**Tuberous Sclerosis Alliance**

**Audit Committee Meeting Minutes**

**September 12, 2017**

*Approved October 13, 2017*

**In Attendance:**

**Voting Committee Members:** Mike Caggiano

**Non-Voting Committee Members:** Rita DiDomenico, Steven Goldstein

**Staff:** Kari Rosbeck, Rich Gollub

Mike Caggiano called the meeting to order at 4:04 pm ET. A quorum was not present, so the only matter that could be voted on were the minutes for which a prior proxy vote was submitted.

**Approval of the Minutes from June 13, 2017**

Mike Caggiano asked if there were any questions about the prior meeting minutes. Hearing none, he made a motion to approve the June 13, 2017 Audit Committee Meeting minutes *(Caggiano, Michaels). With David Michaels’ proxy vote serving to second the motion, the minutes were approved without dissent.*

**Review of 2017 Audit Timeline Milestones**

The Committee reviewed the proposed milestones for planning the upcoming audit. Rich Gollub explained some of the differences in the timing of this year’s audit fieldwork compared to the prior year. He also pointed out that the Committee should have a few days to review the draft versions of the consolidated audit and stand-alone tax returns for the TS Alliance and the Endowment Fund prior to the scheduled March 26, 2018 Audit Committee meeting.

There was discussion about the timing of determining year end incentive payments and how the books cannot be closed until that entry is made. It was suggested that if the entry could be deferred until the following year, it might ease some of the scheduling time crunch.

Mike Caggiano felt that the milestones were reasonable and Steven Goldstein subsequently came to that same conclusion which he emailed to the Committee after the meeting. Without a quorum present, Mike requested that a vote be taken by email later in the week. In the email vote finalized on September 19, 2017, *the 2017 Audit Process Timeline was approved by the Committee with a vote of 3 in favor, with no votes in opposition and no abstentions.*

**Review of Estimates in Financial Statement Footnotes**

The Committee reviewed the attachment outlining the estimates made by management in the most recent financial statements. Steven felt that it was important for the Committee to evaluate if there were risks being taken as part of the estimates being made by management. After his review, he did not see that there were any such risks being taken in the estimates and assumptions management is currently taking.

The rest of the Committee was in agreement with that sentiment and Mike Caggiano recommended that the estimates also be put to an email vote later in the week. In the email vote finalized on September 19, 2017, *the 2017 Estimates Used by Management were approved by the Committee with a vote of 3 in favor, with no votes in opposition and no abstentions.*

**Discussion of Cyber Liability Policy Insurance Options**

Rich Gollub explained that there are differing levels of coverage available. Endorsements to existing general liability policies tend to provide more limited coverage capped at lower dollar amounts, in the $25,000 to $50,000 range, while stand-alone policies are more costly and may provide coverage options in the $1,000,000 range. Mike Caggiano expressed interest in obtaining sufficient coverage but not overpaying for unnecessary coverage, especially if the organization is not retaining personal information such as credit card or social security numbers in its database. Rita DiDomenico suggested checking with other nonprofits to see what level of coverage they have elected. Rich and Kari agreed to check with other non-profits and report back to the Committee on their results.

**Adjournment**

Mike Caggiano adjourned the meeting at 4:28 pm ET.