1. **MEETING CALLED TO ORDER:** Geraldine Pyle, Chairman

2. **ROLL CALL:** Pyle, Anderson, Coenen, Kelso

3. **APPROVAL OF REPORT:** Regular meeting of August 7, 2018 (Attachment)

4. **RESIDENTS' FORUM**

5. **CHAIRMAN'S REPORT**

6. **UNFINISHED BUSINESS**
   
a) Consider revisions to Policy 304.1, Guest Usage Policy, to include alternatives to a guest fee exemption for non-resident club members who use the Fitness Center. (Attachment)

7. **NEW BUSINESS**
   
a) Consider recommending that the Board approve the draft proposed revised Audit Committee Charter as recommended by the Audit Committee. (Attachment)

8. **ADJOURNMENT**

9. **NEXT MEETING:** Thursday, November 6, 2018, at 1:30 p.m. in the Board Room at Gateway Complex

TO

cc: GRF Board
A regular meeting of the Policy Committee was convened by the Chairman, Geraldine Pyle, at 1:30 p.m. on Tuesday, August 7, 2018, in the Board Room at Gateway Complex.

Present, in addition to the Chairman, were Kenneth Anderson, Barbara Coenen and Robert D. Kelso. Also attending were Mary K. Neff, Treasurer, and Stephen D. Roath, Director, GRF; Timothy O’Keefe, CEO; Jeffrey P. Matheson, Director of Resident Services; and Deborah Rose, Senior Administrative Assistant, Executive Services.

The Policy Committee’s report of its meeting held on July 3, 2018, was approved as written.

On a motion made, seconded, and CARRIED UNANIMOUSLY, Kenneth Anderson was elected Vice Chairman of the Policy Committee.

During the Residents’ Forum, Mary K. Neff shared her opposition regarding the proposed exemption of a guest fee.

It was noted that Cynthia Schneider submitted a memo to the Committee. Ms. Schneider was not present at the meeting.

The Chairman introduced item 7a of the agenda, which covers Policy 304.1, Guest Usage Policy, which asks the Committee to consider an exemption for non-resident club members from paying the guest fee.

Following discussion, a motion was made by Mr. Kelso, seconded by Mr. Anderson, and CARRIED, with Ms. Pyle voting no, to accept the proposed language to amend Policy 304.1 to exempt non-resident club members from the guest use fee found within the agenda packet with the addition of the word pool to bullet points one and two under six.

The Chairman announced that the discussion regarding Policy 104.1.1, Membership Guidelines, will be deferred at this time.

A discussion was held regarding agenda item 8b, which asks the Committee to consider a request from a resident to create a policy prohibiting solicitation for goods, services, political causes or campaigns unrelated to Rossmoor while inside GRF clubhouses or at GRF events.

The Chairman announced that the next regular meeting of the Policy Committee will be held on Tuesday, September 4, 2018, at 1:30 p.m. in the Board Room at Gateway Complex.
Policy Committee
Regular Meeting
-2-
August 7, 2018

There being no further business to come before the Committee, the meeting was Adjourned at 2:23 p.m.

________________________________________
Geraldine Pyle, Chairman
Policy Committee

dr
REQUESTED ACTION/RECOMMENDATION:

Consider revisions to Policy 304.1, Guest Usage Policy, to include alternatives to a guest fee exemption for non-resident club members who use the Fitness Center. (Attachment)

BACKGROUND:

The Policy Committee has been considering revisions to Policy 304.1, Guest Usage Policy, for the past few months and presented proposed recommended revisions to the Board for consideration of approval at the September 27, 2018 Board meeting. Rather than approve the recommended revisions, the Board referred Policy 304.1 back to the Policy Committee for further consideration.

Board member Mary Neff is suggesting that a fee be created so that the non-resident club members pay something less than $10/visit and something more than zero/visit.

The alternative should be equitable to all stakeholders: Rossmoor residents, Rossmoor Clubs using the Fitness Center, and non-resident club members using the Fitness Center. The revised policy should also be easy to administer and enforce.

