

# **Railbelt Reliability Council**

## **Finance and Audit Committee Charter**

RAILBELT RELIABILITY COUNCIL – CHARTER	CHARTER NO.: <b>CH-02</b>
TITLE: <b>FINANCE &amp; AUDIT COMMITTEE CHARTER</b>	REVISION NO.: 0
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## FINANCE AND AUDIT COMMITTEE CHARTER

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**1.0 PURPOSE**

The Railbelt Reliability Council (RRC) Finance and Audit Committee (Committee) will assist the RRC Board of Directors (Board) in fulfilling its responsibilities related to the organization’s financing, budgeting and auditing.

**2.0 DEFINITIONS**

Term	Definition
Board	RRC Board of Directors
CEO	Chief Executive Officer
RRC	Railbelt Reliability Council
TAC	Technical Advisory Council

**3.0 COMMITTEE MEMBERSHIP**

In accordance with the RRC Bylaws, the Committee members shall be appointed by the RRC Board Chair and approved by the Board. The Committee Chair shall be the RRC’s current Treasurer.

**4.0 DELEGATION**

The Committee may, by unanimous consent, delegate all or a portion of its authority to act upon specific matters to the Committee chair or to a subcommittee consisting of one (1) or more members of the Committee as it deems appropriate, unless prohibited by applicable law or regulation. Any such subcommittee shall update the full Committee at the next Committee meeting.

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## 5.0 DUTIES AND RESPONSIBILITIES

<b>Table 1</b>
<p>The Committee shall monitor, review, and generate reports and recommendations to the RRC board on the following:</p> <ol style="list-style-type: none"> <li>1. The CEO-generated budget and tariffs;</li> <li>2. The RRC’s financial health;</li> <li>3. Planning, acquisition, liquidation, development, maintenance, leasing, safety, and protection of all real property and physical assets of the RRC;</li> <li>4. Management of funds under RRC control;</li> <li>5. Policies, practices, and plans, for compliance with legal and regulatory requirements;</li> <li>6. Planning and maintenance of information systems;</li> </ol>
<p>The Committee shall, while working with the RRC’s independent auditor as appropriate, do the following:</p> <ol style="list-style-type: none"> <li>1. Review the adequacy and reliability of the RRC’s internal controls and financial reporting;</li> <li>2. Select and monitor the RRC’s independent auditor;</li> <li>3. Ensure the preparation and submission of any required state or federal annual financial filings or reports;</li> <li>4. Review and recommend audit policies, practices, plans and reports;</li> <li>5. Meet at least once each year with the RRC’s independent auditor to review the audit report and management letter, and to receive the auditor’s comments on accounting, bookkeeping, and related practices and procedures of the RRC; and</li> <li>6. Report to the Board and recommend appropriate actions at regular Board meetings.</li> </ol>
<p>Take on, from time to time, those additional tasks as may be assigned to the Committee by the RRC Board.</p>

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## **6.0 MEETINGS**

The Committee will meet at least quarterly and hold additional meetings as needed to fulfill its responsibilities. Meetings may occur in conjunction with regular Board meetings or as determined by the Committee members, using the same meeting procedures established for the Board and in RRC rules. Either the Committee chair or a majority of the Committee members may call a meeting.

The Committee may request that any directors, officers, or other persons whose advice and counsel are sought by the Committee attend any meeting of the Committee to provide pertinent information. The Committee may request through the CEO that employees of the RRC attend any meeting or support the function of the Committee.

The Committee shall appoint a person, who need not be a Committee member, to act as recording secretary and record the Committee proceedings. Those records will be retained in accordance with RRC rules. The agenda for each Committee meeting will be prepared and distributed to each Committee member and other parties as outlined in RRC Rules and Policies by the recording secretary prior to each meeting. As soon as practicable following each of its meetings, the Committee shall deliver a report on the meeting to the Board, including a summary of activities by and recommendations of the Committee.

Committee meetings will be noticed and conducted in accordance with applicable RRC policy.

## **7.0 QUORUM & VOTING**

A majority of the Committee members shall constitute a quorum. Virtual or in-person participation in a meeting shall constitute a presence of the Committee member at the meeting. Any action or decision of the Committee requires a vote of a majority of the Committee members then in attendance at any Committee meeting, provided a quorum is present.

A majority of the committee may approve matters via email communication outside of formal meetings, as long as members of the public have had appropriate opportunity to review any relevant materials before approval.