

Item No.: 4A

Date of Meeting: 9-10-18



**THE NORTHWEST
SEAPORT ALLIANCE**
Gateway to Solutions

NWSA Managing Member Audit Committee Charter Review

September 10, 2018

Background

- The formation of the NWSA included the creation of an audit committee.
 - The founding documents prescribe the make up the committee to include the existing Commissions from each homeport who reside on their homeport audit committees.
- The Managing Members approved the audit committee charter in May 2016.



NWSA Audit Committee Charter

The Charter contains five sections:

- A. Purpose and Authority
- B. Composition
- C. Duties
- D. Internal Responsibilities
- E. Meetings



NWSA Audit Committee Charter

Purpose and Authority

- To represent the Managing Members and have review and oversight authority on matters relating to the NWSA auditing process and procedures.
 - Integrity of the NWSA's financial statements,
 - Effectiveness of the NWSA's internal control system over financial reporting, compliance and operations,
 - Independent financial auditor's qualifications and independence,
 - Performance of the NWSA's independent financial auditor,
 - Internal compliance activities including internal audit activities,
 - Compliance with Federal Grant rules and regulations, and
 - Compliance with state laws and regulations.



NWSA Audit Committee Charter

Composition

- Committee will be comprised of the two (2) Commissioners from the Port of Seattle and Port of Tacoma
- Commissioners who reside on their respective homeport Audit Committees (four member committee).
- Commission members of the audit committee, as well as the committee chair, will be selected by the Presidents of the homeport Commissions at the beginning of each calendar year.



NWSA Audit Committee Charter

Duties

- Selection and oversight of the independent auditor and other related audit activities.
- Review and discuss the organization risks and recommend internal audit activities associated with compliance or operational performance.
- Oversee any work plans, including the review of findings and recommendations for improvements associated with internal auditing activities.
- Make recommendations to the Managing Members and CEO for the improvement of internal controls and operating procedures as warranted.



NWSA Audit Committee Charter

Internal Responsibilities

- Assess as necessary the goals and objectives of the Audit Committee and monitor progress in achieving those goals and objectives.
- Provide an annual report to the Managing Members that describes how the Audit Committee has discharged its duties and met its responsibilities.



NWSA Audit Committee Charter

Meetings

- Conduct open public meetings at least twice annually.
- Rotate meetings between Seattle and Tacoma.
- A quorum of the committee is required to conduct official committee business. (Majority)
- Invite members of management, auditors or others to attend meetings, as necessary.
- Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials.
- Minutes will be prepared and approved by the Audit Committee.



NWSA Audit Committee Charter

Questions?