Mrs. Neff’s proposal are as follows:

Proposal #1: Link Fee to Monthly Coupon Amount for Fitness Center

Link the fee to the coupon amount paid per manor per month. For 2018, that amount was $10.42/month. For 2019, it will be $11.31/month. The fee should be considered a non-resident club member restricted fee or something similar. The restrictions defined in the September 27, 2018 GRF Agenda Package on Attachment #3, page 10a-12 apply to the new reduced fee proposal(s). They include:

Fitness Center Only

Guest fee exemption language:
Guests who are non-resident members of a recognized Rossmoor Club will be charged the applicable guest fee when the following conditions are met:
• The guest/club member is participating in a sanctioned club event with a reserved room or pool facility, including practice session, at the Tice Creek Fitness Center.
• These events are limited to the use of a room, studio, or pool, where the presence of additional people in the room does not impact other users of the Tice Creek Fitness Center.
• The guest/club member is accompanied by a Rossmoor resident who is also a member of the same club.
• The guest/club member will leave the Tice Creek Fitness Center when the sanctioned event is over.
• The guest/club member will be issued a special wrist band that must be worn while in the Tice Creek Fitness Center.
• The guest/club member will not use any of the equipment in the Fitness Center.
• The guest/club member will not use the locker rooms.
• The guest/club member will not use the pools unless their club activity takes place in a pool.

Guests who violate any of the rules above will have their exemption to the Guest Fee charge revoked permanently.

The words highlighted in orange are changes Mrs. Neff I made to Attachment #3 in the original proposed modification that went before the Board.

How to collect the fee should also be considered. It could be collected as the non-resident checks into the facility and gets their wristband. Or it could be collected quarterly, semi-annually, or annually. Another idea is to have the Club list the names of their non-resident members and pay the fee to GRF. The list provided will be used by staff to check the non-residents into the Fitness Center each visit. There are pros/cons to each collection method.

Proposal #1 is a fixed amount regardless of how often the club meets. So, the basketball club, for example, which meets 6 times/week pays less/visit than the Line Dancing Club which meets twice/week.

Proposal #2: Link the Fee to Drop in Rates Charged at Outside Gym Facilities

There is a gym on Tice Creek just outside of Rossmoor. It was operated by the Jewish Community Center. Now Walnut Creek operates the facility. They have 4 courts. They charge $5/visit for those who drop-in to play Volleyball, Pickleball, Badminton and Basketball.

The $5/visit fee is higher than the monthly coupon rate. However, it does charge on a per visit basis so non-resident club members meeting frequently will pay more. With the proposal #2 fee structure it seems better to collect the money at the time the non-resident checks into the Fitness Center.
**ATTACHMENTS:**

Attachment #1: Policy 304.1, Guest Usage Policy-Redline Version

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>Project:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Impact</td>
<td>Undetermined</td>
</tr>
<tr>
<td>Operational Efficiencies</td>
<td>N/A</td>
</tr>
<tr>
<td>Dependencies</td>
<td>N/A</td>
</tr>
<tr>
<td>Subsequent Actions</td>
<td>If approved, the amended policy could be sent to the Board for 2 readings. The Committee could also send the policy back to the Aquatics and Fitness Center Advisory Committees for input.</td>
</tr>
<tr>
<td>Alternatives/Options</td>
<td>The Committee could modify or reject the proposal, in which case, it would be sent to the Board and/or the Advisory Committees.</td>
</tr>
<tr>
<td>Time-Frame</td>
<td>N/A</td>
</tr>
<tr>
<td>Advantages/Benefits</td>
<td>N/A</td>
</tr>
<tr>
<td>Disadvantages/Risks</td>
<td>N/A</td>
</tr>
</tbody>
</table>
Attachment #1

Subject: Guest Usage Policy

Purpose: To Establish Guidelines for Use of Trust Facilities by Guests

For purposes of this Policy the term “Guest” refers to non-Members, not registered with GRF as either a Lessee (Policy 104.1.2), or Domestic Employee, as set forth below. The Golden Rain Foundation’s programs, services and facilities are intended primarily for use by GRF Members as defined in the Bylaws, either individually or as members of Rossmoor clubs and organizations. The Foundation supports a policy of accommodating Guests accompanied by their Member host when their presence does not interfere with Members’ use of facilities.

1. Except as otherwise specified herein, Guests must be accompanied by a Member host at all times, unless otherwise specifically provided for elsewhere by Policy, Rules, or Procedures.

2. At the discretion of GRF, Guests may be limited to a number of days or excluded for specific days or portions thereof, from any programs, services or facilities in order to ensure adequate access to Members. A list of such limitations, if any, will be available from Member Records and provided to Members upon request.

3. Guests must follow all policies, rules and procedures of the applicable program/facility. Members are responsible for making their Guests aware of the Foundation’s policies, rules and procedures and for the acts of their Guests.

4. No Guest who is a client, patient, or customer of a Member may use Foundation facilities for professional purposes.

5. Subject to approval of the GRF Board, Guests may be charged a fee for use of, or access to, any program, service or facility on terms and conditions prescribed by the Board. A schedule of such charges will be maintained by Member Records and provided to Members upon request.

