ST. AUGUSTINE
AIRPORT
St. Johns County Airport Authority

Audit, Finance & Operations Committee

Membership

The Audit, Finance & Operations Committee ("Audit Committee") shall act in an advisory capacity to the Airport Authority and consist of three to five members, one of whom shall be a member of the Airport Authority, and two members, acting as volunteers, representing the public at large. The Airport Authority anticipates and encourages the additional participation of Airport staff, and representatives or employees of Saint Johns County Government or other governmental units of the County as nonmembers at meetings of the Audit Committee. Employees of the Airport, and the Secretary/Treasurer of the Authority shall not be members of the Audit Committee.

The Airport Authority will strive to always include in the Audit Committee at least one member with sufficient financial expertise to fulfill the responsibilities described in this resolution.

NonAuthority member applicants for Audit Committee membership shall complete a written application which will become a matter of public record and the information verified by the Authority.

Meetings

The Committee shall appoint a Chairperson and a Vice Chairperson from among its membership. The Committee shall conduct public meetings at least quarterly but may meet at whatever frequency it deems necessary to achieve its purpose. All meetings and business of the Audit Committee shall conform with Florida state "Sunshine law" requirements, including without limitation notice, recording, and public access. Without modifcation to the foregoing requirements, the Chairperson shall have the discretion to establish and amend meeting conduct rules. The Authority may establish Committee meeting rules from time to time, which shall take precedence over any rules established by the Chairperson.

The Committee shall report its deliberations to the Airport Authority, addressing such matters related to the Committee's functions and responsibilities.

The Airport Authority may reimburse Members for outofpocket expenses incurred while serving on the Audit Committee, in accordance with the Authority's written reimbursement policy.

Education

Audit Committee members will need to have a broad understanding of the Authority, its business, the principles of risk management, internal control, financial reporting, and the role of the internal and external auditors.

On appointment to the Audit Committee, each member should undergo an induction process that addresses these topics and includes an opportunity to assess their knowledge so that any gaps can be identified. Gaps should then be addressed by encouraging members to attend training sessions appropriate to the Committee's responsibilities.

Functions & Responsibilities

The Audit Committee shall:

1. Assemble, analyze, and interpret financial, operational, and other factual data to improve the accuracy and reliability of Authority disclosures made pursuant to state and federal statutes.
2. Recommend the retention and termination of independent auditors and consultants.
3. Oversee external audits.
4. Oversee internal audits.
5. Evaluate the authority's system of internal controls for the protection of assets.
6. Review and accept financial and operational reporting.
7. Evaluate the Authority's policies and compliance with laws and regulations.

8. Evaluate risk management systems, including insurance coverages.
9. Evaluate information technology security and operational matters.
10. Recommend measures to ensure the implementation of recommendations of thirdparty auditors and consultants that have been accepted by the Authority.
11. Establish procedures whereby employees can confidentially and anonymously submit to the Committee concerns regarding the Authority's accounting, compliance, and operational matters.

In addition to the recommendation of appointment, compensation, and oversight of CPAs to conduct independent financial audits, the Audit Committee may recommend the hiring of management accountants and consultants to perform a variety of financial and operational analyses the Committee deems appropriate. Such internal audit functions provide the Airport Authority with an understanding of the intricacies of the Authority's operations with respect to the protection of assets.

If the Committee deems that extraordinary expenditures will be required to execute its duties, it can recommend a budget to the Airport Authority.

Audit Committee Functions

The Audit Committee shall review and reassess annually the adequacy of the Audit Committee functions and responsibilities and recommend any changes to the Airport Authority.

_____ _____

Chairperson Secretary/Treasurer

_____ _____

Date Date