

**New York-New Jersey Trail Conference**  
**Audit Committee Charter**  
(The Audit Committee is a Committee of the Board)

- **Scope of Work**

The Audit Committee (the "AC") will be responsible for ensuring compliance with local, state and federal regulations governing nonprofit financial reporting, and for interacting with the Trail Conference's outside auditors in matters affecting such compliance. The AC also shall provide advice and recommendations to the Board on matters arising under the Trail Conference's Conflict of Interest Policy.

- **Accountability and Responsibilities**

- Recommend to the Board the selection, retention or termination of the outside auditors.
- Meet in separate executive session(s) with the outside auditors at least once annually and at other times when considered appropriate.
- As required by NY law, oversee the submission of a report to the Board addressing: 1) whether the auditors identified any material risks or weaknesses in our internal controls; 2) whether there were any restrictions on the scope of the audit activity or access to requested information; 3) whether there were any disagreements between the audit team and staff; 4) whether our accounting and financial processes are adequate.
- Research/investigate any issues resulting from the auditor's report or recommended by the auditors.
- Function in a project specific manner (i.e., review and comment on auditors' reports, Form 990, State returns, conflict of interest, etc.) rather than in a concept-driven manner (i.e., as a financial sentinel).
- As directed by the Board Chair or the Executive Director (or his/her designee), perform a preliminary review of any Conflict of Interest issue and submit recommendations to the Board of Directors.
- As needed or requested, submit an AC Chair's report/recommendation to the Board for informational and/or approval purposes as appropriate.

- **Cooperation**

The AC requires the cooperation of the staff for complete information about the NYNJTC's audit/financial/governmental reports. There must be an open and accountable relationship between staff and the AC. With the Board's approval, the AC will have access to external professionals (in addition to our auditors) to render advice and counsel in matters regarding specific projects. Communication with the Finance Committee is probable because of the expertise necessary to understanding nonprofit accounting, financial reports and audits.

- **Membership**

The Audit Committee [AC] will be comprised of three or more Board members so appointed by the Board. The Board will also designate the AC Chair (and a Vice-Chair, if so deemed). Composition, as with all committees, should be reviewed annually in order to consider if there is a need to bring on new expertise and/or replacement members.

- **Meetings**

- Meetings (either in person, telephonically or electronically) shall be held on an as-needed basis. Since the AC has review power over the organization's audited financial and governmental reporting, it may meet more frequently when the auditor and governmental reports are being prepared and reviewed.
- The entire membership is required for a quorum, and a majority vote of the quorum shall suffice as action by the Committee. If necessary, a non-committee-member from the board can be asked to join the meeting to (1) temporarily replace an unavailable member and establish a quorum, and/or (2) to resolve a non-actionable [i.e., tie] vote.
- The AC Chair will convene meetings, set agendas and facilitate meetings. In the absence of the Chair, the vice chair or other member of the Committee will facilitate the meetings.

*[ This charter was adopted by the NYNJTC Audit Committee on May 18, 2015  
and approved by the Board of Directors on May 26, 2015 ]*