

OVID LOCAL DEVELOPMENT CORPORATION
Audit Committee Charter
Adopted: TBD

This Audit Committee Charter is adopted by the Board of Directors of the **OVID LOCAL DEVELOPMENT CORPORATION** (the "Corporation"), a not-for-profit local development corporation organized under Section 1411 of the New York Not-for-Profit Corporation Law.

I. PURPOSE

The purpose of the Audit Committee (the "Committee") is to assist the Board of Directors in fulfilling its oversight responsibilities relating to the integrity of the Corporation's financial statements, the qualifications and performance of the independent auditor, and the adequacy of the Corporation's financial controls and reporting practices.

The Committee is responsible for recommending the selection and compensation of the independent certified public accounting firm engaged to perform the Corporation's annual audit, and for overseeing the audit process.

II. POWERS AND DUTIES

The Committee shall have the authority and responsibility to:

1. Recommend to the Board the appointment, replacement, or compensation of the independent certified public accounting firm.
2. Provide direct oversight of the independent audit, including review of the audit plan, audit findings, management letter, and responses.
3. Review the Corporation's annual financial statements and any reports issued by the auditor before presentation to the full Board.
4. Review any significant financial reporting issues, internal control matters, or risk exposures brought to its attention.
5. Request and receive information from the Corporation's officers, staff, and the independent auditor, as necessary to fulfill its duties.
6. Retain, at the Corporation's expense and subject to available resources, legal, accounting, or other professional advisors deemed necessary.

The Board shall provide the Committee with access to records, staff support, and reasonable resources needed to carry out its responsibilities.

III. COMPOSITION

The Committee shall consist of **not fewer than three (3)** members of the Board of Directors. A majority of the Committee's members shall be "independent directors" as defined under the New York Not-for-Profit Corporation Law.

Committee members shall not be:

- *Employees of the Corporation; or
- *Immediate family members of employees of the Corporation; or
- *Individuals receiving compensation or having a material financial interest in any entity that transacts business with the Corporation.

Members should possess, or be willing to obtain, a basic understanding of nonprofit financial operations and reporting.

The Board shall appoint the members of the Committee and designate one member as Committee Chair. Members shall serve one-year terms and may be reappointed.

IV. MEETINGS

The Committee shall meet **at least twice annually**, and more frequently if needed to discharge its responsibilities.

Meetings may be held in person or by video or telephone conference, consistent with the Corporation's bylaws. A majority of the Committee shall constitute a quorum.

The Committee may invite the independent auditor, officers, financial advisors, or other persons to attend meetings as necessary.

Minutes shall be recorded for each meeting and retained with the corporate records.

V. REPORTING

The Committee shall report its activities to the Board at the next regular Board meeting following each Committee meeting.

The report shall include:

- *The status of the annual audit process;
- *A summary of any significant audit findings or financial reporting matters; and
- *Any recommendations for Board action.

The Committee shall conduct an annual self-assessment of its performance and may recommend amendments to this Charter as appropriate.

VI. FINANCIAL AND AUDIT OVERSIGHT RESPONSIBILITIES

In fulfilling its oversight role, the Committee shall:

1. Review and approve the scope of the annual audit engagement.
2. Meet with auditor to discuss audit results, including any notable accounting issues or management recommendations.
3. Review management's responses to auditor recommendations and monitor the implementation of corrective actions, if any.
4. Review any concerns regarding financial controls, conflicts of interest, or suspected misuse of corporate assets that may arise. Substantiated findings shall be reported to the full Board for further action.
5. Ensure that any whistleblower concerns are reviewed in accordance with the Corporation's adopted policies.

VII. AMENDMENT AND REVIEW

This Charter shall be reviewed by the Committee on an annual basis and may be amended only by the Board of Directors.

Adopted by Resolution of the Board of Directors of the Ovid Local Development Corporation on the date first written above.