

## Audit Committee Self-Evaluation

Questions	Yes	No	Not Sure	Additional Comments
1. Are the members financially literate and has the audit committee determined that it has adequate financial expertise in accordance with its charter?	9			At least one CPA and financially astute others; The members of the audit committee can read & understand financial statements - They have the financial expertise to provide expertise & guidance.
2. Does the audit committee have the appropriate number of members?	9			Issue is attendance - need to try to appoint members willing and able to attend all meetings; The number of individuals on the audit committee is appropriate - Members attend meetings and obtain a quorum is not difficult.
3. Do all members continue to be independent, as defined by policies applicable to the organization?	9			Members are independent.
4. Are differences of opinion on issues resolved to the satisfaction of the committee?	9			Although we have not had significant differences of options, issues are resolved appropriately.
5. Do the members challenge or defer to the chair as appropriate, or both?	7		2	Both; Conversations are open and objective; Bad wording - members discuss openingly with board chair; Members pay appropriate deference to the chair.
6. Is the audit committee charter used as a document to guide the committee in its efforts, and to help guide the committee's agenda?	7		2	
7. Does the committee engage outside experts, if and when appropriate?	5	1	3	To date only the independent auditors have been outside experts; KPMG; N/A - currently not used but would if necessary; The committee engages outside experts, as appropriate - The College's outside auditors consistently attend meetings; If outside experts are needed I am sure the Audit Chair would obtain them.
8. Are the organization's financial reporting processes stronger as a result of management's interactions with the audit committee?	8		1	I believe management would do an excellent job whether an audit committee existed or not, but I do believe the existence of the committee helps; There is a better understanding of the audit process and high risk areas as a result of the creation of the audit committee.
8. (a) The audit committee understands and agrees with the board on which categories of internal control it oversees.	1			

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8. (b) The audit committee understands the current high-risk areas as viewed through an overall enterprise risk management system in the categories of controls it oversees, as well as how management addresses those areas.	1			This is always a concern & discussed.
9. Is the committee cognizant of the line between oversight and management, and does it endeavor to respect that line?	9			Management and the committee work well together, and each understands its role.
10. When the committee conducts executive sessions, are they done in an effective manner?	5		4	Staff are not present at these sessions; Very honest and forth right; When necessary - only time used was when KPMG was having excessive staff turnover; I have not attended executive sessions
11. Do audit committee members participate in some form of continuing education to stay abreast of changes in the financial accounting and reporting, regulatory, and ethics areas?	1		8	Staff members engage in a variety of on-going professional development; KPMG has provided many seminars & information; KPMG usually helps with this - Also, I am required to take 80 hours every 2 years; I am not aware of any continuing education targeted to audit committee members
12. Does the committee do its part to ensure the objectivity of the internal audit team?	9			At each meeting; The internal auditor remains objective.
13. Does the Committee provide constructive feedback to the chief audit executive at least annually?	8		1	The committee provides quarterly feedback to College employees.