

LEISURE WORLD COMMUNITY CORPORATION  
AUDIT ADVISORY COMMITTEE  
Regular Meeting  
December 11, 2009  
Sullivan Room

MEMBERS PRESENT: Robert Bordley, M20A, Vice Chair; Nancy Kupperian, MM; Joyce Brown, M6C; Paul M. Bessel, M13; Francis Teti, M15; Muriel Breger, M17B; John Doherty, M19B; and Mark Levine, M21.

MEMBERS ABSENT: Morris Krowitz, M23, Chair; Jay J. Kim, M5; Carol Sloane, M18; Nita Farrell, M19A; Marvin Franklin, M24; and Frederick A. Brahin, M27.

VISITOR: Bob Moreland, M26.

MANAGEMENT: Jennifer Peacock, Comptroller; and Nancy Gordon, Trust Assistant.

1. Call to Order – Mr. Bordley called the meeting to order at 9:00 a.m.

2. Approval of Agenda – The agenda was approved as amended.

Delete: Items 7A and 7B

3. Approval of Minutes – The minutes of the October 2, meeting were approved as corrected: Item 7. Correct misspelling. “DeLong” should be “DeLeon.”

4. DeLeon & Stang – Pre-audit discussion – Because representatives of the DeLeon & Stang audit firm had not yet shown up for the meeting, Mrs. Peacock telephoned them to see if they were planning to attend. Mr. DeLeon apologized for not having the meeting on his calendar but offered to do a teleconference. Instead, the Chair will be asked if DeLeon & Stang should be invited to the next meeting.

Audit Plan - Mrs. Peacock reported that the committee will be provided with DeLeon & Stang’s audit plan when it is received.

5. General Manager’s Report – Mrs. Peacock reviewed the November and December General Manager’s reports and responded to all questions and comments.

6. Old Business

Contract procedures – A revised document was distributed to the members of the committee.

Committee review of contracts – At last month’s meeting, the committee discussed the need for contracts to be reviewed by appropriate advisory committees.

**After discussion, and upon motion duly made and seconded, The Audit Advisory Committee recommends that the Board of Directors instruct management to have all contracts over \$25,000 approved by the applicable e advisory committee before signing.**

7. New Business – Operational Audit – Mr. Bessel asked Mr. Bordley about operational audits and if would be useful to have one performed at Leisure world. Mr. Bordley stated that it would be worthwhile. Mr. Bordley stated that an operational audit looks at how well a business performs and cited examples of possible areas of its focus:
- management’s effective use of workers
  - management’s attainment of goals
  - customer service
  - ways to save costs

Mr. Bessel will draft a request for information about DeLeon and Stang’s experience conducting operational audits and approximate costs. The same information will be requested from other auditors.

8. Agenda Items for Consideration at Next Meeting
- Code of ethics and disclosure statement  
(Mr. Bessel submitted a draft of a code of conduct for all members of the Board of Directors and members of advisory committees)
  - Charter revisions.
  - (For March Meeting) Solicitation of bids from auditing firms
9. Open Forum – There were no visitors present.
10. Next Meeting – The next meeting is scheduled for (I am asking Mr. Krowitz when he would like the next meeting to be scheduled) 2010, at 9:00 a.m. in the Sullivan Room.
11. Adjournment - There being no further business, the meeting adjourned at 9:45 a.m.

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Robert Bordley, Vice Chair