

Tidewater EMS Council, Inc.  
**Audit and Finance Committee**  
February 9, 2011

**MINUTES**

*Present*

Kent Weber, Chair

Wayne Shank

Jim Chandler

1. Mr. Weber called the meeting to order at 10:10 am at the TEMS office. This is the first committee meeting so there are no previous minutes to approve.
2. Background and History – Mr. Chandler provided a brief background about why the Board of Directors established the Audit and Finance Committee. There are two main factors: best practices in the non-profit community recommend separate and independent committees to address finance and audit issues, and to set the stage for improvements in an organization's financial management, internal controls and relationship with the external auditor. Second, a regional EMS council in Southwest VA experienced embezzlement during the past two years and subsequently the Virginia Department of Health asked all regional EMS councils to develop a set of financial oversight policies which would serve as a best practice document. While that document, endorsed by the TEMS Board, does not require a separate audit or finance committee, it does represent an extensive list of accountability and control statements that warrants the focus of dedicated Board committee that can report to the Board.
3. Review Committee Tasks – The committee discussed various aspects of the council's current accounting system, policies and practices, the check signing process, separation of duties, weaknesses identified in other organizations which have experienced fraud and embezzlement, the current balance sheet and financial statements and sources of council income. Following discussion, it was determined to focus on three primary topic areas during the next year:
  - a. Review staff and officer practices of financial management, including checks and balances, separation of duties, etc., and then meet with the external auditor regarding best practices in this area, then address any needed adjustments to current policy and practice.
  - b. Assess the council's risks and insurance coverages and make recommendations as needed.
  - c. Review financial statement formats to include budgets, variances, validity, simplicity of presentation, etc. and make recommendations as needed. The goal will be to provide simplified financial statements for regular board consumption while retaining background detail as needed by the committee, management and others.

The committee then reviewed the council's quarterly investment report (ending December 31, 2010) and discussed allocations and results. There were no recommendations for change in policy or allocations.

4. Assignments and Future Meetings – It was agreed to meet the second Wednesday at 10 am prior to regular bi-monthly meetings of the EMS Medical Operations Committee, but to delay the next meeting until June 8. Future dates and meeting frequency will be determined at each meeting.
5. With no additional business, the meeting adjourned at 11:30 am.

Minutes prepared by Jim Chandler