Audit Committee of the Kenneth Rainin Foundation

The Audit Committee is comprised of a member of the Board of Directors who advises the board of directors in connection with the board’s responsibilities relating to the quality and integrity of the foundation’s financial reporting, compliance with government rules, and overall systems of internal control and risk. The Audit Committee oversees regular audits of the foundation’s fiscal operations.

The duties and responsibilities of the Audit Committee are to:

EXTERNAL AUDIT

Approve the selection of an external auditor for the Foundation and pre-approve all audit services. Review and approve the planned scope of the annual financial audit by the external auditor.

Oversee regular audits of financial activities and direct that the audit be conducted in accordance with generally applicable standards for nonprofit organizations.

Review significant accounting and reporting issues, including complex or unusual transactions, highly judgmental areas, and recent professional and regulatory pronouncements.

Meet with external auditor in executive session to ascertain whether committee member has any knowledge of fraud or risks for fraud.

Review and approve the results of the annual audit with the external auditor and management. Report annually to the board a summary of the Committee’s activities and significant audit findings.

INTERNAL CONTROL

Review the Foundation’s system of internal control and the adequacy of accounting, financial, and operational policies and practices to determine if there are any high-risk areas.

ADDITIONAL RESPONSIBILITIES

The Audit Committee shall have procedures in place to respond if a condition is reported or if weaknesses are encountered in the external audit.

The Audit Committee is responsible for establishing procedures to receive complaints regarding accounting, auditing or internal controls.

Review results of any review by the auditors of compliance with policies and procedures with respect to management’s expenses, including its use of foundation assets.