

Charlottesville Albemarle Airport Authority Audit Committee Charter

I. Charge:

The Audit Committee is a committee of the Charlottesville Albemarle Airport Authority Board. The primary function of the Audit Committee is to assist the Airport Authority Board in carrying out its oversight responsibilities by reviewing financial information provided in the Airport Authority's Annual Financial reports and statements, by reviewing any material weaknesses in the Airport's system of accounting controls, as reported by the external auditor, and by reviewing the annual audit process and its results.

II. Membership:

The Audit Committee shall be appointed annually at the first meeting in January by the Charlottesville Albemarle Airport Authority. The Audit Committee will be comprised of:

1. The Comptroller for the City of Charlottesville, or designee.
2. The Finance Director for the County of Albemarle, or designee.
3. An individual to be appointed by the Airport Authority Board for a three-year term, to be renewable once.

The presence of any two of the three members of the Audit Committee shall constitute a quorum.

III. Responsibilities:

- Recommend the selection, retention, or termination of the Airport Authority's external auditors. The Airport Authority Board ultimately will make the final decision on selection, retention, or termination.
- Review the overall plan for the audit with the external auditor and airport management.
- Review the annual financial statements and external audit results with the auditors and airport management.
- Review internal accounting controls and financial practices such as financial standard operating procedures for accounting management, credit card use procedures, procurement process compliance, contract management practices, financial standards management, annual budget, capital projects budget and debt service management, and other such internal accounting controls and financial practices that may be outlined in the auditors' Management Letter to the Airport Authority Board.
- Prepare the Audit Committee's report to the Airport Authority Board.

IV. Operating Procedures:

- The Committee will meet twice a year, or more frequently at the discretion of the Committee or at the request of the Airport Authority Board, in conjunction with the

airport's external audit process. The Committee may meet more frequently at the discretion of the Committee to discuss other matters of concern.

- The purpose of the first meeting in June will be to discuss the auditor's preliminary fieldwork and review the auditor's scope of work and scheduling for the upcoming audit. The second meeting, to be held in December will focus on the Annual Financial Report, prior to its presentation to the Airport Authority Board, as well as any issues raised by the external auditor in the Management Letter. At this meeting, the members will also establish the committee for the next fiscal year with those assigned individuals agreeing to stay on or appoint a designee and if the appointed individual is in their third year, that person will need to decide if they want to renew for another three year term or conclude their appointment. The decisions will be presented at the January Board meeting for the Board's approval and when necessary for the Board's recommendation or appointment of a new third member. It is also at this December meeting where the Audit Committee will recommend the selection, retention or termination of the Authority's external auditors. This recommendation will also be presented at the January Board meeting.
- The Audit Committee may select a Chairperson whose responsibility it will be to preside over the meetings. With assistance from airport management, the Chairperson will schedule the meetings and prepare a written agenda.
- Audit committee meetings will be public meetings. The meeting agenda for regularly scheduled meetings shall be posted three business days prior to the meeting date, and the Chairperson of the Committee shall contact the Airport Authority Board members directly with the date and time of the meeting and a copy of the agenda in advance of each meeting. Notice for all meetings shall be given pursuant to the requirements of the Virginia Freedom of Information Act.
- Agenda and any written materials to be reviewed at the meeting will be sent to committee members prior to the meeting.
- The airport's Executive Director will assist the Auditor in preparing presentation materials and will prepare and distribute minutes to Committee members after each meeting

Approved and Adopted: January 18, 2012
Revised and Adopted: March 18, 2014