

# COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION

## COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION NOTICE OF MEETING

Please take notice that there will be a regular meeting of the Columbia County Capital Resource Corporation and its Audit, Finance and Governance Committees which will be held on February 2, 2016 at 9:00am at 4303 US Route 9, Hudson, NY 12534 for the purpose of discussing any matters that may be presented to the Corporation for consideration.

Dated: January 26, 2016  
Jim Mackerer  
Chairman  
Columbia County Capital Resource Corporation

### CRC Audit Committee Agenda

#### Members:

Bob Galluscio	Jim Mackerer
William Gerlach	Sidney Richter
Brian Keeler	Sarah Sterling

1. Minutes, June 2, 2015\*
2. 2015 Audit
3. Audit Committee Charter
4. 2015 Committee Report
5. Public Comment

#### Attachments:

Draft June 2, 2015 minutes  
Draft Audit Committee Charter

- \* Requires Action

# COLUMBIA COUNTY CAPITAL RESOURCE CORPORATION

DRAFT

## MINUTES

Minutes of the scheduled meeting of the Columbia County Capital Resource Corporation Audit, Finance and Governance Committees held at 4303 Route 9, Hudson, NY on **Tuesday, June 2, 2015.**

### ATTENDANCE:

#### CRC Members

Bob Galluscio

Brian Keeler

Sid Richter

Sarah Sterling

#### Staff

Lisa Draushuk

Ken Flood

Erin McNary

Carol Wilber

#### Counsel

Theodore Guterman II

#### Public:

Supervisor John

Porreca

Katie Kocijanski –

Register Star

Richard Fortin

Mr. Richter called the meeting to order at 9:31am.

### **Minutes:**

Mr. Richter asked if there were any changes to the Audit Committee minutes from May 19, 2015, the Finance Committee meeting of May 19, 2015, and the Governance Committee meeting of August 19, 2014, that had been previously distributed. No changes were suggested. Mr. Richter asked for a motion to approve all minutes as presented. Ms. Sterling made the motion to approve the minutes. Mr. Keeler seconded the motion, which passed unanimously.

### **Committee Duties:**

Mr. Flood handed out copies of the committee duties to the members. Mr. Richter asked if there were questions regarding the committee duties. With no questions, he called for a motion to approve the duties as distributed. Mr. Galluscio made a motion to approve the committee duties as outlined. Mr. Keeler seconded the motion, which passed unanimously.

With no other business to come before the committee, Mr. Richter asked for a motion to adjourn the meeting. Mr. Galluscio made the motion to adjourn, which was seconded by Mr. Keeler and passed unanimously.

The meeting was adjourned at 9:32am.

*Respectfully submitted by Lisa Draushuk*

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Columbia County Capital Resource Corporation  
AUDIT COMMITTEE CHARTER

This Audit Committee Charter was adopted by the Board of Directors of the Columbia County Capital Resource Corporation, a not-for-profit corporation established under the laws of the State of New York, on this \_\_\_ day of October 2009

**Purpose:**

Pursuant to Article II, Section 11 of the Corporation's bylaws, the purpose of the audit committee shall be to:

- (1) assure that the Corporation's board fulfills its responsibilities for the corporation's internal and external audit process, the financial reporting process and the system of risk assessment and internal controls over financial reporting; and
- (2) provide an avenue of communication between management, the independent auditors, the internal auditors, and the board of directors.

**Powers of the Audit Committee:**

It shall be the responsibility of the audit committee to:

- Appoint, compensate, and oversee the work of any public accounting firm employed by the authority.
- Conduct or authorize investigations into any matters within its scope of responsibility.
- Seek any information it requires from corporate employees, all of whom should be directed by the board to cooperate with committee requests.
- Meet with authority staff, independent auditors or outside counsel, as necessary.
- Retain, at the corporation's expense, such outside counsel, experts and other advisors as the audit committee may deem appropriate.

The Columbia County Capital Resource Corporation board will ensure that the audit committee has sufficient resources to carry out its duties.

**Composition of Committee and Selection of Members:**

The audit committee shall be established as set forth in and pursuant to Article II, Section 11 of the Corporations's bylaws. The audit committee shall consist of at least three members of the board of directors who are independent of corporate operations. The Authority's board will appoint the audit committee members and the audit committee chair.