6. Notwithstanding any provision of this Policy to the contrary, Guests who are non-resident members of a GRF Approved Organization as set forth in Policy 302.0, may be excused from paying the applicable guest fee when participating in activities at the Tice Creek Fitness Center, provided all of the following conditions are met:
   • The guest/club member is participating in a sanctioned club event with a reserved room or pool, including practice sessions.
   • The event is limited to the use of a room, or studio, or pool, and such use does not adversely impact other Members and their Guests
   • The guest/club member is accompanied by a Rossmoor resident who is also a member of the same club.
   • The guest/club member will leave when the sanctioned event is over, or will comply with Sections 1 through 5 of this Policy, including payment of any required fees, in order to remain.
   • The guest/club member will be issued a special wrist band that must be worn while in the Tice Creek Fitness Center.
• The guest/club member will not use locker rooms, pools or any of the equipment in the Fitness Center, except in compliance with Sections 1 through 5 of this Policy.
• Guests who violate any of the foregoing requirements will forfeit their exemption under this paragraph.

6. The term Domestic Employee refers to an employee of a Member or Lessee as either a care-giver or housekeeper or similar capacity, whether or not such employee lives with the Member or Lessee full-time. Domestic Employees must be registered with GRF as such and will be considered to be Guests of the Member, for purposes of access only. Domestic Employees will not be permitted to make use of any amenities or facilities and must be accompanied by the applicable Member at all times. Domestic Employees may be issued limited access devices subject to the fees and restrictions established by the Board, which are available from Member Records upon request.

7. Notwithstanding any of the above limitations, exceptions to this Policy may be made by express provisions contained in the applicable Rules for participation and use of any GRF program, service or facility approved by the GRF Board.
Authority: Policy

6/24/04
9/27/07 Rev.
2/24/11 Rev.
10/31/13 Rev.
7/27/17 Rev.
REQUESTED ACTION/RECOMMENDATION:

Consider recommending that the Board approve the draft proposed revised Audit Committee Charter as recommended by the Audit Committee.

BACKGROUND:

An Audit Committee Task Force, comprised of Alan Swanson, Chairman, Merek Lipson, Dick Locke, Mary Neff, and Barbara Rothway, has been working for the past two months on evaluating and revising the Audit Committee’s Charter to include a Mission Statement and to better define the Committee’s organization, membership, purposes and responsibilities. The Task Force has concluded its evaluation and presented the draft proposed revised Charter to the full Audit Committee for consideration at its September 20th meeting. The Committee voted to approve the draft proposed revised Charter and submit it to the Policy Committee for its consideration.

Staff have reviewed the proposed Charter and recommend that the Committee also consider whether restricting GRF Board member membership on the Audit Committee should be limited to only the Treasurer. In most corporate audit committee charters, the committee is made up exclusively of Board members. While it might be unusual to have a Board member other than the Treasurer interested on serving on the Committee, having an eminently qualified non-Treasurer Board member could be valuable to the Committee—particularly in years when there might not be enough interest from other GRF community members to serve on the Committee—and ultimately beneficial to the Board and the community. This was discussed with the Audit Committee Chair following the Audit Committee meeting, and he agreed to have the Policy Committee discuss it.

ATTACHMENTS:

Attachment #1: Draft Audit Committee Charter
Attachment #2: Red-Lined Draft Audit Committee Charter
<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>Project:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Impact</td>
<td>None</td>
</tr>
<tr>
<td>Operational Efficiencies</td>
<td>N/A</td>
</tr>
<tr>
<td>Dependencies</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Subsequent Actions</strong></td>
<td>If recommended by the Policy Committee, the draft proposed revised Audit Committee Charter will be forwarded to outside counsel for review. Any material changes could return the Charter to either or both the Policy Committee or Audit Committee. Once approved by counsel and the Committees, the Charter will be presented to the Board for consideration of approval at its October 25th Board meeting.</td>
</tr>
<tr>
<td><strong>Alternatives/Options</strong></td>
<td>Further revise the Charter; refer back to the Audit Committee with suggestions; not recommend it for approval.</td>
</tr>
<tr>
<td><strong>Time-Frame</strong></td>
<td>The Charter will be effective as soon as it is approved by the Board.</td>
</tr>
<tr>
<td><strong>Advantages/Benefits</strong></td>
<td>More clearly delineates the role of the Audit Committee and strengthens oversight of the audit function, internal controls, and whistleblower and conflict of interest policies.</td>
</tr>
<tr>
<td><strong>Disadvantages/Risks</strong></td>
<td>The role of the Audit Committee is expanded, which could limit the pool of qualified candidates for the Committee in the future.</td>
</tr>
</tbody>
</table>
MISSION

The mission of the Audit Committee is to oversee financial reporting, risk management, and audit functions for the Golden Rain Foundation.

