

SECTION 4. COMMITTEES

4.6 Audit Committee

4.6.1 Purpose

- To assist the board in its oversight responsibility relating to the accounting and financial reporting (including Form 990 tax filing) of the CSU, Chico University Foundation's financial statements.
- To assist CSU, Chico University Foundation's control and compliance with legal and regulatory requirements.

4.6.2 Membership

- The Audit Committee shall be comprised of less than 50% board members.
- The Audit Committee shall include at least one, but no more than two members of the Finance and Investment Committee.
- The Audit Committee shall not include officers or staff of the foundation.
- Members of the Audit Committee shall not have a material financial interest in any entity doing business with the foundation.
- The Audit Committee serves at the pleasure of the full board.
- A majority of the Audit Committee shall constitute a quorum.

4.6.3 Duties

- Perform the due diligence in reviewing the outside auditor's qualifications, independence, and performance.
- Recommend to the board the retention and/or termination of the independent auditor which shall audit the financial statements of the foundation on an annual basis in accordance with standard systems-wide procedures and applicable California Code of Regulations.
- Negotiate the independent auditor's compensation, on behalf of the board.
- Confer with the auditor to satisfy its members that the financial affairs of the foundation are in order.
- Review and determine whether to accept the audit.
- Approve performance of non-audit services by the auditing firm.

Date of Board Approval: February 21, 2020

Effective Date: July 21, 2021

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