



## **Audit and Ethics Committee**

**CHAIR:** Dr. Richard Schäfer, FRSB,MD

**PURPOSE:** Oversight Committee to assist the AABB BoD in fulfilling its financial responsibilities for the Association by reviewing all audits; the financial statements, the audit process, legal and regulatory matters that may materially impact the Association's financial position and management reports regarding the adequacy of internal controls and significant risks or exposures. Provide advice and guidance to the Board with regard to ethical issues facing the organization.



- CHARGES:**
1. Select the Association auditors. Confirm and assure their independence. Confirm that the auditing firm (footnote 1):
    - a) is registered with the Public Accounting Oversight Board;
    - b) retains audit working papers for at least seven years;
    - c) has a second reviewer review every report;
    - d) is subject to periodic inspection and to disciplinary procedures if deficiencies are found;
    - e) reviews internal controls in order to determine audit procedures for the purpose of expressing an opinion on the financial statements; if material weaknesses are found, includes those matters in their report;
    - f) changes assigned partner every five years, and
    - g) determine if the firm is involved in any significant litigation.
  2. Review the audit process with senior management and the auditors (footnote 2). The process should address the following:
    - a) the timing of the audit;
    - b) any significant changes required in the audit plan;
    - c) the financial statements, footnotes and other disclosures;
    - d) other matters related to the conduct of the audit as appropriate;
    - e) the auditors' report on the financial statements; and
    - f) any significant findings and recommendations of the auditors and management's response to these findings and recommendations.
  3. Review auditors' comments on management practices (the "Management Letter") and Management's Response. Report to Board with recommendations as appropriate. Monitor Staff compliance.
  4. Approve in advance all non-audit work to be performed by the association's selected outside auditor to ensure that such work does not compromise, or even appear to compromise, the outside auditor's independence.
  5. Inquire of the auditors and senior management about significant risks or exposures for the Association and assess the steps senior management has taken to minimize such risks to the Association.
  6. Review management reports regarding the adequacy of the Association's internal controls, including computerized information system controls and securities and make recommendations as appropriate.
  7. Review legal and regulatory matters that may have a material impact on the Association's financial statements.
  8. Review the Association's policies as requested by the Board to ensure compliance with applicable nonprofit generally accepted accounting principles and regulations. Make recommendations to senior management and the Board as required.
  9. Annually prepare a report on the audit from the Audit and Ethics Committee for the Association. Report for the January (or April) Board meeting (timetable dependent on availability of auditors' report).
  10. Annually review IRS Form 990/990T prior to filing and prepare a report from the Audit and Ethics Committee to the Board on the results of the review. Report timetable dependent on availability of completed 990/990T.
  11. Communicate regularly with the CEO to determine what significant actions may have been taken that are affecting or potentially will affect the financial viability and corporate structure of the organization and its related activities.
  12. Investigate matters brought to the committee's attention, within the scope of its purpose and charges, including, but not limited to matters brought before the committee in accord with AABB's Whistle Blower Policy. The committee has the power to retain outside counsel for this purpose if appropriate, in its judgment. Report any such actions to the CEO and Board as appropriate and in accord with existing policy.
  13. Serve as a resource to the Board regarding business-related ethics issues referred to the Committee by the Board and periodically review the AABB Code of Ethics
  14. As appropriate, submit topics and case studies for potential presentation or educational programming on medical and business-related ethics issues to the Annual Meeting Education Committee.

footnote:

1. An affirmation letter from the auditing firm is required and addressed to the Audit and Ethics Committee and included with the auditors' report to the Audit and Ethics Committee.

2. Audit Process included with Guidance for Board QSE's.



## Current Personnel as of May 05, 2024

Name	Roles
<b><u>Chair</u></b>	
Dr. Richard Schäfer, FRSB,MD	
<b><u>Member</u></b>	
Carmen Alesia Bell	
Ms. Delisa English	
Dr. Aaron Tobian, PHD, MD	
Dr Meghan Delaney	
<b><u>Staff Liaison</u></b>	
Diane Killion	
Michael Grogan	

**Time Commitment:** To learn about the time commitments for this committee, please contact the staff liaison listed in the roster above.