

COMMITTEE: Audit Committee Standing ___ Permanent X

Primary Committee Purpose:

The audit committee assists the board of directors in fulfilling its oversight responsibilities by providing the board with oversight, independent advice and guidance regarding the adequacy and effectiveness of the organization's practices for:

- External auditors and audit process
- Financial statements and public financial reporting
- The system of internal controls and fraud deterrence

Committee Size: 5-7 members

- The board must appoint the committee members
- At least 2 members of the committee will be board members
- The committee members may not be staff members, the CEO or CFO
- A majority of the members should be financially literate, with 1 member being a financial expert
- Members may serve on both the Audit and Finance Committees. However, no more than 50% of the Audit committee members can also be on the Finance Committee. The Audit Chair should not be on the Finance Committee.

Committee Chair: A member of the Downtown San Diego Partnership Board

Qualifications: An individual who has experience managing or reporting the financial performance of a private or public organization. An individual with business acumen and strategic operational experience.

Staff: Director of Finance & Administration (Primary) and Chief Operations Officer

Meeting schedule: Twice yearly

Committee's Responsibilities:

- Engage and oversee all audit services performed by public accounting firms
- Review annual financial statements and consider whether they are complete and consistent with information known to committee members
- Discuss results of audit with management and auditors
- Monitor management's progress on any corrective or recommended action plans
- Review audit report and decide whether to accept it
- Resolve any disagreements between management and the audit firm
- Confer with auditors to ensure the organization's financial affairs are in order
- Engage independent counsel, accountants or other advisors it deems necessary
- Consider the effectiveness of the organization's internal control systems

AUDIT COMMITTEE MEMBER APPLICATION FORM

Name _____ Phone _____

Address _____

E-mail _____ Date _____

Relevant experience and/or employment (attach a resume if needed) _____

Why are you interested in serving our organization? _____

Specific area(s) of expertise/contribution you feel you can make _____

Other volunteer commitments (please list names of organizations) _____

Past/current Board experiences (please list names of organizations) _____

Signature: _____

Please return completed form to tjohnson@downtownsandiego.org