

**WEST VIRGINIA INVESTMENT MANAGEMENT BOARD  
AUDIT COMMITTEE CHARTER**

**Mission**

---

*The mission of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities for the financial reporting process, risk management, the system of internal control, and the internal and external audit processes, all related to the Board's duty to manage the assets entrusted to it in the best interest of the beneficiaries of those assets.*

---

**I. Authority**

The Audit Committee (Committee) has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

1. Appoint and oversee the work of any registered public accounting firm employed by the WVIMB.
2. Assist with and oversee the process by which the WVIMB establishes, resources, and maintains a professional internal audit function to serve the interests of the Committee, the Board, and the WVIMB.
3. Approve the appointment, compensation, removal, or replacement of the Director of Internal Audit.
4. Approve Internal Audit Staff positions and related compensation ranges.
5. Approve the Internal Audit Charter.
6. Approve and oversee compliance with the Internal Audit Plan.
7. Resolve any disagreements between management and the internal or external auditor regarding financial reporting.
8. Retain independent counsel, accountants, or others to advise the Committee in the conduct of an investigation.
9. Seek and gather any information it deems necessary, desirable or appropriate in connection with the discharge of its mission and responsibilities. The Committee may seek and obtain such information from employees, all of whom are directed to cooperate with the Committee's request, or external parties.
10. Meet with management, internal auditors, external auditors, or outside counsel, as necessary.

## **II. Composition**

The Committee will consist of five to six members of the Board of Trustees each of whom shall comply with the West Virginia Code and regulations on Conflicts of Interest. The Chairman of the Board will appoint Committee members and the Chairman of the Committee.

If the Chair is absent, the members of the Committee may designate an acting Chair from among the present members of the Committee by majority vote of the full Committee membership.

Each Committee member will be financially literate. At least one Certified Public Accountant (CPA) appointed to the Board (as provided in W.Va. Code §12-6-3(b)(2)) will serve on the Committee.

## **III. Meetings**

The Committee will meet at least once per year, with authority to convene additional meetings as circumstances require. A quorum of a majority of the members is necessary to convene a meeting and to conduct business. The Committee will follow the West Virginia Investment Management Board Voting Procedures. Committee members are expected to attend each meeting, preferably in person but members may attend by teleconference if necessary.

The Committee may invite fellow trustees, staff, legal counsel, or others to attend the meeting and to provide pertinent information, as necessary, desirable, or appropriate in the judgment of the Chair or the Committee. The Committee may go into executive session consistent with the Open Meetings Laws of the State of West Virginia or in order to preserve the attorney – client confidentiality privilege.

Meeting agendas and briefing materials will be prepared and provided in advance to members of the Committee to the extent practical. Minutes will be taken at each Committee meeting. Actions taken, issues to be discussed at the Board of Trustees' meeting and recommended actions to be taken by the Board of Trustees will be reported to the Board of Trustees at its next meeting.

## **IV. Responsibilities**

The Committee will carry out the following responsibilities:

1. Review with management, external auditor, and the Director of Internal Audit the results of the independent audit.

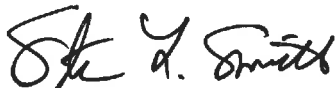
2. Review the performance of the external audit firm and recommend to the Board the appointment and discharge of the audit firm.
3. Review with management and the Director of Internal Audit the Internal Audit Charter, Risk Assessment, Internal Audit Plan, staffing, salary ranges, and organizational structure of the Internal Audit Department.
4. Review reports provided by Internal Audit and consider the effectiveness of the WVIMB's internal control processes.
5. Ensure there are no unjustified restrictions or limitations on the Director of Internal Audit.
6. Review the effectiveness of the Internal Audit Department, including conformance with The Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.
7. Review the performance of the Director of Internal Audit and exercise final approval on his/her appointment, compensation, and discharge.
8. Annually review the WVIMB Budget and Fee Schedule and recommend for adoption by the Board.
9. Act upon any confidential whistle-blower reports received under the Whistle-Blower Policy.
10. Obtain regular updates from management and legal counsel regarding financial reporting, legal, compliance, or other significant matters.

#### **V. Reporting Responsibilities**

Regularly report to the Board about Committee activities, issues, and related recommendations.

#### **VI. Other Responsibilities**

1. The Committee will perform other activities related to the Charter as requested by the Board.
2. Review and assess the adequacy of this Charter annually, requesting Board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
3. Confirm annually that all responsibilities outlined in this Charter have been carried out and consider the Committee's performance.



Chairman, Audit Committee

June 4, 2024

Reapproved Date