



**ECU Foundation, Inc.
ECU Real Estate Foundation, Inc.
Green Town Properties, Inc.**

Audit Committee Charter

Approved by the Board of Directors on October 29, 2021

I. Purpose of the Audit Committee

The Audit Committee (the "Committee") is a committee of the Boards of Directors (collectively the "Boards") of the East Carolina University Foundation, Inc. and the East Carolina University Real Estate Foundation, Inc., and Green Town Properties, Inc. (collectively the "Foundations"). Its primary purpose is to fulfill the oversight responsibilities related to the quality and integrity of the Foundations' accounting, financial reporting, audit, internal control systems and processes, and risk mitigation. The Committee will ensure that the Foundations issue financial statements and reports in a timely manner and in accordance with all legal and regulatory requirements, and applicable generally accepted accounting principles (GAAP) in the United States.

II. Committee Membership

The committee is composed of five elected members of the Foundations' Boards of Directors who are approved by the Foundations' Executive Committees. Employees of East Carolina University ("University"), Foundation staff, or Foundation management may not be members of the Committee. Each committee member shall be independent and free from any relationship that, in the opinion of the Boards, would interfere with the exercise of his or her independent judgment as a member of the Committee. Members of the committee should have a working knowledge of accounting, finance, audit, and internal controls. At least one member of the committee must be considered to be an "audit committee expert" by having strong professional working experience in finance, accounting, audit, and internal controls.

The Chair of the Audit Committee shall be recommended by the President and Chair of the Foundation Board, and approved by the Executive Committee of the Foundation. The Committee Chair shall serve in that position for one term of four years. This position will be evaluated by the President and Chair of the board of directors and serves at their discretion. The Vice Chair of the Audit Committee shall be elected by the committee and will fill in for the chair whenever the chair is unable to participate.

The Chair of the Audit Committee may not be a member of the ECU Foundation Finance Committee; and members of the ECU Foundation Finance Committee shall not constitute a majority of the Audit Committee.

III. Committee Authority and Responsibilities

The Committee shall:

A. External Audit:

1. Appoint, retain, evaluate, terminate, and oversee the Foundations' external, independent auditors, including determining the terms of the engagement. The independent auditors report directly to the Committee. The authority to supervise the auditors and audit may not be delegated to the Board or management. The Committee will mediate any unresolved disagreements between the Foundations and the external auditors regarding financial reporting issues.
2. Pre-approve all services to be performed by the independent auditors.
3. Meet with the independent auditors prior to the annual audit to review and approve the scope of the audit, the terms of the engagement and the structure of audit fees. It is the responsibility of the Committee to ensure that all required and appropriate communications and interactions between the Committee and the external auditors occur.
4. Obtain, annually, from the external auditor a written communication regarding its independence which delineates all of its relationships and professional services as required by generally accepted auditing standards (GAAS) in the United States applicable to engagements involving entities such as the Foundations. The Committee shall review with the external auditor the nature and scope of any disclosed relationships or professional services and take appropriate action to ensure the continuing independence of the external auditor.
5. Review the Foundations' external audit reports prepared on the basis of accounting principles generally accepted in the United States of America (GAAP), as adopted by the Financial Accounting Standards Board (FASB). The review should include discussion with the Foundations' Executive Committees and external auditors of significant issues regarding accounting principles, practices, and judgment. The Committee shall oversee and ensure that the appropriate corrective actions have been taken to address any significant issues.
6. Provide all reports and findings of the independent auditors to the University's Internal Audit Department.
7. Determine if the independent auditor encountered any difficulties or disagreements in the performance of the audit, including evaluation of the level of cooperation met by the auditor during its audit with regard to access to records, data and information.
8. Bring to the attention of the Boards any noteworthy findings, recommendations, or potentially damaging situations that have the potential to adversely affect the reputations of the Foundations.
9. Solicit recommendations from the independent auditors for the continuous improvement of the Foundations' internal controls procedures, including particular areas where new or more detailed controls or procedures are desirable.
10. Prepare an Auditor Assessment Report to evaluate annual performance and service quality provided by the external auditors. Present the annual assessment to the auditors subsequent to the completion of the annual audit to ensure continued quality audits.

B. Internal Audit

1. Serve as the liaison between the University's internal auditors and the Foundations. If the internal auditors desire to review or investigate the accounting or internal controls of the Foundations, they are to coordinate that work through the Committee and share all findings or recommendations with the Committee.
2. Review the reports of the internal auditor and the responses of management and staff to such reports. Discuss with the internal auditor any significant deficiencies in the design and operation of the Foundations' internal controls, material weaknesses in internal controls, and any other matters noted.
3. Bring to the attention of the Boards any noteworthy findings or recommendations, or potentially damaging situations that have the potential to adversely affect the reputations of the Foundations or University from the internal auditors.

