

## **Audit Committee Charter**

The Audit Committee (the “Committee”) is a standing advisory committee of the board (the “board”) of the American Association of University Women (“AAUW”). The Committee acts in accordance with this charter, AAUW’s articles of incorporation and any amendments thereto, AAUW’s bylaws and policies and all applicable laws, and the overall direction of the organization as determined by the board.

### Purpose

The purpose of the Committee is to assist the board in fulfilling its oversight responsibility with respect to AAUW’s financial reporting process, system of internal controls, the audit process, and the process for monitoring AAUW’s compliance with laws and regulations.

### Responsibilities

In carrying out its purpose, the Committee, under the direction of the board, and in accordance with AAUW’s bylaws which charge the Committee to oversee AAUW’s reporting practices, compliance, internal controls and financial management, shall:

- Recommend to the board the retention of AAUW’s independent auditor;
- Review the fees of the independent auditor and, advise the board as to the approval of the auditor’s fees, and, if necessary, recommend to the board termination of the auditor;
- Review the terms of the auditor’s engagement each year and consider recommending to the board auditor rotation at least every five years;
- Review and recommend for board approval any non-audit services performed by the auditing firm;
- Review the scope and plan of the audit proposed by the independent auditor;
- Oversee the performance of the auditor;
- Meet at least annually with the auditors outside the presence of management;
- Review and recommend to the board for approval the annual audit report and audited financials;
- Conduct a post-audit review of the financial statements and audit findings, including any significant suggestions for improvements provided to management by the independent auditor;
- Review the adequacy of management’s response to any issues raised by the auditors;
- Review the implementation and adequacy of AAUW’s internal control structure and recommend changes to the board, as appropriate;
- Monitor compliance with AAUW’s code of ethics and conflict of interest policy, and recommend changes to the board, as appropriate;
- Monitor whistleblower protections and policies and recommend changes to such policies to the board, as appropriate;
- Review, with AAUW’s legal counsel, any financial reporting, accounting, legal or regulatory matters that could have a significant effect on the organization’s financial statements;
- If necessary, recommend to the board special investigations and, if appropriate, special counsel or experts to assist;
- Carry out such other responsibilities as may from time to time be assigned to the Committee by the board.

### Committee Membership

The Committee shall consist of at least 3 members and at least a majority of the members of the Committee shall be members of AAUW. At least one non-board member shall serve on the Audit Committee, but no Officer of AAUW or the board may serve on the Audit Committee. The Committee

chair and members of the Committee shall be appointed by the board chair and approved by the board of directors or as appropriate by the Executive Committee and shall serve at the pleasure of the board.

Members of the Committee shall have financial, audit, or budgetary experience.

If the Committee chair is not a board member, the board chair shall appoint a nonvoting board liaison to the Committee from among the directors of the board. The board liaison communicates board priorities to and for the Committee and serves as a consultative resource to the Committee chair as needed. If the Committee chair is a board member, he/she shall serve as the board liaison.

A staff member designated by the CEO shall serve as a nonvoting staff liaison to the Committee.

#### Terms

Committee members shall be appointed for a term of two years beginning July 1 following appointment and shall be eligible for reappointment to the Committee for one succeeding term only. In no case shall an appointed member serve for more than three consecutive terms on one Committee, the third term being possible only if a Committee member becomes chair of the Committee. The term limit for a mid-term appointment shall be calculated from the next annual term start date.

In the event that a member misses two consecutive meetings or is unable to fulfill the requirements of the Committee, the Committee chair may recommend to the board that the member be replaced. In the event that the Committee chair misses two consecutive meetings or is unable to fulfill the requirements of the Committee, the board chair may recommend to the board that the Committee chair be replaced.

Committee members who have served for two consecutive terms as members or three consecutive terms if they become chair of the Committee, exclusive of any partial term, shall be eligible for reelection to the Committee following a one-year hiatus.

#### Subcommittees

The Committee may create subcommittees for the purpose of gathering information, conducting analyses, and developing draft recommendations for consideration by the Committee with respect to particular matters related to the responsibilities of the Committee. The specific authority of all subcommittees shall be specified in writing and reviewed at least every other year. All subcommittees must report their recommendations and advice to the Committee for deliberation and discussion. A subcommittee may include members who are not members of the Committee. Subcommittee members are appointed by the Committee chair.

#### Voting and Quorum Requirements

Each member of the Committee shall have one vote. A majority of the then-serving members of the Committee shall constitute a quorum for the transaction of business at any meeting. The act of a majority of Committee members present at any meeting at which a quorum is present shall be the act of the Committee. There shall be no proxy or ballot voting.

#### Meetings

The Committee shall meet not less than 2 times each year. Meetings may be held telephonically or electronically so long as all members participating have the opportunity to read or hear the proceedings substantially concurrently with their occurrence. Special meetings of the Committee may be called by the Committee chair or any two members of the Committee unless otherwise provided in the bylaws or by a resolution of the board.

### Minutes, Reports, and Records

Minutes of Committee meetings shall be maintained at AAUW headquarters. The Committee chair shall prepare written or verbal reports on the Committee's activities and recommendations to the board for the board's regular and annual meetings. If the Committee has a board liaison other than the Committee chair, the board liaison shall review the written reports from the Committee chair and submit them to the board for review.