



AUDIT AND FINANCE COMMITTEE CHARTER

Purpose

Pursuant to Article IV, Section 1 of the Corporation's Bylaws, the purpose of the Audit and Finance Committee shall be to (1) recommend to the Board the hiring of a certified independent accounting firm in compliance with the PAAA to conduct the annual independent audit; (2) establish the compensation to be paid to the accounting firm; (3) provide direct oversight of the performance of the annual independent audit; and (4) review proposals for the issuance of debt by the Corporation and its subsidiaries, if any, and make recommendations.

Responsibilities of the Audit and Finance Committee

It shall be the responsibility of the Audit and Finance Committee to:

- Make recommendations to the directors on appointments and compensation of any independent auditors, counsel, investment advisors and underwriting firms used or employed by the Corporation and oversee the work performed by these individuals and firms on behalf of the Corporation.
- Review the Corporation's audited financial statements, associated management letter, report on internal controls and all other auditor communications and make recommendations thereon.
- Review significant accounting and reporting issues, including complex or unusual transactions and management decisions, and recent professional and regulator pronouncements, and understand their impact on the financial statements.
- Review staff's assessment of the effectiveness of the Corporation's internal controls and review the report on internal controls by the independent auditor as a part of the financial audit engagement.
- Annually review the Corporation's financing guidelines and make recommendations to the board concerning criteria that should govern its financings;

- Review the Corporation's proposed annual operating budget as presented by staff for the upcoming fiscal year and recommend the annual budget to the Board for approval after incorporating necessary amendments.
- Monitor and report to the Board the Corporation's compliance with its adopted budget during the fiscal year (actual verses estimated budget) on a regular basis.
- Oversee the Corporation's investments including an annual review of the Investment Policy.
- Assess the Corporation Capital Requirements and Capital Plan.
- Review and recommend changes to the Procurement Policy and Property Disposition Policy.
- Review the scope and terms of the insurance policies and liability coverage on an annual basis.
- Conduct or authorize investigations into any matter within is scope of responsibility.
- Seek any information it requires from Corporation staff, all of whom should be directed by the Board to cooperate with committee requests.
- Meet with staff, independent auditors or outside counsel, as necessary.
- Recommend to retain, at the Corporation's expense, such outside counsel experts and other advisors as the Audit and Finance Committee may deem appropriate.

The directors of Ulster County Economic Development Alliance will ensure that the Audit and Finance Committee has sufficient resources to carry out its duties.

Composition of Committee and Selection of Members

The Audit and Finance Committee shall be established as set forth in and pursuant to Article IV, Section 1 of the Corporation's Bylaws. The Audit and Finance Committee shall consist of at least three independent members of the Board of Directors who shall constitute a majority on the committee. Provided the Board has less than three independent members, the Board may appoint non-independent members to the committee provided that the independent members constitute the majority.

Audit and Finance Committee members shall be prohibited from being staff of the Corporation or an immediate family member of staff of the Corporation.

Ideally, all members of the Audit and Finance Committee shall possess or obtain a basic understanding of governmental financial reporting and auditing.

The Audit and Finance Committee shall have access to the services of at least one financial expert, whose name shall be disclosed in the annual report of the corporation.

Meetings

The Audit and Finance Committee will meet a minimum of twice a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the Charter.

Members of the Audit and Finance Committee are expected to attend each committee meeting, in person or via videoconference. The Audit and Finance Committee may invite other individuals, such as staff members, auditors or other technical experts to attend meetings and provide pertinent information, as necessary.

The Audit and Finance Committee will meet with the Corporation's independent auditor at least annually to discuss the financial statements of the Corporation.

Meeting agendas will be prepared for every meeting and provided to the Audit and Finance Committee members along with briefing materials not less than seven (7) nor more than thirty (30) days before the scheduled Audit and Finance Committee meeting. A majority of the committee members shall constitute a quorum. The Audit and Finance Committee will act only on the affirmative vote of a majority of the members of the committee. Minutes of these meetings will be recorded.

Meetings of the committee are open to the public, and the committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice and the conduct of executive session.

Re-affirmed December 4, 2018