

## **ALBANY PORT DISTRICT COMMISSION COMMITTEE CHARTER**

Pursuant to the Public Authorities Law, the Albany Port District Commission (the “Port”) establishes board committees with responsibilities pursuant to this written charter.

### **PURPOSE**

The purpose of this Committee Charter, and the resulting Committees, are to help improve oversight, accountability, and transparency at the Port, thereby strengthening public confidence in its operations.

### **STRUCTURE/COMMITTEES**

The Port shall have a Governance Committee, Finance Committee and an Audit Committee.

I. The Governance Committee.

A. Purpose.

1. The purpose of the Governance Committee (the “Committee”) is to assure that the Port Board fulfills its responsibilities for the promotion of competent, honest and ethical conduct by the Port in all its operations and enhance public confidence in the Port.

B. Composition.

1. The Committee will consist of a minimum of three members, one of whom will be the Committee Chairperson. The Committee members and Chairperson will be designated by the Chairperson of the Port Board. The majority of Committee members shall be “independent” as defined in section 2825 of the Public Authorities Law.
2. In addition to the members, the Chairperson of the Port Board shall be a non-voting member of the Committee.
3. Committee members shall serve annual terms and can be re-appointed or replaced at the end of their term or in other instances, as needed.

C. Meetings.

1. The Committee will meet at least twice a year. All Committee members are expected to attend each meeting, in person or via telephone or videoconference.

2. A majority of voting Committee members must attend in order to constitute a quorum and to hold a valid meeting.

D. Authority.

1. The Committee has the authority to seek any information it requires from staff (or from individuals/entities outside of the APDC), all of whom are directed by the Board to cooperate with the Committee's requests.
2. The Committee has the authority to meet with the Port's staff as necessary.
3. The Port Board shall ensure that the Committee has sufficient resources to carry out its duties.

E. Responsibilities.

1. The Committee shall be primarily responsible for:
  - a. Establishing policies to promote honest and ethical conduct by the Port's directors, officers and employees;
  - b. Keeping the Board informed of "Best Corporate Practices," reviewing corporate governance trends, updating corporate governance principals and advising appointing authorities of the skills and experience required of potential Board Members;
  - c. Reviewing and updating the Port's Code of Ethical Conduct/written policies regarding conflicts of interest;
  - d. Reviewing and updating whistleblower policy;
  - e. Reviewing and updating the Port's written policies regarding procurement of goods and services and the acquisition of real property or interests therein;
  - f. Reviewing and updating the Port's written policies regarding the disposition of real and personal property;
  - g. Reporting on its proceedings at the next full meeting of the Board;
  - h. Reviewing the adequacy of the Committee charter annually; and
  - i. Performing other activities related to this charter as requested by the Board.

II. The Finance Committee

A. Purpose.

1. The purpose of the Finance Committee shall be to (1) ensure the financial health of the Port (2) ensure that Port assets are protected and resources are used appropriately and (3) assist the Board in understanding the Port's financial condition.

B. Composition.

1. The Committee will consist of a minimum of three members, one of whom will be the Committee Chairperson. The Committee members and Chairperson will be designated by the Chairperson of the Port Board. A majority of the Committee members shall be "independent" as defined in section 2825 of the Public Authorities Law.
2. In addition to the members, the Chairperson of the Port Board shall be a non-voting member of the Committee.
3. Committee members shall serve annual terms and can be re-appointed or replaced at the end of their term or in other instances, as needed.

C. Meetings.

1. The Committee will meet at least four times a year. All Committee members are expected to attend each meeting, in person or via telephone or videoconference
2. A majority of voting Committee members must attend in order to constitute a quorum and to hold a valid meeting.

D. Authority.

1. The Committee has the authority to seek any information it requires from Port staff, outside auditors, or any other individual/entity required, all of whom are directed by the Board to cooperate with the Committee's requests.
2. The Committee has the authority to meet with the Port's staff, independent auditors or outside counsel, as necessary.
3. The Board shall ensure that the audit committee has sufficient resources to carry out its duties.

E. Responsibilities.

1. The Committee shall be primarily responsible for:
  - a. In conjunction with the Audit Committee, review and recommend new or revised financial policies to the Board for approval;

- b. Ensuring that timely and accurate financial data is presented to the Board;
- c. Review and recommend an annual operating budget for Board approval;
- d. Review the financial performance of APDC against budget projections for the period to-date;
- e. Review proposals for the issuance of debt by the Port and make recommendations to the Board;
- f. Make recommendations to the Board concerning the level of debt and nature of debt issued by the APDC;
- g. Develop the investment policy for the Port and review this policy annually;
- h. As necessary, recommend Investment Policy changes to the Board for approval;
- i. Make recommendations concerning the appointment of bond counsel, investment managers and underwriting firms used by the APDC and to oversee such individual's/entity's work;
- j. Provide the Board with recommendations concerning the hiring/retention of the investment manager;
- k. Reviewing the adequacy of the Committee charter annually; and
- l. Performing other activities related to this charter as requested by the Board.

### III. The Audit Committee.

#### A. Purpose.

1. The purpose of the Audit Committee (the "Committee") is to assure that the Board fulfills its responsibilities for the Port's internal and external audit process, the financial reporting process and reporting, and the system of internal controls over financial reporting.

#### B. Composition.

1. The Committee will consist of a minimum of three members, one of whom will be the Committee Chairperson. The Committee members and Chairperson will be designated by the Chairperson of the Port Board. A majority of the Committee members shall be "independent" as defined in section 2825 of the Public Authorities Law.
2. Members of the audit committee shall be familiar with corporate financial and accounting practices.
3. In addition to the members, the Chairperson of the Port Board shall be a non-voting member of the Committee.

4. Committee members shall serve annual terms and can be re-appointed or replaced at the end of their term or in other instances, as needed.

C. Meetings.

1. The Committee will meet at least twice a year. All Committee members are expected to attend each meeting, in person or via telephone or videoconference.
2. The Committee shall meet at least annually, or more frequently if required, in a separate meeting with the Port's independent auditor.
3. A majority of voting Committee members must attend in order to constitute a quorum and to hold a valid meeting.

D. Authority.

1. The Committee has the authority to seek any information it requires from Port staff, outside auditors, or any other individual/entity required, all of whom are directed by the Board to cooperate with the Committee's requests.
2. The Committee has the authority to meet with the Port's staff, independent auditors or outside counsel, as necessary.
3. The Board shall ensure that the audit committee has sufficient resources to carry out its duties.

E. Responsibilities.

1. The Committee shall be primarily responsible for:
  - a. Reviewing and approving Port financial statements;
  - b. Appointment, dismissal and compensation of any independent auditor employed by the Port;
  - c. Confirming and assuring the independence of the Port's independent auditor;
  - d. Ensuring that non-audit services are not provided by the Port's independent auditor;
  - e. Overseeing the work of such independent auditor, including the resolution of disagreements with respect to, and overseeing compliance with, accounting policies and principles
  - f. Reviewing and overseeing the Port's internal audit function;
  - g. Overseeing the Port's systems over internal controls and risk assessment, including information technology security and control;

- h. Establishing procedures for the receipt, retention and treatment of complaints received by the Port regarding accounting, internal controls or auditing matters, including confidential, anonymous submission by employees of the Port of concerns regarding questionable accounting or auditing matters, and act as the point of contact for investigations and/or matters involving the Inspector General;
- i. Reporting on its proceedings at the next full meeting of the Board;
- j. Providing an open avenue of communication between internal audit, the independent auditors, the Board and staff;
- k. Reviewing the adequacy of the Committee charter annually; and
- l. Performing other activities related to this charter as requested by the Board.