

Audit Committee Charter

The Office of the Architect of the Capitol (AOC) ensures the effective and efficient facilities management within the Capitol Complex so that Congress and the Supreme Court may fulfill their duties in service to the Nation. The AOC takes great pride in providing its services and expertise as stewards of the Capitol and is committed to be accountable and transparent stewards of the resources appropriated for its work. The AOC regularly achieves clean audit opinions and is working towards an attestation that we assessed our risks, have effective and comprehensive internal controls in place and regularly monitor the internal controls. The purpose of the Audit Committee (Committee) is to assist the Architect and the AOC in fulfilling its responsibilities to (1) ensure the integrity of the annual financial statements, (2) provide guidance to the AOC on its process to assess and manage risk through a system of internal controls and (3) review and provide input to the financial and internal control related sections of the annual Performance and Accountability Report.

The Audit Committee may suggest audit topics to the Office of Inspector General (OIG) and assist the OIG with writing the Financial Audit Contract Statement of Work and participate on the evaluation panel.

Organization

The members of the Audit Committee shall be selected by the Architect of the Capitol, who shall also have the authority to remove a member or members, or discontinue its use. The Committee shall consist of at least three voting members, all independent of the AOC (i.e., not an employee of the AOC nor related to an employee of the AOC or of the Independent Public Accountant (IPA) firm contracted to audit the AOC), with one to be designated by the Architect as the Chair. At least two of the voting members shall not be current employees of the Federal Government. When there is some doubt about independence, the member shall recuse himself or herself from any decisions that might be influenced by the lack of independence.

The members of the Audit Committee who are not current government employees will receive an honorarium, as determined by the Architect, to include all travel and incidental expenses.

The Audit Committee shall include at least two non-voting, *ex officio* members -- the Inspector General (IG) and the Chief Financial Officer (CFO) of the Architect. The Architect may permit a representative of the Government Accountability Office to attend Audit Committee meetings as a resource.

The voting members of the Committee generally serve in staggered terms for periods not-to-exceed 3 years. The Architect will fill vacancies as they occur, selecting from at least two candidates for each vacancy, recommended by the Chair, the Chief Financial Officer, and others.

All members of the Audit Committee shall have substantial financial management or audit expertise. The Audit Committee shall report to the Architect of the Capitol. The Chief Financial Officer shall provide staff support as necessary to facilitate the Audit Committee's scheduling, meetings, and other administrative functions. The AOC Accounting Officer will serve as the Audit Committee's Executive Secretary.

The Audit Committee will meet at least four times each fiscal year or more frequently if circumstances make that preferable in the opinion of AOC Management, the Chair of the Audit Committee or request from the Inspector General. The Committee may ask members of management or others to attend the meeting and provide pertinent information. The Audit Committee shall take into consideration the workload of AOC staff in making and scheduling requests for information, attendance at meetings, and other demands upon staff time. The Audit Committee will conduct Executive Sessions and invite AOC personnel, the Inspector General, the Financial Statement Audit Partner or others as deemed necessary by the Committee.

The Audit Committee may receive sensitive financial and other information regarding the Office of the Architect of the Capitol. All information received by the Audit Committee shall be held in strict confidence and shall not be divulged outside of the Office of the Architect of the Capitol except upon the express written approval of the Architect.

Responsibilities

1. Make suggestions and recommendation to improve the AOC's Internal Controls and Financial Reporting Practices. On an annual basis the Audit Committee will review the AOC's risk assessment and plans for documenting and testing the internal controls. The Committee will focus its attention on significant risks and exposures and will assess Management's steps to minimize them.
2. Review legal and regulatory matters that may have a material effect on the agency's financial statements and compliance policies and make recommendations for changes to internal controls and financial reporting as appropriate.
3. Review new accounting initiatives and provide recommendations for AOC implementation.
4. Review AOC accounting policies and policy changes.
5. Review and make suggestions to the AOC on:
 - a. Interim and annual financial statements and related footnotes;
 - b. Communications between the IPA and AOC Management such as Notices of Findings and Recommendations, Management's Representation Letter and Schedule of Unadjusted Differences, the IPA's Management Letter and the IPA's communication required by Statement on Auditing Standards 114; and

c. AOC plans to correct internal control weaknesses that were detected during
OIG or the Financial Statements Audit or and previously identified findings.

6. Prepare a letter for inclusion in the Performance and Accountability Report that describes the Committee's work for the Fiscal Year of the report.

7. Review any published documents containing the agency's financial statements and determine whether the information in the reports is consistent with the information in the financial statements.


8. Review the Committee's effectiveness and annually review the Audit Committee Charter and recommend updates if needed to the Architect. Consider changes that are necessary as a result of new laws, regulations or accounting and auditing standards including *Government Auditing Standards*. The Audit Committee Charter shall be included on the Architect's website.

9. Through the Chair of the Committee, report annually to the Architect on the Committee's activities and recommendations. In addition, the Chair should provide an evaluation of the Audit Committee over the preceding year, using the AICPA Audit Committee Self-Evaluation guide as a reference.

Authority and Execution

Nothing in this Charter shall be construed as inconsistent with existing law, or is intended to restrict existing authorities and independence of the Architect's Office of Inspector General. The Audit Committee is not authorized to perform any function that is considered by the Architect to be inherently governmental in nature.

Approved by:



Stephen T. Ayers, AIA, LEED AP
Architect of the Capitol

5/19/10
Date