair (Schultz) and developed SOP for compensation requests
- Monitored progress on Comprehensive Risk Assessment remediation plan and priorities
- Reviewed and approved special projects including AQUA/Data 5 year business plan and Non-member AM registration fee increases