

**SCDDSN AUDIT COMMITTEE CHARTER
AS PASSED BY SCDDSN COMMISSION SEPTEMBER 25, 2014**

PURPOSE

To assist the Commission in fulfilling its oversight responsibilities relating to the system of internal control, the performance of the internal audit function, and the Agency's process for monitoring compliance with laws, regulations and departmental directives, the SCDDSN Commission was within its authority to name an Finance and Audit Committee (Committee.) The Committee also provides an open avenue of communication between Internal Audit and the Commission.

AUTHORITY

Consistent with the annual audit plan, the Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility.

COMPOSITION

The Committee will consist of at least three Commission members. The Chairman of the Commission will appoint Committee members as well as the Committee chair. Each Committee member's background will be suited to the Committee's responsibilities.

MEETINGS

The Committee will meet, at a minimum, of twice a year, with authority to convene additional meetings, as circumstances require. All Committee members are expected to attend each meeting, in person or via tele- or video-conference. The Committee may invite members of management, auditors or others to attend meetings and provide pertinent information, as necessary.

RESPONSIBILITIES

The Committee will carry out the following responsibilities:

Internal Control

- Consider the effectiveness of the agency's internal control system as it relates both to the SCDDSN as well as the agency's provider network.
- Understand the scope of internal and external auditors' review of internal control and obtain reports on significant findings and recommendations, together with management's responses.

Internal Audit

- To facilitate organizational independence, the Director of Internal Audit will report to the Committee.

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- Review with the Director of Internal Audit the audit plan, risk assessment, , audit activities, and staffing of the internal audit function.
- Review and assess the adequacy of the Audit Committee Charter, requesting Commission approval for proposed changes on a periodic basis.
- Review the effectiveness of the internal audit function, including compliance with *The Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing*.
- Review the results of internal audit findings with the Commission and share with SCDDSN management.

Finance

- To facilitate, upon request of the Commission, additional review, discussion or analysis of financial reports provided by the agency or external entities.
- To facilitate, upon request of the Commission, additional review, discussion or analysis of system impact of decisions made outside of the agency by external entities.

Compliance

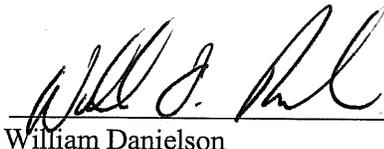
- Review the effectiveness of the system for monitoring compliance with laws and regulations.
- Review the findings of any examinations by regulatory agencies, and any auditor observations.

Reporting Responsibilities

- As requested, report to the Commission about Committee activities, issues, and related recommendations.
- Review any relevant reports issued or received, related to Committee responsibilities.



Eva Ravel
Finance and Audit Committee Chairperson
(Originator)



William Danielson
DDSN Commission Chairperson
(Approved)

Sept. 17, 2015