

## AUDIT COMMITTEE CHARTER

The Audit Committee of the Foundation's Board of Directors (the Committee) assists the Board in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing, and reporting practices of the Foundation. The Committee's purpose is to oversee the accounting and financial reporting processes of the Foundation, the audits of the Foundation's financial statements, and the qualifications and performance of the public accounting firm engaged as the Foundation's independent auditor; oversee certain risk management functions assigned to it; and comply with applicable requirements of state and federal law.

The Committee shall consist of non-employee directors who have a basic understanding of financial accounting matters and internal controls. They should be able to review and understand non-profit financial statements and tax returns at a level appropriate to the complexity of the Foundation's operations.

The Committee is authorized to:

1. Recommend the engagement of independent accountants for the purpose of auditing and examining the financial statements of the Foundation.
2. Review the outside auditor's qualifications, independence and performance.
3. Review and approve the scope of the Foundation's annual audit, the audit procedures to be utilized and the estimated fees to be charged by the Foundation's independent accountants and the performance of such accountants.
4. Advise the Foundation's independent accountants that their primary clients are the Foundation's Board of Directors and that the independent accountants report directly to the Audit Committee.
5. Provide for direct, confidential communication between the Committee, the Board of Directors, and the Foundation's independent accountants, including such private sessions as the Committee may deem appropriate.
6. Review with the Foundation's independent accountants:
  - (a) the Foundation's annual financial statements;
  - (b) any significant issues contained in the management letters submitted by the independent accountants and management's responses thereto;
  - (c) the appropriateness of the Foundation's accounting principles (including those used for tax reporting purposes);
  - (d) the effect of changes in the Foundation's accounting principles and auditing procedures;

- (e) their assessment of the adequacy of the Foundation's internal controls, including information technology controls and security;
  - (f) any significant issues on the Foundation's tax returns; and
  - (g) the time each of the independent accountants' staff have worked on the Foundation's account to ensure appropriate rotation every five years.
7. Review and approve all non-audit related services to be performed by the Foundation's independent accountants, including the scope thereof and the estimated fees to be charged.
  8. Review the Foundation's IRS Form 990PF.
  9. Review the Foundation's internal controls.
  10. Review the Foundation's practices and policies with respect to information technology security and privacy protection.
  11. Review the Foundation's list of federal and state regulatory reports with their respective filing requirements.
  12. Review the Foundation's management of contracts and ensure adequate protection of copyrights and trademarks.
  13. Review the Foundation's insurance coverage to ensure adequate protection against various risks and recommend any changes to the Board of Directors.
  14. Review the Foundation's Business Continuity Plan, including staff and office safety.
  15. Review the Foundation's banking relationships.
  16. Oversee implementation and compliance with the Foundation's Staff Whistleblower and Board Member Whistleblower policies.
  17. Oversee implementation and compliance with the Foundation's Staff Code of Ethics and Board Member Code of Ethics policies.
  18. Review the report on responses to the annual questionnaires regarding compliance with the Code of Ethics policies, Whistleblower policies, and similar policies by Board members, staff, officers, and key employees.
  19. Engage and work directly with appropriate expert advisors as necessary or desirable.
  20. Periodically review the Committee's responsibilities and recommend any changes to the Governance and Compensation Committee.

21. Review the president's expenses in conjunction with the annual audit.
22. Engage and work directly with appropriate expert advisors as necessary or advisable, including the expenditure of funds for the retention of such advisors
23. Perform such other functions as the Board of Directors shall designate from time to time.

The management liaisons to the Audit Committee shall be the Chief Financial Officer for financial matters and the Senior Counsel for governance matters.