

BY-LAWS AND ADMINISTRATIVE RULES

BOARD OF PORT COMMISSIONERS

ARTICLE XI.

Chief Audit Officer.

1. The Board shall appoint the Chief Audit Officer by resolution. The Chief Audit Officer shall conduct surveys, reviews, and audits of Port operations as the Chief Audit Officer deems to be in the best interest of the Port and the public, subject to direction and approval by the Board, or as directed by the Board. For these purposes, the Chief Audit Officer's surveys, reviews, and audits shall be objectively conducted under the guidance of applicable professional auditing standards and may include, but not be limited to:

a. Reviewing and appraising the effectiveness, adequacy, and application of accounting, functional, and operating controls and reliability and timeliness of accounting and other data generated within the Port organization;

b. Evaluating the Port's internal controls to ensure that the Port's assets and resources are adequately safeguarded from fraud, waste, and mismanagement;

c. Ascertaining compliance with the Board's resolutions and policies and the Executive Director's instructions and directives, as well as applicable Law and regulations;

d. Conducting investigations of Whistleblower Complaints consistent with applicable Law and Port policies;

e. Responding to requests for audit and reviews;

f. Auditing the records of Port vendors and tenants to ensure compliance with applicable agreements, ordinances, resolutions, and other related Law and policies; and

g. Reporting to the Board as appropriate or as directed by the Board, as part of a deliberative process, on recommendations for corrective actions or for taking action to adopt new policies.

2. The Chief Audit Officer shall conduct any other audits and report to the Board, as directed by the Board.

3. The Chief Audit Officer shall have complete and unrestricted access to the Port's records, systems, physical properties, and personnel relevant and necessary to conduct a survey, review, audit, or Whistleblower Complaint investigation.

a. The Chief Audit Officer shall maintain and safeguard the confidentiality of Port records consistent with applicable law and Port policy.

b. The Chief Audit Officer shall consult with the Port Attorney about Port records and their confidential status when such records are, or should be, subject to confidentiality pursuant to the attorney-client privilege and/or attorney work-product doctrine.

43. Subject to Article XII of these By-Laws, the Chief Audit Officer shall have the authority to appoint one or more assistant or senior auditors and other staff auditors to assist in the performance of duties of the Chief Audit Officer and may designate and instruct any such assistant to act or perform the duties of the Chief Audit Officer in case of the Chief Audit Officer 's absence or disability. The Chief Audit Officer shall prescribe and supervise the duties of and have the authority to assign, evaluate, reassign, release, and discipline (including, but not limited to, suspension, dismissal, and termination) any such employees appointed by the Chief Audit Officer provided the exercise of such power shall be subject to Article XII of these By-Laws and any applicable Laws and employment agreements, including, but not limited to, collective bargaining agreements, Port of Oakland Personnel Rules and Procedures, and/or salary and compensation schedules adopted by the Board by Ordinance.

54. The Chief Audit Officer shall consult the Port Attorney relating to any questions of law that may arise in an audit's findings or recommendations; provided that the Port Attorney has no conflict of interest in the audit's findings or recommendations and provided that the content of any audit, audit findings, or audit recommendations shall remain within the professional discretion and reflect the independent professional opinion of the Chief Audit Officer.

65. The Chief Audit Officer shall be the custodian of surveys, reviews, and audits conducted by the Office of Audit Services.

| 76. The Chief Audit Officer shall provide assistance to other Direct-Reporting Officers, their designees, and Port staff in order to enhance the effectiveness, efficiency, and economy of Port operations consistent with Board policies and direction.