



## **CHARTER OF THE AUDIT AND FINANCE COMMITTEE OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR PUBLIC BROADCASTING**

### **Purpose**

The purpose of the Audit and Finance Committee (the “Committee”) of the Board of Directors (the “Board”) of the Corporation for Public Broadcasting (the “Corporation”) is to assist the Board in discharging its responsibilities relating to financial reporting, budget, corporate controls and related matters.

### **Composition of Committee**

After each Annual Meeting of the Board of Directors, the Chair shall appoint, subject to the approval of the Board, three or more directors to serve on the Committee, including one to serve as chair. Members of the Committee shall serve for such terms as the Board may determine, or until their earlier resignation or removal by the Board.

The Committee may form, and delegate authority to, subcommittees when it deems appropriate.

### **Meetings**

The Committee is governed by the same rules regarding meetings (including meetings by conference telephone or similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. The Committee is authorized and empowered to adopt its own rules of procedure not inconsistent with (i) any provision of this Charter, (ii) any provision of the By-Laws of the Corporation or (iii) the laws of the United States of America or the District of Columbia applicable to the Corporation. The Committee will maintain copies of the minutes of each meeting of the Committee, and each written consent to action taken without a meeting, reflecting the actions so authorized or taken by the Committee. A copy of the minutes of each meeting and all consents will be placed in the Corporation’s minute books.

### **Authority**

The Corporation will provide the Committee with the resources necessary to discharge its duties and responsibilities, including retaining, at the Corporation’s expense and in accordance with appropriate CPB policies, outside counsel or other experts or consultants, as it deems appropriate.

The Committee shall report annually to the Board and at such other times as it deems appropriate or when requested to do so by the Board.

The Committee shall remain active, informed, and knowledgeable of the laws, regulations, business environment and business activities that affect its responsibilities. In order to remain knowledgeable and informed, the Committee shall require regularly scheduled reporting by Management, the Corporation's external auditors, and Office of Inspector General (OIG), and shall maintain open communication between Board members, senior management, and the internal and external auditors.

### **Office of Inspector General**

The Committee shall work with the OIG to establish a program for review of the adequacy of systems of financial management and internal controls to ensure accurate and complete reporting, compliance with applicable rules and regulations and safeguards over CPB resources. It shall regularly receive updates on the progress, findings, and results of the OIG's efforts. The Committee shall serve as the primary contact between the OIG and the Board of Directors and the Memorandum of Understanding between the CPB Board of Directors and the CPB Office of the Inspector General will provide overall guidelines for interface.

### **Internal Oversight**

Committee oversight of internal operations shall include oversight of the Corporation's financial reporting and corporate controls, and review of the Corporation's annual fiscal year operating budgets, investment policy and director expense reimbursement policy.

**Budget and Internal Financial Reporting:** The Committee shall be responsible for reviewing and recommending to the Board of Directors an annual budget proposed by Management for the Corporation, and for receiving assurance that financial disclosures made by Management reasonably portray CPB's financial condition, results of operations, plans and long term commitments. The Committee shall review Management's policies and procedures regarding these objectives and shall monitor execution. Committee members should have a basic understanding of CPB's financial operations and reporting requirements.

The Committee's specific duties shall include:

- Review of proposed annual operating budget presented by Management and by the Office of Inspector General for recommendation to the Board of Directors.
- Review of interim financial reports, including variances in relation to the Corporation's approved budget.
- Review of any internal financial audit results.
- Review of the Corporation's investment policy and performance.

- Review the establishment and administration of general policies and procedures governing financial planning, execution and reporting.
- Review and approve the Annual Audit Plan of the outside auditor for CPB's financial statement audit .
- Review policies and procedures for the selection and retention of the external auditors, evaluate their performance periodically and recommend to the Board of Directors either their retention or the selection of new auditors.
- Review the annual financial statements, changes in accounting principles and auditing standards and Management Letters. Recommend financial statements to the Board of Directors for approval.
- Review the Management Representation Letter and Committee Chairman's Letter as applicable.
- Conduct private, post-audit review with the external auditors.
- Review corporate policies and procedures relating to compliance with laws and regulations, ethics, conflict of interest, internal controls and the investigation of misconduct.
- Annually review the Board Member Expense Guidelines.

### **Corporate Controls**

The Committee shall review reports from management regarding the Corporation's key program, administrative, and accounting controls and obtain reasonable assurances that controls are adequate and carried out consistent with Management direction. The Committee shall rely on Management to establish controls that effectively govern operations and upon the Corporation's external auditors for compliance review and assessment. The Committee shall review Management policies and procedures for these objectives and monitor execution. The Committee shall be responsible for the following actions with respect to its corporate control oversight function:

- Review general policies and procedures for administrative and accounting controls.
- Review, with Management and the Inspector General, any significant findings made by the Inspector General and Management's response thereto and any difficulties encountered in the course of the Inspector General's audits.

### **Relationship with External Auditors**

The Committee shall be responsible for the Corporation's relationship with its external auditors, including their selection, compensation and evaluation. The Committee shall be further responsible for assessing the independence of the external auditors, establishing the scope of the Corporation's audits, communicating with the external auditors about the results of their audits, and seeking second opinions when the Committee deems it appropriate.

### **Other**

The Committee shall also have the following additional responsibilities:

- Review and reassess the adequacy of this Charter periodically and recommend any proposed changes to the Board for approval.
- Periodically conduct a performance evaluation of the Committee and identify opportunities for improved effectiveness.
- Report to the Board on a regular basis and make sure recommendations with respect to any of the above and other matters as the Committee deems necessary or appropriate.
- Perform such other duties and responsibilities, consistent with this Charter, delegated to the Committee by the Board.
- Review reports of CPB's 403(b) tax deferred annuity defined contribution investment policy committee.

*As adopted by the Board of Directors on February 15, 2022*