

AUDIT COMMITTEE

CREATING AUTHORITY: Resolution 2010-83, Ordinance 2013-35, Adopted on October, 30, 2013

MEMBERSHIP: The audit committee shall consist of five individuals solicited and appointed by the municipal judge with the advice and consent of the governing body. The members of the audit committee shall include individuals that have experience and knowledge that would assist the governing body in completing the audit committee's purpose and who are qualified by training, experience and ability to exercise sound and practical judgment regarding the duties and responsibilities of the audit committee. Of the five members no less than one member shall be a certified public accountant, no less than one member shall either be a lawyer or have a law enforcement background, and one member shall be a management consultant. Members shall reside in the state of New Mexico.

CHAIRPERSON: The municipal judge, with the approval of the city council, shall appoint the initial chairperson. The chairperson shall designate the vice chairperson. The chairperson shall serve as chairperson for a period of one year. Following one year of service, the chairperson shall be elected (or re-elected) by the members of the Committee. The chairperson may appoint sub-committees and sub-committee chairpersons as needed.

TERMS: Two of the members shall be appointed for two year terms and three shall be appointed for three terms. Subsequent terms shall be for three years to maintain staggering of terms; limited to no more than four (3) year terms. The members shall serve at the pleasure of the governing body and may be removed at any time with or without cause.

VACANCIES: Vacancies on the audit committee shall be filled in the same manner as initial appointments and shall be for the remainder of the term of the vacant position.

MEETINGS: A quorum of the audit committee shall be at least three members. The audit committee shall conduct all meetings in accordance with adopted City policies and procedures and shall use *Robert's Rules of Order* in conducting its meetings. The audit committee shall meet at least quarterly and as needed to accomplish the duties and responsibilities of the committee.

STAFF LIAISON: Liza Kerr, Internal Auditor
955-5728

PURPOSE: The purpose of the audit committee is to advise the city manager, the finance committee and the governing body regarding financial audits and investigations related policies and procedures in order to promote transparency, accountability, efficiency and effectiveness of city government for the citizens of Santa Fe.

DUTIES AND RESPONSIBILITIES:

The Committee shall, to the extent possible under

the city charter:

- (a) Ensure that all audits, internal and external, conform to generally accepted governmental auditing standards;
- (b) Ensure that the internal auditor position and internal audit functions are independent in accordance with generally accepted governmental standards;
- (c) Review applications for and make recommendations to the city manager for hiring of internal auditor, a city employee;
- (d) Review and comment on the parts of the internal auditor's personnel evaluations that are non-exempt public records under the New Mexico Inspection of Public Records Act;
- (e) Review and recommend for approval by the finance committee the annual internal audit plan, and modifications thereto;
- (f) Review and make recommendations to the finance committee regarding internal audit reports by the city's internal auditor;
- (g) Review and make recommendations to the finance committee regarding the city's annual external audit;
- (h) Participate in, via one designated member, the request for proposal process for external auditors and make recommendations for the selection of the city's external auditors;
- (i) Review the city's financial reports periodically;
- (j) Review and make recommendations to the finance committee regarding the city's financial policies, procedures, practices and internal controls in place to control the operations, accounting, and regulatory compliance of the city;
- (k) Review audit findings reported by any external audit and make recommendations to the finance committee concerning the corrective action plans proposed by the city departments; and
- (l) Advise, review and make recommendations for other matters as requested or assigned by the finance committee and/or city council.