

## USA DIVING FINANCE AND AUDIT COMMITTEE CHARTER

The USA Diving Finance and Audit Committee (the “Committee”), a standing committee reporting to the Board of Directors of USA Diving (the “Board” or “Board of Directors”), is established by USA Diving’s Bylaws. The Committee advises the Board regarding all financial and investment matters relating to USA Diving.

**1.0 Composition.** The Committee consists of no more than five (5) members. The Treasurer shall serve as Chair of the Committee. The Board of Directors shall appoint an additional four (4) members, two (2) of which will be athlete representatives.

**2.0 Staggered Terms and Term Limits.** Committee members will have staggered terms. The Initial Committee will have the following terms as a result of the first appointments to occur after the adoption of this Charter by the Board: two (2) members shall be appointed to serve a four-year term; and the additional two (2) members shall be appointed to a two-year term (the “Initial Committee”). Following the Initial Committee, all Committee members will serve a four-year term. No member of the Committee may serve more than two consecutive terms. For purposes of this rule, a member serves a term if she or he serves for two years or longer.

**3.0 Appointment.** The Board will appoint the members of the Committee, provided, however, that the athlete representatives will be selected and approved in accordance with Section 8.2 of USA Diving’s Bylaws.

**3.1 Qualifications.** Committee members must have a financial background and at minimum a familiarity with the preparation, review and implementation of financial statements and budgets. The Board of Directors, with recommendations from the Treasurer, shall determine the scope of the necessary background to serve on the Committee.

### 4.0 Duties.

**4.1 Duties of the Chair.** The Chair will:

**4.1.1** Preside over all meetings of the Committee.

**4.1.2** Assist and advise the President of USA Diving on reporting financial matters showing the income and disbursements of USA Diving in a manner similar to those reports required of non-profit organizations by applicable law.

**4.1.3** Report regularly to the Board with feedback or recommendations from the Committee on matters of policy related to USA Diving.

**4.1.4** In cooperation with the President of USA Diving and the outside auditor of USA Diving, oversee and monitor the audit of the financial status of USA Diving on an annual basis. Maintain contact with the outside auditor of USA Diving throughout the year, as needed.

**4.1.5** Perform such other duties as assigned by the Board of Directors or Chair of USA Diving.

## **4.2 Committee Duties.** The Committee will:

**4.2.1** Hold at least one meeting each calendar year, subject to applicable laws. The Chair of the Committee may call more frequent meetings, either in-person or telephonically/virtually, as necessary or desirable. A majority of the Committee members present at a meeting shall constitute a quorum. Once a quorum is established, a majority vote of the present Committee members shall constitute action of the Committee. All actions of the Committee are subject to oversight of the Board.

**4.2.2** Advise the President regarding supervision and control over the finances of USA Diving and shall advise the Treasurer, Chair of the Board of Directors, and Board of Directors on all matters of finance, investments, insurance, and bonds.

**4.2.3** Periodically review USA Diving's finances and advise the Board of Directors on any needed changes in accounting policies.

**4.2.4** After reviewing the President's recommendations, recommend to the Board of Directors one or more individuals or firms to be selected by the Board of Directors to serve as the independent outside auditor for USA Diving's financial reports for the next fiscal year.

**4.2.5** After reviewing the President's recommendations, advise the Board of Directors of any such changes to rules, regulations, and event fees and fee structures governing the various memberships, as it deems advisable, that are not inconsistent with the Articles of Incorporation or the Bylaws.

**4.2.6** Audit all capital expenditures proposed to be made; review all financial contracts entered into by the Corporation; review budgetary procedures and guidelines for the Board of Directors and Committees of the Corporation; review the projected annual budget submitted by the President and recommend it to the Board of Directors for approval; and review the utilization of all funds available to the Corporation.

**4.2.7** Review, at least semi-annually, the financial reports of USA Diving as submitted by the Treasurer and the President.

**4.2.8** Periodically, the Committee will be invited to meet separately in executive session with management, the Corporation's financial staff, and USA Diving's outside auditors.

**4.2.9** At-least semi-annually, examine income and expenses of USA Diving as contained in the financial reports, and make comparisons to the annual budget adopted by the Board of Directors.

**4.2.10** Review and discuss investment strategies for USA Diving's reserves, as needed, and compare the current fund income with other investment vehicles for present returns, keeping in mind liquidity and safety, and advise the Board of Directors of such.