



**The Mountaineers
Audit Committee Charter
(Reference: Mountaineers Bylaws, Article IV, Section 5)**

Purpose

The Audit Committee (Committee) acts on behalf of the Board of Directors (BoD) in assisting with good governance by ensuring quality financial reporting and controls, proper identification and management of financial risk, and compliance with significant applicable legal, ethical and regulatory requirements. The role of the Committee also includes coordination with other Mountaineers committees and the maintenance of strong, positive working relationships with management, external auditors, counsel and other advisors.

Authority

The Committee derives its authority from The Mountaineers Bylaws and the BoD, and is a standing committee of the board. It shall abide by all board policies.

Responsibilities

The Committee is responsible for selecting the external auditor and overseeing the auditor's independence and performance, including by:

1. Ensuring that required state and federal tax filings are completed in a timely and accurate manner.
2. Reviewing and pre-approving all audit and non-audit services to be performed by the external auditor. The Committee shall review, at least annually, all payments made to external auditors.
3. Reviewing management's establishment of an adequate system of internal controls and procedures.
4. Approving changes to The Mountaineers' core accounting principles along with the application thereof.
5. Reviewing legal or other issues that may have a material impact on the audited financial statements.
6. Reviewing the results of annual audits of expense reimbursements to directors, officers, and management.
7. Reviewing with management and the external auditors the results of the annual audit and related comments (the "Management Letter"), following consultation with other



committees as deemed appropriate. The review should include any difficulties or disputes with management, any significant changes in the audit plans, the rationale behind adoptions and changes in accounting principles, and accounting estimates that require significant judgments.

8. Tracking follow-up actions on recommendations highlighted in the Management Letter.
9. Meeting with the external auditor, without management present, at least on an annual basis.
10. Performing oversight of other financial matters as directed by the BoD.
11. Reviewing the monthly bank and brokerage reports.
12. Coordinating with the Finance Committee, especially with regard to areas of mutual concern. These include financial risk management strategies and financial policy development, and periodic updates to the Board Policy on Financial Management and The Mountaineers Financial Policies & Procedures.

Membership

The Committee is a committee of the BoD, and shall consist of at least three members of the board of directors. The BoD President shall appoint the Committee chair, who shall be a board member, but who shall not be the Mountaineers Treasurer. Per the [Washington State Nonprofit Corporation Act](#), the BoD members of the Committee are voting members. The Committee may include non-BoD, and hence non-voting, members who have financial expertise that may assist the Committee. The full roster of the Committee shall be approved by the BoD.

Each member shall be independent of management, shall have no family or professional relationship with the selected external accountant, and shall be financially literate.

The Mountaineers CEO, Publisher, and Director of Finance and Administration shall be ex-officio and non-voting members of the committee.

Meetings

The Committee shall meet at least twice a year. Additional meetings shall be scheduled as deemed necessary by the Committee or its chair. Joint meetings between the Audit and Finance Committees may be held if considered necessary.

Terms of Service

The terms of the chair and members of the Committee shall be two years. The Committee roster shall typically be updated and approved by the BoD at their summer (August) meeting.

Charter Owner - Responsible for Periodic Updates: Audit Committee Chair.