

AUDIT & FINANCE COMMITTEE REPORT FOR THE PERIOD NOVEMBER 2006 – MARCH 2007

The Audit and Finance Committee Chair visited the IAA offices in March to meet with staff, including the Executive Director, and to review the External Auditor's report. I met with the External Auditor and had extensive discussions with him about his review of the financial statements and the internal operating controls and his resulting report. In response to new audit standards, there were extensive discussions about exposure to fraud and proper controls for these exposures. As a result of these discussions, one small operational procedure was changed.

There was nothing exceptional to note from either the External Auditor or the staff. Both were highly complimentary of each other and about the quality of each other's work and the congenial atmosphere of mutual co-operation.

At the time of the March visit, work was not yet complete on the Sections finances and their reports. This work will be commented on for the Dublin meeting in October, 2007.

As part of the visit, expenses submitted to the Secretariat for reimbursement by staff, officers, and others performing authorized work for the IAA were reviewed for consistency with established policies. No discrepancies were noted and all forms were approved, as submitted.

A thorough review of public statements processed through the Secretariat was conducted as mandated by the Committee's Terms of Reference. All public statements were validated through a review of letters and electronic messages received from authorized representatives of the member organizations and the votes recorded checked for validity. It is noted that non-Fast Track statements are responded to by not much more than 50% of the voting rights. Should this fall below 50%, it would create problems in issuing such a statement.

A review of the procedures and accounting for bursaries issued in respect of the Paris Congress was started. This is a highly complex, labour intensive function with a significant number of exceptions and special considerations involved in many of the submissions. Based upon preliminary reviews, new procedures for future Congresses will be proposed that will involve limited transfer of funds to individuals and more direct payments from the Secretariat to the Congress, hotels and transportation companies on behalf of bursary recipients.

The proposed budget was reviewed in detail. Work is continuing to integrate the financial reporting and auditing of the Sections, including both budgets and financial statements.

The investment guidelines are reviewed on an annual basis to see if any changes are warranted. Compliance with the guidelines is monitored on a regular basis.

The Secretariat was scheduled to physically move to a new location in the current building the Monday after my visit. All communications with the Secretariat should continue as before – no changes in telephone, e-mail or physical mailing address were required. In fact, most members will not even be aware that such a move occurred.

Curtis E. Huntington, Chairperson

9 April 2007