C. Conflicts of Interest

1. Oversee the Foundations' adherence to their Conflict of Interest Policy. (Exhibit A - on ECU Foundation website)
2. Work with the Foundations' Governance Committee to review and recommend to the Boards an appropriate written Conflict of Interest Policy that complies with all appropriate regulations and guidelines.
3. Review the results of the board members' annual Conflict of Interest Disclosure Statements with the Foundations' management and staff and assist with the resolution of any real or perceived conflicts of interest
4. Review any situation or transaction where there may be a real or perceived conflict of interest that is brought to the committee's attention and make a recommendation to the Boards regarding the appropriate action to be taken.

D. Complaints or Concerns

1. Review all complaints and concerns regarding accounting, management, internal controls, or auditing matters concerning the Foundations.
2. Decide on the appropriate level of investigation, including, but not limited to, the involvement of staff, internal auditors, or external auditors.
3. Bring to the attention of the Boards and the University's internal auditors any noteworthy findings or recommendations.
4. All complaints or concerns submitted to the committee shall be addressed within the scope of the Foundations' Whistle blower Policy. (Exhibit 8 - on ECU Foundation website), and any other applicable regulations, policies or statutes. The committee shall maintain the confidentiality of any complaints or concerns received and addressed.

E. IRS Form 990 Review

1. Each year, the Audit Committee Chair, ECU Foundation Budget and Finance Committee Chair, Chair of the ECU Foundation Board, Vice-Chair of the ECU Foundation Board, Chair of the ECU Real Estate Foundation, Chair of Green Town Properties, Inc., ECU Foundation Controller, ECU Foundation President, and selected members of the Foundations' Executive Committees will be appointed by the Executive Committees to serve on a sub-committee to review the completed IRS Form 990 before it is filed. The Foundations' financial services staff will attend the scheduled Audit Committee meeting to review the IRS Form 990 draft in detail (timing of the meeting to be determined annually).
2. The Audit Committee Chair will report on the IRS Form 990 to the Executive Committees and the Foundation Boards at their next regular meetings.

F. Other

1. Perform other activities as requested by the Boards.
2. Review and assess the adequacy of the audit committee charter every other year.
3. Review and evaluate the performance of the Committee annually.

IV. East Carolina University Foundation Financial Services

- A. The committee shall maintain a close working relationship with the Foundation Financial Services Department.
- B. The Committee will work with the Foundations' Financial Services Department to coordinate the "Request for Proposal" process to select new external auditors when required.
- C. The Financial Services Department will assist in coordinating meeting as requested by the Committee.

V. Committee Meetings

- A. The Audit Committee will meet as often as it deems necessary or appropriate, either in person or by conference call, and at such times and places as determined by the Committee.
- B. The Committee will meet in executive session with the independent auditors at least twice each year, once prior to the annual audit and once at the conclusion of the audit for open discussion without staff and management being present.
- C. The Committee Chair is a member of the Foundation Board Executive Committees and keeps that group aware of all meetings and activities of the Audit Committee. The Audit Committee Chair will present a Committee report at the semi-annual meetings of the Foundations' Boards of Directors.
- D. A majority of the Committee will constitute a quorum for the transaction of business.


VI. Resources and Authority

- A. The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities with respect to the Foundations; under this authority it shall have direct access to the independent auditors, university internal auditors, university leadership, donors, and all staff or board members of the Foundations.

- B. The Committee has the authority to retain, at the Foundations' expense, special legal, accounting, consulting, or other experts it deems necessary in the performance of its duties, provided that it has given written notice to the Executive Committees of the Foundations prior to making those commitments.

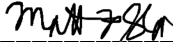
VII. Policies and Procedures

In carrying out its responsibilities, all policies and procedures of the Audit Committee should remain flexible in order to react to changing conditions and to ensure to the boards and the public that the accounting and reporting practices of the Foundations are in accordance with all requirements and are of the highest quality.

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Ottis Matthew Crisp, III, Chair
Audit Committee
ECU Foundation, Inc.

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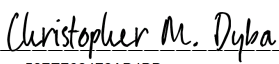
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Matthew H. Slate, Chair
Board of Directors
ECU Foundation, Inc.

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Steven R. Jones, Chair
Board of Directors
ECU Real Estate Foundation and
Green Town Properties, Inc.

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Christopher M. Dyba, President
Board of Directors
ECU Foundation

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