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1. Each January when the officers are elected, the Chair appoints Council members for membership on the Finance. In addition, Council members may choose to add a member from the community with credible knowledge of finance as it relates to governmental accounting and children and family issues. At least one member of the Finance Committee should have relevant financial experience.
2. The Finance Committee should review the Committee's charter periodically and recommend any proposed changes to the Council. Changes to consider include those that are necessary as a result of new laws, regulations, or accounting and auditing standards, including *Government Auditing Standards* (Yellow Book) issued by the Comptroller General of the United States.
3. The Finance Committee should meet at least four times per year, and at additional times when necessary.
4. The Finance Committee will review program utilization. Utilization is the rate at which funded programs are drawing down (earning) their contracted dollars. It may have a major impact on annual fund balance.
5. Review mechanisms to reduce provider agency's contract compliance costs.
6. The Finance Committee will review administrative budget.
7. Inquire of the CEO and COO regarding the fiscal health of the CSC as well as the financial status of the CSC in relation to its adopted budget.
8. Review with management significant findings on provider agency's financial and administrative monitoring reports during the year and the agency's responses and any applicable corrective actions.

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9. The Finance Committee will review FCSC Administrative benchmarks.
10. Inquire of management about significant risks or exposures facing CSC; assess the steps management has taken or proposes to take to minimize such risks; and periodically review compliance.
11. Review the impact that GASB 45 may have on the organization once the actuarial has completed their analysis.
12. Oversee the process of selecting the independent auditors to be engaged by the CSC. This responsibility includes:
 - Reviewing the Request for Proposal (RFP) issued every 5 years for services of an outside auditor.
 - Review (or select a designee) proposals and interview select finalists for recommendation to the full Council.
 - If the audit organization provides any non-audit services, determine that the audit organization has considered and documented its consideration of how providing these non-audit services does not violate the requirements that the audit organization:
 - o Does not provide services that involve performing management functions or making management decisions,
 - o Does not audit their own work, as stipulated in *Government Auditing Standards*.

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12. Oversee the process of selecting ... (Continued)
 - Review and evaluate the performance and effectiveness of the independent auditors.
 - Review with the full Council any proposed discharge of the independent auditors.

13. Consider, with management, the rationale for employing audit firms other than the principal independent auditors for services that the government organization or the independent auditor determine would not be appropriate for the principal independent auditor to perform. Examples include the use of a cadre of Financial and Administrative monitors for reviewing provider agency's contract compliance.

14. Review with management:
 - Significant findings on internal audits during the year and management's responses thereto
 - Any difficulties the audit team encountered in the course of their audits, including any restrictions on the scope of their work or access to required information
 - Any changes required in the scope of their audits

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15. Review with the independent auditors:
 - The adequacy of CSC's internal controls including computerized information system controls and security
 - All critical accounting policies and practices used by CSC
 - Any related significant findings and recommendations of the independent auditors together with management's responses thereto
 - All alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, the ramifications of each alternative, and the treatment preferred by management
16. Review with management and the independent auditor the effect of any regulatory and accounting changes or initiatives.
17. Review all significant written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences.

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18. Review with management and the independent auditors:
- The CSC's annual financial statements, related notes, and management's discussion and analysis
 - The independent auditors' audit of the financial statements and their report thereon
 - The independent auditors' judgments about the quality, not just the acceptability, of CSC's accounting principles as applied in its financial reporting
 - The independent auditors' single audit of the federal awards administered by CSC and their reports thereon
 - Any significant changes required in the independent auditors' audit plan
 - Any serious difficulties or disputes with management encountered during the audit
 - Matters required to be discussed by Statement on Auditing Standards (SAS) No. 61, *Communication With Audit Committees* (AICPA, *Professional Standards*, vol. 1, AU sec. 380), as amended; U.S. Government Accountability Office's *Government Auditing Standards*; and the U.S. Office of Management and Budget's Circular A-133 related to the conduct of the audits

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19. Review with the CSC's Legal Counsel regulatory and legal matters that, in the opinion of management, may have a material impact on the financial statements and compliance with federal, state, and local laws and regulations.
20. Review the procedures for the receipt, retention, and treatment of complaints received by CSC regarding accounting, internal accounting controls, auditing matters, or suspected fraud that may be submitted by any party internal or external to the organization. Review any complaints that might have been received, current status, and resolution if one has been reached.
21. Review procedures for the confidential, anonymous submission by the CSC's employees of concerns regarding questionable accounting or auditing matters, or suspected fraud. Review any submissions that have been received, the current status, and the resolution if applicable.