

Carbon Water Conservancy District

Audit Committee Information

Use an Audit Committee

Purpose

An audit committee assists the governing body in its financial oversight responsibilities.

Membership

We recommend that members of the audit committee are a subset of the governing body. An audit committee should have a financial expert who is not a member of management. This can be achieved by having a governing body member who is a financial expert, or acquiring the assistance of a volunteer or paid professional financial expert. Finance officers from other local governments should be considered when looking for a financial expert, as they are independent and have a working knowledge of government accounting issues.

Functions

An audit committee must ensure the following:

1. Management develops and enforces systems that ensure the entity accomplishes its mission effectively and efficiently while complying with laws and regulations.
2. The internal audit function objectively assesses the effectiveness of management's internal control program.
3. Financial statement audits are performed by a qualified, independent accounting firm and issues identified during those audits are reviewed and resolved as appropriate.
4. Hotline complaints are investigated and findings are addressed by the governing body.