

# **GLEN COVE COMMUNITY DEVELOPMENT AGENCY AUDIT COMMITTEE CHARTER**

This Audit Committee Charter was adopted by the members of the Glen Cove Community Development Agency (the "Agency"), a public benefit corporation established under the laws of the State of New York, on this 27th day of January, 2009.

## **Purposes of the Committee**

The purposes of the Committee shall be to (1) assure that the Agency fulfills its responsibilities for the audit process, the financial reporting process and the system of risk assessment and internal controls over financial reporting; and (2) provide an avenue of communication between management, independent auditors, internal auditors, and members of the Agency.

## **Powers of the Committee**

The Committee shall have the power and is hereby authorized to:

- Perform the duties imposed on the Committee pursuant to the Agency's by-laws and by all applicable laws, including, without limitation, the Public Authorities Accountability Act of 2005 (Chapter 766 of 2005 Laws of New York) (the "Accountability Act")
- Conduct or authorize investigations into any matters within its scope of responsibility.
- Seek any information it requires from Agency employees, all of whom should be authorized to cooperate with Committee requests, and meet with Agency staff, auditors or outside counsel, as necessary.
- Retain, at the Agency's expense, such outside counsel, experts and other advisors as the Committee may deem appropriate.
- Perform such other duties and exercise such other powers as the members of the Agency shall delegate to the Committee from time to time.

## **Members of the Committee**

The selection of members to serve on the Committee and the activities of the Committee and its members shall in all respects be in compliance with the Agency's by-laws and applicable law, including, without limitation, the Accountability Act.

## **Meetings**

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

## **Responsibilities of the Committee**

The Committee shall:

- Pre-approve all audit services provided by the independent auditor.
- Review and approve the Agency's audited financial statements, associated management

letter, report on internal controls and all other auditor communications and meet with the independent audit firm on a regular basis to discuss any significant issues that may have surfaced during the course of the audit; review and discuss any significant risks reported in the independent audit findings and recommendations and assess the responsiveness and timeliness of management's follow-up activities pertaining to the same.

- Review significant accounting and reporting issues, including complex or unusual transactions and management decisions, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Review with management and the CFO, the charter, activities, staffing and organizational structure of the internal audit function; review the reports of internal auditors, and have authority to review and approve the annual internal audit plan; review the results of internal audits and approve procedures for implementing accepted recommendations of internal auditors; review management's assessment of the effectiveness of the Agency's internal controls and review the report on internal controls by independent auditors as a part of the financial audit engagement.
- Ensure that the Agency has an appropriate confidential mechanism for individuals to report suspected fraudulent activities, allegations of corruption, fraud, criminal activity, conflicts of interest or abuse by the members, officers, or employees of the Agency or any persons having business dealings with the Agency or breaches of internal control; develop procedures for the receipt, retention, investigation and/or referral of complaints concerning accounting, internal controls and auditing to the appropriate body.
- Oversee special investigations as needed and/or refer specific issues to the appropriate body for further investigation; review all reports delivered to it by appropriate oversight bodies and serve as a point of contact with such bodies.
- Present annually to the Agency's members a written report of how it has discharged its duties and met its responsibilities as outlined in this charter.
- Obtain any information and training needed to enhance the Committee members' understanding of the role of audits and auditors, the risk management process, internal controls and an adequate level of familiarity in financial reporting standards and processes.

adopted January 27, 2009