

WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
FINANCE AND AUDIT COMMITTEE CHARTER

This Finance and Audit Committee Charter (“Charter”) is adopted by the Members of the Wyoming County Industrial Development Agency (the “Agency”), a public benefit corporation established under the laws of the State of New York, on this ___ day of ___, 2019.

Purpose

The purpose of this Charter is to help provide assurance that the Agency’s governing board (the “Board”) is fulfilling its fiduciary responsibilities relating to accounting, reporting and regulatory compliance matters.

Powers

The responsibilities of the Finance and Audit Committee (the “Committee”), in compliance with Sections 2824(4) and 2824(8) of the New York Public Authorities Law, shall include:

- a. Review and make recommendations to the Board regarding financial matters;
- b. Review of Investment Policy and investment tools used for Agency funds.
- c. Review and make recommendations to the budget for submission to the Board for approval;
- d. Appoint, compensate, and oversee the work of any public accounting firm employed by the Agency;
- e. Provide an avenue of communication between management, the independent auditors, and the Board;
- f. Review proposals and make recommendations to the Board for the issuance of debt by the Agency;
- g. Make recommendations concerning the appointment and compensation of bond counsel, investment advisors and underwriting firms used by the Agency, and to oversee the work performed by these individuals and firms on behalf of the Agency;
- h. Conduct or authorize investigations into any matters within its scope of responsibility;
- i. Meet with Agency staff, independent auditors or Agency counsel as necessary to perform the duties of the Committee; and

- j. Seek any information it requires from Agency employees, all of whom shall be directed by the Board to cooperate with the Committee request.

Composition and Selection

The Committee shall be comprised of the Chairperson of the Agency and at least three (3) additional members of the Agency, all of whom shall be independent members within the meaning of, and to the extent required by, Section 2825 of the New York Public Authorities Law (“Independent Members”). The Agency Board, at its discretion, may appoint all of its members to serve as members of the Finance and Audit Committee, provided that a majority of the Committee Members are Independent Members. The committee members shall be appointed by the Chairperson with the consent of the entire membership of the Agency at the annual meeting of the Agency. The Chairperson of the Agency shall serve as the Committee Chair. The Vice Chairperson of the Agency shall serve as the Committee Chair in the absence of the Committee Chair. Committee members shall serve until their resignation, retirement, removal by the Board or until their successors shall be appointed and qualified.

Committee members are prohibited from being an employee of the Agency or an immediate family member of an employee of the Agency. In addition, Committee members should be knowledgeable or become knowledgeable in matters pertaining to financing and governmental financial reporting and auditing.

Committee Structure and Meetings

All meetings shall comply with the requirements of Article 7 of the New York Public Officers Law (the “Open Meetings Law”). The 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 this Charter. Members of the Committee are expected to attend each Committee meeting in person. 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. The Committee will meet with the Agency’s independent auditor at least annually to discuss the financial statements of the Agency.

Meeting agendas will be prepared for every meeting and provided to the Committee members along with briefing materials at least 5 days before the scheduled Committee meeting. The affirmative vote of a majority of the members of the Committee shall constitute an act of the Committee. Minutes of these meetings are to be recorded and maintained by the Agency

Responsibilities

The Board has delegated to the Committee responsibilities related to:

- i. Independent auditors and annual financial statements;
- ii. Oversight of management's internal controls, compliance and risk assessment practices;
- iii. Special investigations and whistleblower policies;
- iv. The Agency's annual budget;
- v. The Agency's investments; and
- vi. Other miscellaneous issues related to the financial practices of the Agency, as follows:

1. Independent Auditors and Financial Statements

The Committee shall:

- a. Recommend to the Board the hiring of a certified independent accounting firm retained by the Agency and pre- approve all audit services provided by the independent auditor.
- b. Establish procedures for the engagement of the independent auditor. The Agency's independent auditor is prohibited from providing non-audit services unless it has received previous written approval from the Committee. Non-audit services include tasks that directly support the Agency's operations such as bookkeeping or other services related to the accounting records or financial statements of the Agency, financial information systems design and implementation, appraisal or valuation services, actuarial services, investment banking services and other tasks that may involve performing management functions or making management decisions.
- c. Review and forward the Agency's audited financial statements to the Board and report on internal controls and all other auditor communications.
- d. Review significant accounting and reporting issues, including complex or unusual transactions and management decisions, and recent professional and regulatory pronouncements and identify their impact on the financial statements.
- e. Meet with the independent auditor to discuss any significant issues identified during the course of the audit.
- f. Review the independent audit findings and recommendations, discuss any significant risks reported and assess the responsiveness and timeliness of management's follow-up activities pertaining to the same.

2. Oversight of management's internal controls, compliance and risk assessment practices

The Committee shall:

- a. Review with management the assessment of the effectiveness of the Agency's internal controls and review the report on internal controls by the independent auditor as part of the financial audit engagement.

3. Special Investigations and Whistle Blower Policies

The Committee shall:

- a. Ensure that the Agency has an appropriate confidential mechanism for individuals to report suspected fraudulent activities, allegations of corruption, 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 and breaches of internal control.
- b. Develop procedures for the receipt, retention, investigation and/or referral of complaints concerning accounting, internal controls and auditing to the appropriate body.
- c. Request and oversee special investigations as needed and/or refer specific issues to the appropriate body for further investigation.
- d. Review all reports delivered to it by any investigatory organization and serve as a point of contact with the investigatory organization.

4. Annual Budget

The Committee shall:

- a. Review the Agency's proposed annual operating budget as presented by Agency management for the upcoming fiscal year.
- b. Recommend the annual budget to the Board for approval after incorporating necessary amendments.
- c. Monitor the Agency's compliance with its adopted budget during the fiscal year (actual vs. estimated budget), recommend amendments to the Board if needed.

5. The Agency Investments

The Committee shall:

- a. Annually review the Agency's investment policy and evaluate allocation of assets.
- b. Annually review the Agency's audit of investments as provided by independent auditors.

6. Other miscellaneous issues related to the financial practices of the Agency

The Committee shall:

- a. Assess the financial requirements of the Agency's capital plans. The assessment is to include current and future capital needs, a justification of why such capital expenditure is required and an explanation of funding sources.
- b. Review the financial aspects of major proposed transactions, significant expenditures, new programs and services and proposals to discontinue programs or services and make recommendations to the Board based on such review.
- c. Review and recommend changes to the Agency's Procurement Policy and its thresholds for procuring goods and services.
- d. Review and recommend changes to the Agency's fee schedules.
- e. Annually review this Charter, reassess its adequacy and recommend to the Board any proposed changes including, but not limited to, those changes required as a result of amendments to applicable laws, regulations, accounting and auditing standards.

Amendments to the Audit and Finance Committee Charter

This Charter may be amended upon affirmative vote of a majority of the Board.