

# AUDIT COMMITTEE CHARTER

## **Mission**

The Audit Committee (Committee) is a standing committee to support both International Council (IC) and the Facilities Management Company (FMC) Board of Managers in their financial and fiduciary responsibilities. The two main tenants of the Audit Committee will be to:

1. Review the draft audit and tax preparations to help support IC and the FMC Board of Managers in performing critical assessments of the material.
2. Guide and be a resource to IC and the FMC Board of Managers to support and help them in meeting fiduciary obligations.

Specific Authority and Responsibilities are listed below as a reference.

## **Audit and Tax**

Members of the Committee will review the draft audit reports and tax statements from two perspectives to help ensure entity specific and holistic reviews:

1. Their individual entity (e.g. Sorority, FMC)
2. Consolidated review of entire audit report

## **Specific activities include:**

- Review the draft annual audit
- Review the management recommendation letter and follow up on any issues
- Review significant accounting and reporting issues
- Review and discuss significant tax matters
- Review all applicable tax forms
- Evaluate and help select auditor, as needed

## **Advisor to International Council and FMC Board of Managers**

- Consult International Council and FMC Board of Managers
- Maintain a pulse on the financial health of the one Sorority
- Review revenue, expenses and performance reports
- Keep apprised of the approved fiscal year budget
- Keep apprised of all financial-related goals

## **Organization**

### **Review of Charter/Performance**

This charter shall be reviewed and reassessed by the Committee at least annually and any proposed changes shall be submitted to IC's Governance and Personnel Committee for approval. In addition, at least annually, the Committee shall evaluate its performance. The chairwoman of the Committee, together with the Governance and Personnel Committee, shall determine the form and nature of the

annual self-evaluation. The chairwoman of the Committee shall report the results of the evaluation to the Governance and Personnel Committee.

### **Membership/Structure/Quorum**

The Committee will include one member of IC who shall serve as chairwoman. The International President shall also serve on the Committee in an ex-officio voting position. The Committee will include one member of the FMC Board of Managers. International Council will also appoint an additional two to three volunteers to serve on the Committee. Volunteer appointments shall be made for a term of two years. Volunteers may serve for no more than three consecutive terms on the Committee. All volunteers appointed to the Committee will possess audit, financial or legal expertise. Volunteer appointments to the Committee shall be made in the same manner as all other Sorority volunteer appointments, with the chairwoman of the Committee making the decision on all volunteer appointments. All members of the Committee will have voting rights. A quorum shall consist of a majority of the voting members of the Committee. Committee members can participate via conference call. The chief financial officer, director of accounting and executive director of Gamma Phi Beta Sorority shall be non-voting staff liaisons to the Committee.

### **Meetings**

The Committee shall hold regular meetings at least four times yearly and as necessary via conference call and can meet more frequently as circumstances require. When appropriate, the Committee may meet in person. The Committee can communicate between meetings via email communication.

### **Agenda, Minutes and Reports**

Agendas for the Committee meetings shall be prepared by the chairwoman in collaboration with the staff liaisons. The Committee shall keep minutes of meetings and provide quarterly reports to IC. Minutes of all meetings shall be approved by Committee members at the following meeting. The chairwoman shall designate one of the staff liaisons to serve as secretary of the Committee.