



AUDIT COMMITTEE

CHARTER

LAS VEGAS CONVENTION AND VISITORS AUTHORITY
AUDIT COMMITTEE CHARTER

I. Purpose

To assist the Board of Directors in fulfilling its oversight responsibilities for:

1. The integrity of the Las Vegas Convention and Visitors Authority's ("LVCVA") financial statements;
2. The LVCVA's compliance with legal and regulatory requirements;
3. The independent auditor's qualifications and independence; and
4. The performance of the LVCVA's Audit Services function and independent auditors.

II. Authority

1. The Audit Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:
 - a. Resolve any disagreements between management and the independent auditor regarding financial reporting.
 - b. Seek any information it requires from employees – all of whom are directed to cooperate with the Audit Committee's requests – or external parties.
 - c. Meet with LVCVA officers, independent auditors or outside counsel, as necessary.
 - d. The Audit Committee may delegate authority to subcommittees, including the authority to review all auditing and permitted non-audit services, providing that such decisions are presented to the full Audit Committee at its next scheduled meeting.
 - e. The Audit Committee will review and concur with the appointment and/or dismissal of the Vice President of Audit Services.
 - f. Review all auditing and permitted non-audit services performed by the LVCVA's independent audit firm.
2. The Audit Committee, subject to approval by the Board of related expenditures, may:
 - a. Appoint, compensate, and oversee the work of the public accounting firm employed by the LVCVA to conduct the annual audit. This firm will report directly to the Audit Committee.
 - b. Retain independent counsel, accountants, or others to advise the Audit Committee or assist in the conduct of an investigation.

III. Composition

The Audit Committee will consist of at least five (5) members of the Board of Directors. The Chair of the Board of Directors will appoint Audit Committee members and the Audit Committee Chair or the Committee can nominate and appoint the Chair of the Committee, with ratification by the Board. Each Audit Committee member will be independent, and at least one (1) member shall be designated as a “financial expert”.

IV. Meetings

The Audit Committee will meet at least two (2) times a year, with authority to convene additional meetings, as circumstances require. All Audit Committee members are expected to attend each meeting, in person or via tele- or videoconference. The Audit Committee will invite members of management, auditors or others to attend meetings and provide pertinent information, as necessary. Meeting agendas will be prepared and provided in advance to members along with appropriate briefing materials in accordance with the Nevada Open Meeting Law. Minutes of all such meetings will be prepared.

V. Responsibilities

The Audit Committee will carry out the following responsibilities:

Financial Statements:

1. Review significant accounting and reporting issues and understand their impact on the financial statements. These issues include:
 - a. Complex or unusual transactions and highly judgmental areas;
 - b. Major issues regarding accounting principles and financial statement presentations, including any significant changes in the LVCVA’s selection or application of accounting principles; and
 - c. The effect of regulatory and accounting initiatives, as well as off-balance sheet structures on the financial statements of the LVCVA.
2. Review analyses prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements.
3. Review with management and the independent auditors the results of the audit, including any difficulties encountered. This review will include any restrictions on the scope of the independent auditor’s activities or access to requested information, and any significant disagreements with management.
4. Discuss the Comprehensive Annual Financial Report and financial information with management and the independent auditors, including the LVCVA’s financial disclosures.

Internal Control:

1. Review the internal and independent auditors' assessment of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

Audit Services:

1. Review with management and the Internal Auditor the charter, plans, activities, staffing, and organizational structure of the Audit Services function.
2. Approve the charter, plans, activities, staffing, and organizational structure of the Audit Services function.
3. Review and concur in the appointment, replacement, or dismissal of the Vice President of Audit Services.
4. Review with management and the LVCVA's Internal Auditor any significant findings and recommendations of the LVCVA's Internal Auditor, together with management's responses.

Independent Audit:

1. Review the independent auditors' proposed audit scope and approach, including coordination of audit effort with Audit Services.
2. Review the performance of the independent auditors, and exercise final approval on the appointment or discharge of the auditors. In performing this review, the Audit Committee will:
 - a. At least annually, obtain and review a report by the independent auditor describing the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review; and to assess the auditor's independence, review all relationships between the independent auditor and the LVCVA.
 - b. Take into account the opinions of management and Audit Services.
 - c. Review and evaluate the lead partner of the independent auditor.
 - d. Present its conclusions with respect to the independent auditor to the Board of Directors.
3. Ensure the rotation of the lead audit partner every five (5) years, and consider whether there should be regular rotation of the audit firm itself.
4. Present its conclusions with respect the independent auditor to the full Board of Directors.
5. If the LVCVA hires employees or former employees of the independent auditors, the LVCVA staff will inform the Audit Committee of any such appointment.

Compliance:

1. Review management's evaluation of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) or any instances of noncompliance.
2. Review procedures:
 - a. For the receipt, retention, and treatment of complaints received by the LVCVA regarding accounting, internal accounting controls, or auditing matters; and
 - b. For encouraging the confidential and anonymous submission by employees of the LVCVA concerns regarding questionable accounting or auditing matters.
3. Review the findings of any examinations by regulatory agencies, and any auditor observations.
4. Obtain regular updates (not less than two times a year) from management and company Legal Counsel regarding compliance matters.

Reporting Responsibilities:

1. Regularly report to the Board of Directors about Audit Committee activities and issues that arise with respect to the quality or integrity of the LVCVA's financial statements, the LVCVA's compliance with legal or regulatory requirements, the performance and independence of the LVCVA's independent auditors and the performance of the Audit Services function.
2. Provide an open avenue of communication between the Internal Auditor, the independent auditors and the Board of Directors.
3. Review any other reports the LVCVA issues that relate to Audit Committee responsibilities.

Other Responsibilities:

1. Perform other activities related to this charter as requested by the Board of Directors.
2. Institute and oversee special investigations as needed.
3. Review and assess the adequacy of the Audit Committee Charter upon request of staff or a committee member, requesting Board approval for proposed changes, and ensuring appropriate disclosure as may be required by law or regulation.
4. Confirm annually that all responsibilities outlined in the Charter have been carried out.