

UNITED STATES PONY CLUBS
POLICY STATEMENT

SUBJECT: Audit Committee

EFFECTIVE DATE: 5/19/13

POLICY NO: 7900

I. PHILOSOPHY:

In order to provide the necessary financial oversight for the organization, the Board of Governors endorses the establishment of an Audit Committee.

II. POLICY STATEMENT:

The policy of the Board of Governors is to appoint annually an Audit Committee of three or more Board members, one of whom must be a “financial expert” which will have the oversight responsibility, authority and specific duties as described in its Charter.

III. AMPLIFYING INSTRUCTIONS AND GUIDELINES:

- A. The Audit Committee will assist the Board of Governors in fulfilling its oversight responsibilities with respect to (i) the annual financial information to be provided to corporate members; (ii) the system of internal controls that management has established; and (iii) the internal and external audit process.
- B. The Audit Committee is directly responsible for the appointment, compensation, retention, oversight and termination of engagement of any independent auditor employed by USPC.
- C. The Audit Committee has the authority to investigate any matter or activity involving financial accounting and financial reporting, as well as the internal control of USPC, in that regard, the authority to approve the retention of external professionals to render advice and counsel in such matters.
- D. The Audit Committee will provide an avenue for communication between internal auditors, the independent auditors, financial management and the Board.
- E. The Audit Committee will make regular reports to the Board.

IV DELEGATION OF AUTHORITY:

The President shall have the overall responsibility for enforcing this policy.

V. ENACTMENT:

Established:



Date: 5/19/2013