

ANNUAL BOARD AUDIT COMMITTEE SELF-ASSESSMENT

This self-assessment to be completed by Board Audit Committee (BAC) members and BAC invited stakeholders provides a basis for evaluating the performance of the BAC. Follow-up action should be taken as appropriate.

This assessment evaluates BAC governance, composition, operations and relationships.

ASSESSMENT (PLEASE CHECK YES, NO, AND/OR NEEDS ENHANCED PERFORMANCE)

BAC Governance	Yes	No	Needs Enhanced Performance
1. BAC operates pursuant to a written charter and assesses its charter annually?			
2. BAC Members has a clear understanding of the roles and responsibilities of the BAC?			
3. BAC Members obtains the information required for decision-making?			
4. BAC operates openly and with trust among members to resolve issues fully and completely?			
5. BAC reports regularly to the Board of Directors on its activities?			
BAC Composition			
6. BAC acts independently of VW executive management.			
7. BAC is the right size with adequate representation of diverse knowledge, skills and abilities?			
Meetings			
8. BAC holds an adequate number of meetings and scheduled appropriately to facilitate the audit process?			

9. BAC plans meetings of adequate length and all issues are discussed fully.			
10. BAC ensures the right individuals attend to provide input on agenda items.			
Interaction with Stakeholders			
11. BAC maintains open lines of communication with the Valley Water Board and the Independent Auditor?			
12. BAC reviews annual audit work plans, ensuring attention to Board priority areas.			
13. BAC external financial auditors communicate routinely with the Board.			
14. BAC does not provide management direction to Valley Water staff.			
15. BAC allows independent auditors and external auditor to raise sensitive issues and the information is received constructively			
16. BAC discusses the audit process, encouraging candid discussions for continuous process improvement.			
17. BAC challenges areas involving management judgment that could have material risk to Valley Water operations.			
18. BAC discusses the audit results with the Independent Auditor and External Auditor and reviews management's response for proposed implementation of audit recommendations to ensure alignment to Board priorities, financial feasibility, strategic objectives, and efficiency and effectiveness of operations.			
19. BAC discusses the audit results with the independent auditor and external auditors			

Continuous monitoring			
20. BAC has enough time and resources to carry out member responsibilities delegated by the Board of Directors.			
21. BAC determines whether audit recommendations have been implemented by VW management.			

Comments

Suggestions: