



AUDIT COMMITTEE CHARTER

Audit Committee

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CITY OF KILLEEN AUDIT COMMITTEE CHARTER

Audit Committee Purpose:

The City of Killeen, City Council has established an Audit Committee to assist the City Council in fulfilling its governance and oversight responsibility for audit-related matters in order to:

- Promote the effectiveness and integrity of the internal audit function;
- Maintain the suitability of internal controls;
- Ensure compliance with regulatory requirements; and
- Ensure the timely and effective implementation of internal and external audit recommendations.

Membership:

The Audit Committee will consist of the Mayor and two (2) City Councilmembers. In addition, City Council may approve up to two (2) City of Killeen citizen members. The Mayor, Councilmembers, and City of Killeen citizen members shall all be voting members of the Audit Committee.

The City Council will appoint the members annually and may remove committee members at any time. The Audit Committee will elect a member to act as Chairperson of the Committee.

Duties and Responsibilities:

The duties and responsibilities of the Audit Committee include the following:

- Ensure that the internal audit function is independent, in accordance with Government Accountability Office (GAO) *Generally Accepted Government Auditing Standards*.
- Provide oversight of the City Auditor's annual audit plan and audit reports.
- Review and concur in the appointment, salary, replacement, or dismissal of the City Auditor.
- Recommend to the City Council the selection of the external audit firm and approve any discharge of auditors when circumstances warrant.
- Review audit findings reported by any external audit and make recommendations to the appropriate committee concerning corrective action plans proposed by city departments.

- Delegate the authority to a designee to administratively oversee the City Auditor for timekeeping purposes and leave requests.
- On a regular basis, meet with the City Auditor to discuss any matters that the Audit Committee or City Auditor believe should be discussed privately, including but not limited to the Charter, plans activities, staffing, and the organization structure of the internal audit function.
- Provide updates to the Council, as needed on the Audit Committees' activities.
- Ensure that the Audit Committee Charter accurately reflects the activities of the Committee and obtain approval from the City Council at least biennially.

Authorities:

In order to undertake its activities, the Audit Committee is authorized to study and investigate any activity within the City's departments, and shall require all employees to cooperate fully with investigations. The Committee is also authorized to appoint any additional experts that it considers necessary in the completion of its duties.

Audit Committee Meetings:

The Audit Committee will schedule meetings quarterly and as needed. A quorum will be a minimum of three voting members, provided that at least two (2) of those voting members are elected officials.

The minutes of the meetings are to be recorded and approved by the Audit Committee as a true record of decisions made and actions taken. The secretary, which will be the City Auditor, or his/her designee, will prepare agendas, take minutes, and prepare any necessary information for members.

The Audit Committee is authorized to invite senior management, line management or other specialists to the meeting in order to provide expert opinion or information with respect to issues being discussed.

Reporting:

The Audit Committee shall provide timely and accurate reports to the City Council, and if appropriate to the other governing boards and authorities, on matters included in "Duties and Responsibilities" above.