**Albemarle County**

**Audit Committee Charter**

**I. Charge:**

The Audit Committee is a committee of the Board of Supervisors. Its primary function is to assist the Board in carrying out its oversight responsibilities by reviewing financial information provided in the County’s Annual Financial Report, by reviewing any material weaknesses in the County’s system of internal accounting controls, as reported by the external auditor, and by reviewing the annual audit process and its results.

**II. Membership:**

The Audit Committee shall be appointed annually at the first meeting in January by the Board of Supervisors and be comprised of the following members. Only elected officials will be voting members of the Audit Committee.

* Two members of the Board of Supervisors
* One member of the School Board (appointed by the School Board)
* County Executive or designee
* Director of Finance
* Superintendent of Schools or designee

**III. Responsibilities:**

* Recommend the selection, retention or termination of the County’s external auditors.
* Review the overall plan for the audit with the external auditor and County management
* Review the annual financial statements and external audit results with the auditors and County management.
* Review any material weaknesses in internal accounting controls, as outlined in the auditors’ Management Letter to the County
* Prepare the Audit Committee’s report to the Board of Supervisors.

**IV. Operating Procedures:**

* The Committee will meet twice a year, or more frequently at the discretion of the Committee, in conjunction with the County’s external audit process.  The Committee may meet more frequently at the discretion of the Committee to discuss other matters of concern.
* The purpose of the first meeting in June will be to discuss the auditor’s preliminary fieldwork and review the auditor’s scope of work and scheduling for the upcoming audit.   The second meeting, to be held in December, will focus on the Annual Financial Report, prior to its presentation to the Board of Supervisors, as well as any issues raised by the external auditor in the Management Letter.
* The Audit Committee may select a Chairperson whose responsibility it will be to preside over the meetings. With assistance from the Director of Finance, the Chairperson will schedule the meetings and prepare a written agenda.
* Audit Committee meetings will be public meetings.  The meeting agenda for regularly scheduled meetings shall be posted three days prior to the meeting date.  Notice for all meetings shall be given pursuant to the requirements of the Virginia Freedom of Information Act.
* Agendas and any written material to be reviewed at the meeting will be sent to committee members prior to the meeting.
* The Director of Finance will assist the Auditor in preparing presentation materials and will prepare and distribute minutes to Committee members after each meeting.

Approved for Submission to the Board of Supervisors       December 2, 2004