

Village of Fairport
Office of Community and Economic Development

31 South Main Street
Fairport, New York 14450

AUDIT COMMITTEE CHARTER

In this document, the Village of Fairport Industrial Development Agency, the Village of Fairport Urban Renewal Agency and the Village of Fairport Section 8 Housing Assistance Program will be collectively referred to as the Village of Fairport Office of Community and Economic Development (OCED).

This Audit Committee Charter was adopted by the Board of Directors of OCED on March 20, 2007.

1. The Purpose

of the Audit Charter is to

- assure that OCED fulfills its responsibilities for proper compliance with its internal and external audit process, the financial reporting process and the system of risk assessment and internal controls over its fiscal operations;
- provide an avenue of communication between the independent auditors and the Board of Directors.

2. The Responsibilities

of the Audit Committee are to

- recommend the selection of and proposed compensation for any public accounting firm employed by OCED;
- review and audit the fiscal operations and policies of OCED, including the maintenance of proper internal controls and compliance systems to insure the safeguarding of all OCED monies;
- meet with OCED staff, independent auditors or outside technical experts as necessary.

The OCED Board of Directors will ensure that the Audit Committee has sufficient resources to carry out its duties.

3. The Composition

of the Audit Committee will consist of three members, two of which must be members of the OCED Board of Directors, of which a majority must be “independent” of authority operations. By “independent” is meant that the committee members

- must not have been a compensated employee of OCED within the last two years;
- must not have been employed by an entity that received goods and services in excess of \$ 15,000 from OCED in the last two years;
- are not relatives of an executive officer of OCED;
- have not, in the last two years, been lobbyists paid by a client to influence the management decisions of OCED.

The OCED Board of Directors will annually appoint the Audit Committee members and the Audit Committee Chairperson.

Ideally, all members of the audit Committee should possess or obtain a basic understanding of governmental financial reporting and auditing.

4. The Meetings

The Audit Committee shall hold its meetings at least quarterly during the year. Members of the Audit Committee are expected to attend each committee meeting in person.

The Audit 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 Audit Committee will meet with OCED’s independent auditor at least annually to discuss the financial statements and the auditor’s Management Letter.

Meeting agendas will be prepared for every meeting and provided to the Audit Committee members along with supporting materials five business days before the scheduled committee meeting.

The Audit Committee will act only on the affirmative vote of a majority of the members at a meeting or by unanimous consent. Minutes of the meetings will be recorded and made available to all members of the OCED Board of Directors.

The Audit Committee will report at the annual meeting of the OCED Board of Directors, held in October, a summary of its activities. The Committee will also review this Charter annually to reassess its adequacy and recommend any proposed changes to the OCED Board.