

## AGENDA ITEM 5.

### REASSESSMENT OF THE AUDIT COMMITTEE CHARTER

**Submitted for:** Action

**Summary:** The Audit Committee Charter details the duties and responsibilities of the Audit Committee. Pursuant to the Charter, the Audit Committee is required to review the Charter “annually to reassess its adequacy and recommend any proposed changes to the Commission. The Audit Committee Charter shall be updated as applicable laws, regulations, accounting and auditing standards change.”

The Audit Committee Charter, attached as Exhibit A, includes a recommended revision that is intended to more closely follow the guidance of the International Standards for the Professional Practice of Internal Auditing (Standards). While sections of the revised Charter were rearranged, the only substantive change to the Charter is the addition of paragraph number 6, which is cited and underlined as follows:

“The Audit Committee will carry out the following responsibilities:

6. Annually review and approve Internal Audit budget, resource plan and the Chief Internal Auditor’s compensation in compliance with the International Standards for the Professional Practice of Internal Auditing (Standards).”

**Action requested:** That the Audit Committee reassess and approve the Audit Committee charter and recommend its review and approval by the Commission.