Audit committee members shall be prohibited from being an employee of the corporation or an immediate family member of an employee of the corporation. In addition, audit committee members shall not engage in any private business transactions with the corporation or receive compensation from any private entity that has material business relationships with the authority, or be an immediate family member of an individual that engages in private business transactions with the corporation or receives compensation from an entity that has material business relationships with the corporation.

Ideally, all members on the audit committee shall possess or obtain a basic understanding of governmental financial reporting and auditing.

The audit committee shall have access to the services of at least one financial expert; whose name shall be disclosed in the annual report of the corporation.

The audit committee's financial expert should have: 1) an understanding of generally accepted accounting principles and financial statements; 2) experience in preparing or auditing financial statements of comparable entities; 3) experience in applying such principles in connection with the accounting for estimates, accruals and reserves; 4) experience with internal accounting controls and, 5) an understanding of audit committee functions.

### **Meetings:**

The audit committee will meet a minimum of twice a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter. 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 the authority's independent auditor at least annually to discuss the financial statements of the authority.

Meeting agendas will be prepared for every meeting and provided to the audit committee members along with briefing materials 5 business days before the scheduled audit 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 these meetings will be recorded.

### **Responsibilities :**

The audit committee shall have responsibilities related to: (a) the independent auditor and annual financial statements; (b) the Corporation's internal auditors; (c) oversight of management's internal controls, compliance and risk assessment practices; (d) special investigations and whistleblower policies; and (e) miscellaneous issues related to the financial practices of the Corporation.

#### **A. Independent Auditors and Financial Statements**

The audit committee shall:

- Appoint, compensate and oversee independent auditors retained by the corporation and pre-approve all audit services provided by the independent auditor.
  
- Establish procedures for the engagement of the independent auditor to provide permitted audit services. The corporation's independent auditor shall be prohibited from providing non-audit services unless having received previous written approval from the audit committee. Non-audit services include tasks that directly support the authority's operations, such as bookkeeping or other services related to the accounting records or financial statements of the authority, financial information systems design and implementation, appraisal or valuation services, actuarial services, investment banking services, and other tasks that may involve performing management functions or making management decisions.
  
- Review and approve the authority's audited financial statements, associated management letter, report on internal controls and all other auditor communications.
  
- Review significant accounting and reporting issues, including complex or unusual transactions and management decisions, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.

- Meet with the independent audit firm on a regular basis to discuss any significant issues that may have surfaced during the course of the audit.
- Review and discuss any significant risks reported in the independent audit findings and recommendations and assess the responsiveness and timeliness of management's follow-up activities pertaining to the same.

#### **B. Internal Auditors**

The audit committee shall:

- Review with management and the internal audit director, the charter, activities, staffing and organizational structure of the internal audit function. The audit committee shall have authority over the appointment, dismissal, compensation and performance reviews of the internal audit director.
- Ensure that the internal audit function is organizationally independent from corporate operations.
- Review the reports of internal auditors, and have authority to review and approve the annual internal audit plan.
- Review the results of internal audits and approve procedures for implementing accepted recommendations of the internal auditor

#### **C. Internal Controls, Compliance and Risk Assessment**

The audit committee shall:

- Review management's assessment of the effectiveness of the corporation's internal controls and review the report on internal controls by the independent auditor as a part of the financial audit engagement.

#### **D. Special Investigations**

The audit committee shall:

- Ensure that the corporation has an appropriate confidential mechanism for individuals to report suspected fraudulent activities, allegations of corruption, fraud, criminal activity, conflicts of interest or abuse by the directors, officers, or employees of the corporation or any persons having business dealings with the corporation or breaches of internal control.
- Develop procedures for the receipt, retention, investigation and/or referral of complaints concerning accounting, internal controls and auditing to the appropriate body.
- Request and oversee special investigations as needed and/or refer specific issues to the appropriate body for further investigation (for example, issues may be referred to the State Inspector General or, other investigatory organization.)
- Review all reports delivered to it by the Inspector General and serve as a point of contact with the Inspector General.

#### **E. Other Responsibilities of the Audit Committee**

The audit committee shall:

- Present annually to the corporation's board a written report of how it has discharged its duties and met its responsibilities as outlined in the charter.

- Obtain any information and training needed to enhance the committee members' understanding of the role of internal audits and the independent auditor, the risk management process, internal controls and a certain level of familiarity in financial reporting standards and processes.
- Review the committee's charter annually, reassess its adequacy, and recommend any proposed changes to the board of the corporation. The audit committee charter will be updated as applicable laws, regulations, accounting and auditing standards change.
- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the charter and request the board approval for proposed changes.