

**EMPLOYEE TRUST FUNDS BOARD  
AUDIT COMMITTEE CHARTER  
DECEMBER 2008**

**General**

The Employee Trust Funds Board (Board) has established the Audit Committee to assist the Board in fulfilling its fiduciary and oversight responsibilities. Generally, the Committee will review:

1. The adequacy and effectiveness of the Department's system of internal controls, including those relating to information technology systems; and
2. The Department's accounting and financial reporting systems.

**Membership**

Membership shall be determined by the Board chair, except that the Committee shall be composed of three Board members.

**Duties and Responsibilities**

In consultation with the Secretary, the Audit Committee shall:

- Provide policy recommendations for an effective system of internal controls to the Board.
- Provide recommendations for periodic assessment of the system of internal controls, including information technology systems.
- Approve the scope and objectives of internal audits, whether conducted by staff or external parties, including the audit plan developed by the Internal Audit Director and approved by the Secretary.
- Review and make recommendations to the Board regarding any audit reports prepared by the Legislative Audit Bureau.
- Review the Comprehensive Annual Financial Report.
- Review the effectiveness of the internal audit function and make recommendations to the Board, the Secretary, and the Internal Audit Director on methods to improve the function.
- Review with the Secretary, the Legislative Audit Bureau, and, as necessary, appropriate legal counsel, any claim or contingency that could have a significant effect on the financial condition of the Trust Fund and how that claim or contingency is being managed.

- Bring to the attention of the Board any audit issue it deems significant or otherwise appropriate for the Board's consideration.
- Keep minutes of Audit Committee meetings and ensure that minutes are made available to Board members.

### **Meetings**

The committee shall meet at least one (1) time per calendar year, and may convene more frequently as circumstances require.

### **Charter Review**

The Board, in consultation with the Audit Committee, shall review this charter for relevancy and appropriateness at least once every three years.

### **History**

The Board adopted this charter on December 12, 2008. The Board approved changes to this charter on \_\_\_\_\_.