

CITY OF MANSFIELD
AUDIT COMMITTEE POLICY

1. Primary Audit Committee Responsibilities:

- A. To serve as a communications link between the City's external auditors and the City Council.
- B. To meet as needed with the external auditors to establish the scope of the annual audit, complete the annual audit and plan for subsequent annual audits.
- C. To ensure the external auditors are provided an independent reporting structure.
- D. To ensure that the City utilizes the services of auditors that are both independent and have strong governmental audit competency through the selection of an external audit firm through the request for proposal process and subsequent annual audits.
- E. To review the final draft of the audit report and the Statement of Auditing Standards 114 Letter: The Auditor's Communication with Those Charged with Governance with the external auditors and staff prior to the presentation to City Council.
- E. To examine carefully the material control weaknesses and/or control deficiencies reported in the Statement of Auditing Standards 115 Letter: Communicating Internal C Related Matters Identified in an Audit, and to satisfy itself that management has taken appropriate action to correct any control weaknesses and/or deficiencies discovered during the audit.

2. Audit Committee Member Selection and Term Length:

- A. The Mayor, Mayor Pro-Tem, a rotating City Council Member and the City Manager will make up the membership of the Committee.
- B. The Mayor shall be appointed as Chairperson of the Audit Committee.