

**FLORIDA ASSOCIATION OF COUNTIES, INC.
POLICY**

Subject: Finance and Audit Committee

Objective: To provide for the operating procedures of the Finance and Audit Committee, as created by Article X of the Florida Association of Counties Bylaws.

Committee Responsibilities

Financial Reporting

The Finance & Audit Committee shall monitor the financial disclosures made by management to provide reasonable assurance that such disclosures reasonably portray the Association's 1) financial condition; 2) results of operations; and 3) plans and long-term commitments.

Accomplished as follows:

- 1) Engaging the independent accountants and overseeing the external audit coverage including: Audit engagement letters, estimated fees, timing of the engagement, review of management's letter of representations and whether any disagreements were encountered in obtaining the letter, monitoring of audit results, review of auditor performance, review of non-audit services. Meet with the external auditor no less than annually, to discuss pertinent matters, including whether there were any restrictions on the scope of the audit. The committee shall have additional direct communication with the external auditors as they deem appropriate or necessary.
- 2) Review financial policies, policy decisions, internal controls.
- 3) Examine the financial statements, including: interim and annual financial statements and budget to actual variances, auditors' opinion, auditors' management letter and other reports as required.

Corporate governance

The responsibility of the Finance and Audit Committee in the area of corporate governance is to provide reasonable assurance that the corporation is in reasonable compliance with pertinent laws and regulations, is conducting the affairs ethically, and is maintaining effective controls against employee conflict of interest and fraud.

Other

The financial position of Controller within the Association shall have direct communication with the committee, shall attend committee meetings and meet privately with the committee at least annually. The committee shall concur in the appointment, replacement, reassignment or dismissal of the financial position within the Association.


While the above responsibilities remain with the Finance and Audit Committee, the following shall be noted:

The primary responsibility for financial and other reporting, internal control and compliance with laws, regulations, and ethics within the entity rests with the Executive Director.

The Executive Director has oversight responsibilities in these areas, and the Finance & Audit Committee assists the Board and or Executive Director in fulfilling these responsibilities. The Finance and Audit Committee must have unrestricted access to all information, including documents and personnel, and have adequate resources in order to fulfill its oversight responsibilities.

Reservation of Authority: The FAC Board of Directors reserves the right to modify, amend or abolish this policy by majority vote at any regular meeting of the Board.

As approved by the Board of Directors, this 17 day of September, 2004.



Commissioner Cliff Thael
President