



# Georgia Association of Public Pension Trustees

## Promoting Education for Public Pension Trustees in Georgia

### **Audit Committee** **General Information and Responsibilities** *(Approved August 24, 2017 – Revised October 22, 2020)*

#### **Audit Committee Overview**

The Audit Committee is responsible for annually reviewing and reporting on the Association's financial documents and practices.

#### **Audit Committee Structure and Appointment**

To serve on the Audit Committee, an individual must be a GAPPT Affiliate or Plan Sponsor member in good standing. 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

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

In general, a person should not serve the Association in more than one capacity at any time, nor should two individuals from the same institution serve on the same committee. Pursuant to 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; or
- 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 will begin and end at the Annual Conference. The Audit Committee will consist of members sufficient in number to handle the Committee's activities and responsibilities.

#### **Committee Member Resignation or Removal**

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

- Engaging in conduct prohibited by the bylaws; or
- 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 in the course of conducting or engaging in their duties as allowed by GAPPT policy and with approval by the Board of Directors.



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### Audit Committee Member Responsibilities

#### **Active Audit Committee members should:**

- Review the Audit Committee Review Program and Audit Committee Questionnaire and recommend any improvements or updates to the Audit Committee Chair;
- Implement the annual procedure to review the Association's financial documents;
- Prepare the Audit Committee annual report;
- 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 Association;
- Communicate effectively with other Committee members;
- Avoid conflicts of interests and comply with GAPPT policies; and
- Refrain from conduct that reflects negatively on the GAPPT.

### Audit Committee Chair Responsibilities

In addition to the responsibilities required of an individual committee member, the Audit Committee Chair is expected to guide their committee and collaborate with the Executive Director to develop necessary work plans and meeting agendas.

#### **The Audit Committee Chair should:**

- Schedule appropriate meetings and the time necessary for the Committee to review the Association's documents;
- Approve agendas of committee meetings before their distribution;
- Report the Committee's finding to the GAPPT membership at the Annual Business meeting;
- 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;
- Understand a Chair's primary role is as facilitator by guiding and encouraging discussion at committee meetings; and
- Report on the committee meetings, including decisions reached, and follow-up actions to be taken, with deadlines for implementation.

### Audit Committee Information

**The following information is intended to support the Committee's role within the Association.**

- **Documents:** The Audit Committee Chair should be familiar with the following:
  - The GAPPT bylaws;
  - Policies associated with educational events, including policies concerning expenses and reimbursements;
  - Audit Committee review documents; and
  - The GAPPT calendar and planning timeline.



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### Audit Committee Information (continued...)

- **Meetings:** It is expected that the Audit Committee meet as necessary and appropriate, (no fewer than one (1) time per year), to carry out their responsibilities.
- **Ad Hoc Committees:** The committees may establish ad hoc committees as necessary.
- **Budget:** The Treasurer will prepare a budget with input from the Executive Director and Membership Chair, if needed.

### GAPPT Calendar and Planning Timelines

An updated GAPPT Calendar will be given to the Audit Committee Chair for distribution. Committee members should note any additions/changes regarding planning timelines, and submit the updates to the Executive Director for inclusion on the following year's documents.

*Thank you for serving on the GAPPT Membership Committee. Questions or concerns may be directed to the Audit Committee Chair at [auditchair@gappt.org](mailto:auditchair@gappt.org), the GAPPT President at [president@gappt.org](mailto:president@gappt.org), or the Executive Director at [execdirector@gappt.org](mailto:execdirector@gappt.org).*