

Audit/Compliance Committee

- At least 3 outside directors. Staff assignment is Chief Information Officer.
- Quorum of 50% or greater of members.
- Meets quarterly.

Purpose

1. Strengthen independence of auditors, external and/or internal, and loan review.
2. Provide greater confidence to shareholders.
3. Assure that directors are exercising due care and fulfilling legal responsibility for sound management of Bank.

Duties

1. Nominate accounting firms to conduct annual outside and internal audit, negotiate audit fee and issue engagement letter.
2. Establish scope of audit.
3. Review results of external and internal audits and direct corrections and responses where required.
4. Establish, review and revise audit policy of Bank.
5. Supervise and direct internal auditor, loan review officer and compliance officer.
6. Ensure compliance with bank policies and banking regulations.
7. Monitor overall effectiveness of overall Bank Governance and make recommendations where appropriate.