

AUDIT COMMITTEE WORKSHEET

Purpose/Mission: The Audit Committee serves to ensure that the City of Hyattsville fulfills its responsibilities for accountability to the local community, and that meets the expectations of partners, regulators, and other stakeholders. The Committee will review completed audits with the City's auditor of record and City Treasurer or their designee and provide recommendations if needed on matters relating to the audit conclusions of the City's internal control policies and practices. The Audit Committee will seek to encourage continuous improvement of and foster adherence to City policies, procedures, and practices to safeguard the integrity of the City's financial statements.

Committee Scope:

- The duties of the committee shall include:
 1. Selection of Auditing Firm: One member of the committee shall be designated to participate in the selection process for the City's independent auditor firm.
 2. Financial Audit: The committee shall review with management and the independent auditors the final audit results and make recommendations on policies and procedures to the City Council, where necessary. This review may include:
 - Review of the Management Letter
 - Review of the Governance Letter
 - Review of Internal Controls Report
 - Review of any identified material issues
 3. Other audit related functions as directed by a majority vote of the City Council.
 4. Committee Worksheet: The committee shall review the Audit Committee Worksheet annually to reassess its adequacy.

Reporting Responsibilities:

- The committee shall issue a report to the City Council within 60 days of meeting to review a completed audit report. The report should include recommendations on policies and procedures related to audit findings, and information on any new or pending developments in accounting or reporting standards that may impact the City.

Committee Composition:

The Committee will be composed of not less than three (3) but not more than five (5) voting members, appointed by the City Council.

- One (1) member who is a financial expert who is not a member of the administration
- One (1) to four (4) residents at large with backgrounds in government, business, municipal finance or accounting. All resident members of the audit committee should possess a basic understanding of governmental financial reporting and auditing, including an understanding of generally accepted accounting principles and financial statements, auditing, or analyzing financial statements, and experience with internal accounting controls.
- Representation from each City ward is not required, but preferred
- Up to two (2) ex officio members from the Finance Department
- One (1) or two (2) ex officio members from the City Council

- Representatives from the city's third-party auditing firm, and the City's financial advisor.

Terms, Compensation and Vacancies:

- Terms. For voting members, two (2) years or until a successor is appointed. For ex officio members, until replaced.
- Compensation. The committee members may participate in the city's committee stipend program. Representatives from the third-party auditor will be paid as per their contract with the city. City staff liaison shall be paid as per their employment contract.
- Vacancies. Any vacancy occurring during the term of any member of the committee shall be promptly filled by the City council for the unexpired portion of the term.

Meetings:

- Frequency: The committee shall meet a minimum of two (2) times per year; those meetings shall be scheduled to occur within 30 days of the public release of the city's annual audit. Additional meetings may be scheduled as deemed necessary by the committee, or at the request of Council.
- Agendas & Minutes: All meetings of the committee shall be held in accordance with the Maryland Open Meetings Act. Meeting agendas must be submitted to committees@hyattsville.org no later than two (2) business days prior to the scheduled meeting. Agendas will be posted on the City's website. An assigned Record Keeper must record minutes of each meeting, which shall be adopted by the Committee and posted to the City website.
- Committee Officers: The committee shall annually elect a Chair and a Record Keeper. A Vice Chair may be elected at the discretion of the committee.
- Executive Session/Closed Session: The committee may conduct executive (closed) sessions as applicable under the State of Maryland Open Meeting Act. All information discussed in an executive or closed session shall remain confidential and shall not be discussed nor disclosed to individuals not present in the session.
- Meeting Attendance: Committee members must attend a minimum of 50% of the meetings scheduled in a calendar year. Per the City Committee Handbook, failure to comply with attendance requirements shall result in a review by the staff liaison(s) in collaboration with Council liaison(s) to determine the future standing of the member in relation to the Committee.
- Meeting Location: All meetings of the committee shall be held in a public place designated by the committee and shall be of sufficient size to ensure public access to the operations of the committee. Virtual meetings may also be held.

Staff Assistance:

The city council shall provide necessary funding and resources for the operation of the committee via the annual budget.

Conflicts of Interest; Representation; Removal from Committee:

- Voting Members of the committee may not hold political office, be a member of the media, or otherwise conduct business with the City of Hyattsville that would benefit them financially.
- Committee members are obliged to report any potential conflicts of interest to the City Clerk's office.
- Committee members may not speak on behalf of the committee nor the City to the media or in a public forum unless authorized to do so by the majority vote of the City Council.
- Removal from Committee: The council may remove any member of the committee for not meeting the required minimum annual attendance, if the individual moves outside of the incorporated City limits, or if the committee member fails to meet any of the aforementioned obligations outlined in this worksheet.