



# Finance and Audit Committee Charter

Revision Date: January 25, 2023

## 1. Roster

Title	Name	End of Term	Term
Treasurer (Chair)	Dave Farnsworth	12/31/2026	2
Member	George Wilson	12/31/2028	2
Member	Cliff Devries	9/30/2029	1
Member	<b>Open Position</b>		
Athlete	Sam Pickens	12/31/2027	1
Athlete	Izzy Gregersen	12/31/2026	1

## 2. Introduction

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. This charter was last revised on January 25, 2023.

## 3. Composition

The Committee consists of no more than six (6) members. The Treasurer shall serve as Chair of the Committee. The Board of Directors shall appoint an additional three (3) members of the Committee. The USA Diving Athlete Advisory Council shall appoint two (2) athlete representatives to the Committee, who must satisfy the requirements for athlete representatives on designated committees (as that term is defined in the USOPC’s bylaws).

## 4. Staggered Terms and Term Limits

Committee members will have staggered terms. All Committee members will serve a four-year term, unless the Committee or the Board determines that a shorter term is necessary to achieve staggered terms. 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.

## 5. Appointment

The Board will appoint the members of the Committee, provided, however, that the athlete representatives will be appointed by the USA Diving Athlete Advisory Council in accordance with Section 8.2 of USA Diving’s Bylaws.

## 6. Qualifications

Except for athlete representatives, 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.

## **7. Duties of the Committee**

- 7.1.** 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. In the event of a tie in the number of votes, the Chair of the Board shall cast the tie-breaking vote. All actions of the Committee are subject to oversight by the Board.
- 7.2.** 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.
- 7.3.** Periodically review USA Diving's finances and advise the Board of Directors on any needed changes in accounting policies.
- 7.4.** 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 each fiscal year.
- 7.5.** 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.
- 7.6.** Review, at least semi-annually, the financial reports of USA Diving as submitted by the Treasurer and the President.
- 7.7.** 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.
- 7.8.** 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.
- 7.9.** 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.
- 7.10.** Review proposed capital expenditure proposals with a value of greater than \$5,000.
- 7.11.** Review financial contracts proposed to be entered into by the Corporation with a value greater than \$20,000.
- 7.12.** Review budgetary procedures and guidelines for the Board of Directors and Committees of the Corporation.
- 7.13.** Review the projected annual budget submitted by the President and recommend such projected annual budget to the Board of Directors for approval.
- 7.14.** Review the utilization of funds available to the Corporation.

## **8. Duties of the Chair**

- 8.1.** Preside over all meetings of the Committee.

- 8.2.** 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.
- 8.3.** Report regularly to the Board with feedback or recommendations from the Committee on matters of policy related to USA Diving.
- 8.4.** 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, and maintain contact with the outside auditor of USA Diving throughout the year, as needed.
- 8.5.** Perform such other duties as assigned by the Board of Directors or Chair of USA Diving.

## **9. Attendance at Meetings**

Committee members are expected to attend in person, or participate by telephone or videoconference in, all regularly scheduled Committee meetings. Committee members must attend in person or participate by telephone or video conference in at least one half (1/2) of all regularly scheduled Committee meetings.

## **10. Removal and Vacancies**

A member's position on the Committee becomes vacant upon the member's resignation, removal, incapacity, disability or death, or upon the expiration of the member's term. Any member may resign at any time by giving written notice to the Chair of the Committee, except the Chair's resignation shall be given to the Vice Chair of the Committee, or in the absence of a Vice Chair, all other members of the Committee. The resignation takes effect at the time specified in the written notice. The acceptance of the resignation by the Committee is not necessary to make it effective. Committee members will be removed by the Committee if they fail to attend in person or participate by telephone or videoconference in at least one half (1/2) of the regular meetings of the Committee during any twelve (12) month period, unless they are able to demonstrate to the other members of the Committee that the presence of exigent circumstances caused and excused the absences. In such circumstances, the absent member shall be removed by the affirmative vote of a majority of the voting power of the Committee (not including the voting power of the absent member). A member may also be removed for cause at any duly noticed meeting of the Committee, and after being provided an opportunity for the member to be heard by the Committee, upon the affirmative vote of at least two-thirds (2/3) of the total voting power of the Committee (excluding the voting power of the member in question). Any vacancy occurring in the Committee shall be filled in the manner specified in this charter or USA Diving's bylaws for filling the position. A Committee member elected to fill a vacancy shall be elected for the unexpired term of such member's predecessor in office.

## **11. Compensation**

No salary or other compensation shall be paid to a Committee member for serving as a member of the Committee. However, a Committee member may receive a salary or other compensation for serving USA Diving in another role, such as a judge or coach. All Committee members must comply with USA Diving's conflict of interest policy. The Ethics Committee will decide whether a particular form of compensation complies with this policy, subject to oversight by the Board of Directors.