

RESOLUTION TO ESTABLISH AN AUDIT COMMITTEE FOR ACCOMACK COUNTY

WHEREAS, Section 15.2-2511 of the Code of Virginia requires an annual audit of the County's accounts and records by an independent certified public accountant in accordance with the specifications furnished by the Virginia Auditor of Public Accounts; and

WHEREAS, Section 15.2-1411 of the Code of Virginia authorizes the governing body of any locality to appoint such advisory boards, committees and commissions as it deems necessary to advise the governing body with regard to any matter of concern to the locality; and

WHEREAS, the Government Finance Officers Association of the United States and Canada recommends that all county governments establish an audit committee as a best practice and to assist elected officials in the oversight of the public funds and financial reporting process; and

WHEREAS, the Board of Supervisors of Accomack County realizes the need, especially in today's current environment of fewer available resources, for increased transparency and accountability of public funds, and further acknowledges that the Accomack County Board of Supervisors and Accomack County School Board are ultimately responsible for ensuring each organization's management is meeting its internal control and financial reporting responsibilities; and

WHEREAS, the Board of Supervisors of Accomack County finds it to be in the best interests of Accomack County to establish an advisory audit committee; and

WHEREAS, the Board of Supervisors of Accomack County believes the composition of the Audit Committee should include representation from the Accomack County School Board because Accomack County Public Schools are part of the reporting entity for the County's Annual Comprehensive Financial Report, audited by the County's external auditors in conjunction with the County's annual external audit, and are responsible for ensuring school administrative staff implement any corrective actions identified as part of the audit process that pertain to the operation of Accomack County Public Schools including any compliance matters with laws and regulations; and,

WHEREAS, the Accomack County School Board, endorses the creation of the Audit Committee, as well as its assigned duties, and agrees to recommend one of its members to be appointed by the Accomack County Board of Supervisors to serve on the committee; and,

NOW THEREFORE BE IT RESOLVED by the Board of Supervisors of Accomack County, meeting this 20th day of July, 2022, that:

SECTION 1. Pursuant to the provisions of 15.2-1411, the Board of Supervisors of Accomack County does hereby establish the Accomack County Audit Committee, which shall serve in an advisory capacity and shall provide independent review and oversight of the County's and the School Board's financial reporting processes and their internal controls. The committee shall also review the external auditor's report and follow up on management's corrective action, and compliance with laws, regulations, and ethics.

SECTION 2. The Audit Committee will consist of three (3) members, to be comprised of one (1) member of the Board of Supervisors of Accomack County, one (1) member of the Accomack County School Board and one (1) citizen who possesses sufficient knowledge and experience in finance, business, and accounting to discharge the committee's duties.

To insure the committee's independence and effectiveness, no Audit Committee member will be an employee, spouse of an official/employee, or a person that commingles assets with an official/employee of Accomack County or Accomack County Public Schools.

The members of the Audit Committee shall be appointed by the Board of Supervisors of Accomack County to staggered three (3) year terms. To establish staggered terms, the initial members of the committee shall be appointed so that 1/3 of the members serve one (1) year terms, 1/3 of the members serve two (2) year terms and 1/3 of the members serve two (3) year terms. Thereafter all members shall be appointed to serve three (3) year terms. All committee members serve at the pleasure of the Board of Supervisors.

The committee shall elect a chairperson to set the committee's agenda and preside over meetings. The chairperson shall serve a one-year term but may be re-elected to the position for up to three consecutive terms.

SECTION 3. Meetings of the Audit Committee shall be held on a monthly basis but may be cancelled or rescheduled by the chairperson for good cause. The chairperson or designee shall provide written notice of the time, date and location of the committee's meetings to the other members of the committee within 5 days of the meeting. The chairperson may also schedule special meetings as deemed necessary, provided that written notice is given to each member prior to the meeting. Minutes of the committee shall be taken and shall be subject to disclosure requirements of the Virginia Freedom of Information Act.

The County Administrator, or designee, shall attend the meetings and provide staff support to the committee.

The Audit Committee constitutes a public body under the Virginia Freedom of Information Act ("the Act") and, accordingly, its meetings shall be open to the public. Notice of meetings shall be posted and closed sessions called in strict accordance with the Act. Minutes shall be taken, except in closed sessions, and shall be subject to the disclosure requirements of the Act.

SECTION 4. The duties and responsibilities of the Audit Committee are:

(a) To provide a forum separate from management in which auditors and other interested parties can candidly discuss concerns relating to the County's annual external audit.

(b) To carefully review, upon completion of the County's annual audit, all audit findings in the annual audit report and consult with the external auditors regarding any irregularities or deficiencies disclosed in the annual audit. The Audit Committee is empowered to meet with management to discuss audit findings and/or disagreements with the external auditors. The committee shall make recommendations to the County Board of Supervisors and/or Accomack County School Board regarding corrective action needed to address irregularities and deficiencies and shall further ensure that appropriate and timely corrective action is taken to remedy any identified weaknesses.

(c) To consider the effectiveness of the internal control system, including information technology security and control, review the effectiveness of systems for monitoring compliance with laws and regulations.

(d) To establish a process by which employees, taxpayers, or other citizens may confidentially report suspected illegal, improper, wasteful or fraudulent activity.

(e) To annually present a written committee report detailing how it discharged its duties and any committee recommendations to the Accomack County Board of Supervisors and Accomack County School Board.

(f) To provide reports or conduct investigations requested by the Accomack County Board of Supervisors.

(g) To take such other action as may be warranted to meet its obligations under this Resolution and accomplish the purposes for which the committee is established.

Adopted by the Board of Supervisors for the County of Accomack, Virginia, on this 20th day of July, 2022.

APPROVED:



William 'Billy' Joe Tarr, Chairman
Accomack County Board of Supervisors

ATTEST



Michael T. Mason, Clerk
Board of Supervisors

