Audit Committee

Presented by the County of Santa Barbara Auditor-Controller's Office



Government Objective

Be good stewards of resources
 Safeguarding - Protect assets against danger or misuse

Management - Ensure that assets are used efficiently and effectively to achieve their intended purpose

Accountability - Report on stewardship of public resources



Why Establish an Audit Committee?

- Assist the government in achieving its objective
 - Enhance the audit function
 - Independent assessment
 - Communicate monitoring results and ensure adequate corrective action occurs
 - Smaller forum than full Board
 - Separate from management for auditors and other interested parties to candidly discuss concerns
 - Oversight of financial reporting
 - Better informed Board
 - Assist in early identification and prevention of control weaknesses to safeguard County assets

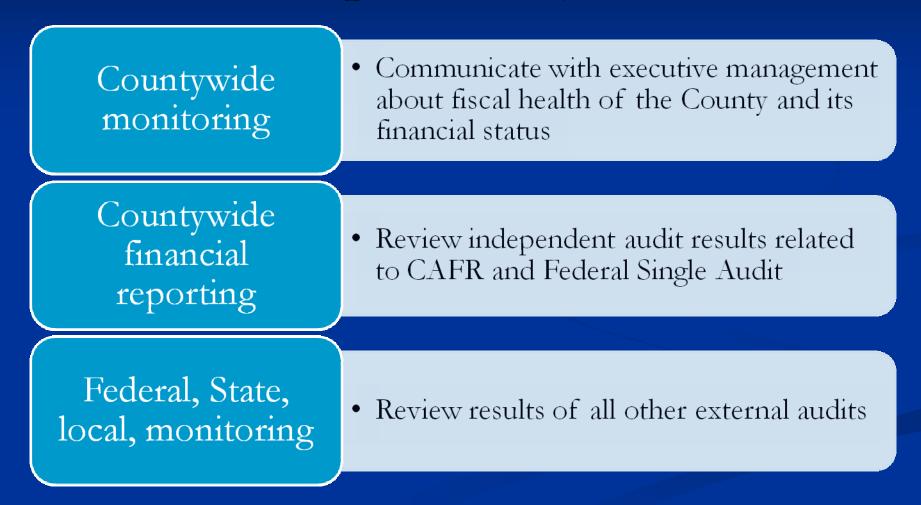


Scope of Committee Authority

Countywide monitoring
Countywide financial reporting
Federal, State, local monitoring
County performed monitoring
Departmental quality assurance



Scope of Committee Authority and Responsibility





Scope of Committee Authority and Responsibility

County performed monitoring

- Review results of Internal Audit activities
- Suspected fraud

Departmental quality assurance

• Review results of departmental quality assurance activity

Further detail of committee authority is listed in the charter.



Committee Activities

Inquire of management and auditors regarding significant risks or exposure
Review with management

Significant findings
Corrective action

Review with management, auditors, and other professionals regarding the effect of any regulatory and accounting initiatives



Committee Activities

- Act in an advisory capacity to the Board
- Meet at least four times per year
- Establish committee policies and procedures
- Annually report to the Board
- No less than every 5 years review responsibilities, structure, processes, and membership requirements



Committee Composition

Two members from the Board of Supervisors One member of the public with financial experience Appointed by the full Board Serve a two year term at will of the Board No County executives or management to maintain independence from those reporting to the committee

