



Audit Committee Guidelines

General Information and Responsibilities

Effective Date: August 24, 2017 | Revision Date: October 12, 2023

Overview:

The Audit Committee reviews and reports on the Georgia Association of Public Pension Trustees' (GAPPT) financial documents and practices annually.

Structure and Appointment:

The Audit Committee Chair is the leader of the Audit Committee.

Audit Committee Chair – Appointed by the Board of Directors

- Two Year Term (In addition to Vice Chair Term and any Committee Member Term)

Audit Committee Vice Chair – Recommended by the Chair and Appointed by the Board of Directors

- One Year Term (In addition to any Committee Member Term)

Committee Members – Recommended by the Chair and appointed by the Board of Directors

- Two Year Term

Audit Committee members and the Vice Chair report to the Chair. The Chair reports to the GAPPT President and the Board of Directors. Audit Committee members may be eligible for reappointment at the sole discretion of the Board of Directors.

In general, a person should not serve on more than one committee at any time, nor should two individuals from the same institution serve on the same committee. According to Article IX, Section 3.7.3 of the Bylaws, the Audit Committee should not include the following individuals:

- The President of the Association.
- The Treasurer of the Association.
- Any employee of the Association.
- Any person with a material financial interest in any entity doing business with the Association.

Audit Committee members will generally serve two-year terms, with one-half of the committee rotating off annually; terms begin and end at the Annual Conference.

The Audit Committee will have sufficient members to handle the committee's activities and responsibilities.

Member Qualifications and Evaluation:

To serve on the Audit Committee, an individual must be a GAPPT Affiliate, Plan Sponsor, or Emeritus member in good standing. Committee members should understand financial processes and audit procedures.

Committee members are evaluated annually by the Audit Committee Chair on their level of participation and adherence to these Committee Guidelines.

Member Resignation or Removal:

A member may resign by giving written notice to the Audit Committee Chair. A member may also be removed from their position for cause. Reasons for removal include, but are not limited to:

- Engaging in conduct prohibited by the Bylaws or GAPPT policies.
- Failing to attend regularly scheduled Audit Committee meetings.

Compensation and Expense Reimbursement:

Committee members serve without compensation. Members may be reimbursed for reasonable expenses incurred while conducting or engaged in duties as allowed by GAPPT policy and with the Board of Directors' approval.

Member Responsibilities:

Active Audit Committee members should:

- Review the audit policies and recommend any improvements or updates to the Audit Committee Chair.
- Implement the annual procedure to review the GAPPT's financial documents.
- Review financial and auditing procedures and identify any necessary improvements.
- Prepare for and attend Audit Committee meetings, ask questions, follow through on any given assignments, and review any supporting materials prior to meetings.
- Encourage GAPPT members to apply for future Audit Committee member positions.
- Act as an ambassador for the GAPPT.
- Communicate effectively with other committee members.
- Encourage other public retirement system professionals to attend GAPPT educational events.
- Avoid conflicts of interest and comply with GAPPT policies.
- Refrain from conduct that reflects negatively on the GAPPT.

Chair Responsibilities:

In addition to the responsibilities required of a committee member, the Audit Committee Chair is expected to guide the committee and collaborate with GAPPT staff to develop work plans and meeting reports.

The Audit Committee Chair should:

- Prepare the Audit Committee's annual report and present the report at the GAPPT Annual Conference.
- Schedule appropriate meetings and the time necessary for the committee to review the GAPPT's documents.
- Approve agendas of committee meetings before their distribution.
- Report to the committee on decisions of the Board of Directors that affect the committee's work.
- Where appropriate, guide the committee in proposing new policies and procedures that may benefit the financial goals of the GAPPT.
- Where appropriate, make policy recommendations to the President for transmission to the Board of Directors.
- Serve as a facilitator by guiding and encouraging discussion at meetings.
- Report on the committee's meetings, including decisions reached and follow-up actions to be taken, with deadlines for implementation.

Committee Information:

The following information is intended to support the Audit Committee's role.

Documents: The Audit Committee Chair should be familiar with the following:

- The GAPPT Bylaws.
- All GAPPT policies related to its events, expenses, and reimbursements.
- Any audit-related documents.
- The GAPPT calendar.

Meetings: The Audit Committee is expected to meet as necessary to carry out its responsibilities.

Ad Hoc Committees: The Audit Committee may establish ad hoc committees as needed. Any ad hoc committee will have sufficient members to handle the committee's activities and responsibilities.

Budget: If necessary, the Treasurer will prepare a committee budget with input from the Executive Director and Audit Committee Chair.

Master Calendar and Planning Dates:

The GAPPT Master Calendar will be given to the Audit Committee Chair before January 1st. Any additions or changes should be submitted to the GAPPT staff for inclusion.

Thank you for serving on the Audit Committee. Questions or concerns may be directed to the Audit Committee Chairperson or info@gappt.org.