

# **NASSAU COUNTY LOCAL ECONOMIC ASSISTANCE CORPORATION**

## **FINANCE COMMITTEE CHARTER**

This Finance Committee Charter (this “Charter”) was adopted by the board of directors of the Nassau County Local Economic Assistance Corporation (the “Corporation”), a not-for-profit local development corporation established under the laws of the State of New York, on this 4th day of May, 2017. This Charter amends and restates in its entirety the Finance Committee Charter adopted by the board of directors of the Corporation on April 5, 2016.

### **Purpose**

The purpose of the Finance Committee is to oversee the debt and debt practices of the Corporation and to recommend policies concerning the Corporation’s issuance and management of debt.

### **General Duties of the Finance Committee**

It shall be the responsibility of the Finance Committee to:

- Review proposals for the issuance of debt by the Corporation and its subsidiaries (if any) and to make recommendations concerning those proposals to the board of directors of the Corporation (the “Directors”).
- Make recommendations to the Directors concerning the level of debt and nature of debt issued by the Corporation.
- Make recommendations concerning the issuance of requests for proposals for goods and services and the appointment and compensation of bond/transaction counsel, economic development consultants, investment advisors, trustees, underwriting firms and other professionals used in connection with the Corporation’s projects.
- Implement any requests for proposals for goods and services approved by the Directors.
- Meet with and request information from Corporation staff, independent auditors and advisors or outside counsel, as necessary to perform the duties of the committee.
- Retain, at the Corporation’s expense, such outside counsel, experts and other advisors as the committee may deem appropriate.
- Review proposals relating to the repayment of debt or other long-term financing arrangements by the Corporation and its subsidiaries (if any).
- Make recommendations to the Directors concerning criteria that should govern its financings and projects.
- Report annually to the Directors how it has discharged its duties and met its responsibilities as outlined in this charter.
- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the charter and request the approval of the Directors for proposed changes.

The Directors of the Corporation shall ensure that the Committee has sufficient resources to carry out its duties.

### **Review the Corporation's Annual Budget**

The Finance Committee shall:

- Review the Corporation's proposed annual operating budget as presented by Corporation management for the upcoming fiscal year.
- Recommend the annual budget to the Directors for approval after incorporating any necessary or appropriate amendments.
- Monitor and report to the Directors on the Corporation's compliance with its adopted budget during the fiscal year (actual verses estimated budget) on a monthly/quarterly basis.

### **Oversee the Corporation's Investments**

The Finance Committee shall:

- Annually review the Corporation's investment policy and evaluate allocation of assets.
- Review and make recommendations with respect to the Corporation's annual investment report.
- Annually review the Corporation's audit of investments as provided by independent auditors.
- Recommend to the Directors the selection of investment advisors.
- Monitor the economic performance of the Corporation's pension plans, if any.

### **Review Financial and Procurement Thresholds**

The Finance Committee shall:

- Review and make recommendations to the Directors regarding any proposed procurements submitted to the committee by the Corporation's contracting officer and oversee any procurement process employed by the Corporation's contracting officer.
- Review and recommend changes to the Corporation's thresholds for procuring goods and services and its procurement and disposition of property policies.
- Review and recommend changes to the Corporation's fee schedules.
- Review the scope and terms of the Corporation's insurance policies and liability coverage on an annual basis.

### **Assess the Corporation's Capital Requirements and Capital Plan**

The Finance Committee may:

- Assess the financial requirements of the Corporation's capital plan, if any. Such assessment shall include current and future capital needs, justification of why such capital expenditure is required and an explanation of the funding sources for capital projects.

- Review financial aspects of major proposed transactions, significant expenditures, new programs and services, as well as proposals to discontinue programs or services and make action recommendations to the board of directors of the Corporation.

### **Composition of Committee and Selection of Members**

The Finance Committee shall consist of not less than three Independent Directors (as defined in the Corporation's By-Laws), who shall constitute a majority of the committee. If the Corporation has less than three Independent Directors, non-independent Directors may be appointed to the committee provided that the Independent Directors constitute a majority of the committee. The Board of Directors shall appoint the Finance Committee members and the Finance Committee chair. Members shall serve on the committee at the discretion of the Board of Directors. The members of the Committee shall serve until their resignation or removal by the directors of the Corporation.

Members appointed to the committee shall have the background necessary to perform its duties.

### **Meetings**

The Finance Committee shall meet at such times as deemed advisable by the chair, but not less than twice a year. The committee must meet prior to any recourse debt issuance planned to be undertaken by the Corporation.

Members of the Finance Committee are expected to attend each committee meeting, in person or videoconference. The Finance Committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary.

Meeting agendas shall be prepared prior to every meeting and, to the extent feasible, provided to Finance Committee members along with briefing materials five (5) business days before the scheduled Finance Committee meeting. The finance committee may act only on the affirmative vote of a majority of the committee members or by unanimous consent. Minutes of these meetings shall be prepared.

A report of the committee's meeting shall be prepared and presented to the Directors at their next scheduled Corporation meeting following the meeting of the committee.

Meetings of the committee are open to the public, and the committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice and the conduct of executive session.