



# Audit Committee (AC) Charter

*Approved by the AURA Board of Directors, 3 June 2021*

---

## Preamble

The AURA Audit Committee (henceforth 'Committee') is an advisory committee to the AURA Board of Directors (henceforth 'Board'). The Committee's goals are to ensure that AURA operations are managed to high standards of fiscal responsibility. The Committee will also see that AURA policies, procedures and financial management adhere strictly to fiscal integrity, legal requirements, and government standards of reporting and compliance. The Board holds fiduciary responsibility for meeting these requirements on behalf of AURA. The Committee is created to provide the necessary expertise to effectively execute this responsibility. It has specific authority to act for the Board in all matters pertaining to the fiscal management of AURA and reports directly to the Board.

## AC Mission

The Committee will assess AURA's financial position, compliance with government and legal requirements and the performance of AURA staff in providing sound fiscal management of AURA operations. The Committee will report annually to the Board on these and other matters as necessary and required. The Committee will provide guidance to AURA staff and recommend improved policies, procedures and standards as needed.

## AC Functions

1. Annually elect the Committee Chair and Vice Chair.
2. Review and approve annual audits prepared by AURA's External Auditors including:
  - a. AURA Financial Statements as of September 30 of each year;
  - b. AURA Report on Federal Awards- A-133;
  - c. AURA Report to Management;
  - d. AURA 403b Savings Plan;
  - e. AURA Money Purchase Pension Plan; and
  - f. Space Telescope Science Institute Health and Welfare Plan.
3. Review and approve the external auditors' proposed audit scope and approach.
4. Review and advise the Board on the adequacy of the company's internal financial control structure.

5. Review and advise the Board of any weaknesses or deficiencies in accounting or audit practices.
6. Review the performance of the External Auditors and approve either the extension of the External Auditors contract or decide that a new audit firm should be appointed.
7. Review AURA's investment policy and its management.
8. Review AURA's casualty insurance program and its management.
9. Perform such other reviews, investigations, and oversight functions as may be required from time to time relating to the financial activities of the corporation or at the direction of the AURA President, AURA Chief Financial Officer, or the Board.

## AC Membership

The Committee shall consist of six (6) core members: one (1) elected representative of the Board and five (5) identified by the Committee and elected by the Board.

In addition to the core members, the AURA Chief Financial Officer is an ex officio member of the AC; the President may designate an alternative representative from AURA.

Further, the Committee may elect up to three (3) additional members to add particular expertise to its membership, as it deems appropriate or necessary.

It is desirable that the AC composition have demonstrated experience in accounting or other financial matters relating to the financial operations of a not-for-profit and/or federally funded organization.

## AC Logistics

**TERMS.** The members shall serve for staggered terms of two (2) years. Normally, members are expected to serve no more than three terms. Term dates run from July 1 – June 30.

Annually, the Board will elect members to fill expiring terms from a recommended slate of candidates prepared by the Chair of the Audit Committee, the Board member serving on the Audit Committee, and the AURA Chief Financial Officer.

**QUORUM.** A majority of Committee members shall constitute a quorum for the transaction of business.

**VOTING.** All actions taken by the Committee shall be by majority vote.

**MEETINGS.** The Committee will hold at least one (1) meeting during the year.