ORGANIZATION AND MEMBERSHIP

The Committee shall consist of not less than five nor more than seven GRF members, only one of whom shall be a member of the GRF Board of Directors. All Committee members shall be nominated by the GRF Board President and approved by the GRF Board. One of the members shall be the GRF Treasurer, without vote, who shall also serve as the GRF liaison.

The Committee shall not include GRF employees or management. No member shall have a material financial interest in any entity doing business with the Foundation. All members shall be free of any relationship that, in the opinion of the GRF Board, would interfere with that member’s individual exercise of independent judgment.

Applicants for vacant positions on the Committee shall submit applications to the GRF Assistant Secretary and shall be interviewed by the GRF President, the GRF Liaison, and the Committee Chair. If the Chair or other officer is an applicant, a non-applicant Committee officer or member shall be the third interviewer.

The GRF President shall designate one of the Committee members as Chair, to serve a one-year term, effective July 1 of the appointment year.

At least one Committee member shall be designated as a financial expert. This member should understand generally accepted accounting principles, financial statements, and financial reporting through prior work as a principal financial officer, principal accounting officer, controller, certified public accountant, or auditor or through other relevant experience.

The members of the Committee who are not members of the GRF Board shall be appointed to staggered three-year terms, as required to fit their number. Terms shall begin July 1 of their appointment year. If a vacancy occurs among these Committee
members who are not members of the GRF Board, the replacement shall serve out the term of the vacating member.

RESPONSIBILITIES

The Committee assists the GRF Board in fulfilling the Board’s responsibility to oversee the integrity of Foundation’s financial reporting process, the qualifications and performance of the independent external auditor, the effectiveness of the Foundation’s system of internal controls, and its compliance with laws and regulations.

The Committee shall:

- Annually assess the performance, independence, and cost of the Foundation’s independent external auditor and recommend to the GRF Board for its approval renewal of that independent external auditor or retention of another independent external auditor to audit the Foundation’s financial statements, accounts, and internal controls and to provide such other compliance services as are required by federal and state laws and regulations and by the retirement plans.
- Before the start of each year’s audit, review with the independent external auditor the scope and planning for the audit.
- Upon completion of the audit, review and discuss with the independent external auditor any material risks and weaknesses in the Foundation’s internal controls that the independent external auditor may have identified, any restrictions that may have been placed on the scope of its activities and access to information that it requested, the conclusions it reached as to the adequacy of the Foundation’s accounting and financial reporting process, and any recommendations that it may propose.
- Determine whether to accept the results of the independent external audit, report to the GRF Board on the Committee’s activities, and recommend approval or rejection of the audit results.
- Oversee the corrective actions that are implemented to address issues identified in the required communication and management letter.
- Monitor compliance with the GRF’s conflict of interest and whistleblower policies and anti-fraud program.
- Monitor and review with management and the Board the adequacy and effectiveness of the Foundation’s internal controls and its risk management framework. Risk management involves the identification and assessment of key
potential risks (such as financial errors or frauds, threats to information technology security and data, legal liabilities, accidents, and natural disasters).

- Periodically review audit-related policies

**AUTHORITY**

The Committee reports directly to the GRF Board. As it deems necessary, the Committee may recommend to the GRF Board the hiring of outside counsel or other advisors or consultants. The Committee will have access to all Foundation books, records, data, policies, procedures, and personnel as necessary to carry out its responsibilities.

**PROCEDURES**

Each year, the Committee will meet with the Chief Executive Officer and/or his or her designee to establish the scope of that year's audit and required tax services and then may solicit a proposal from the independent external auditor who has been serving as the Foundation's auditor. If the Committee deems it advisable to engage the services of a new independent external auditor, it will solicit and review proposals from at least three certified public accounting firms.

At the end of the annual audit, the Committee and the Chief Executive Officer and/or his or her designee(s) will meet with the independent external auditor to review the audit results, discuss any critical policies and practices used by the Foundation, and consider any problems encountered by the independent external auditor. The Committee will also review with the Chief Executive Officer and/or his or her designee the proposed reply to the independent external auditor's management letter before its final presentation for approval by the Foundation's Board.

The Committee shall pre-approve any non-audit services to be requested of the independent external auditor after determining whether these services would impair the auditor’s independence.

The Committee will conduct sessions with the GRF’s Chief Executive Officer, Chief Financial Officer, and if applicable legal counsel regarding the effectiveness of the Foundation’s risk management.

The Committee shall meet as often as it determines necessary or appropriate to fulfill its responsibilities, but no fewer than twice annually – once to review the audit plan and once to review the audited financials, the IRS Forms 1120 and 5500 and related documents, and to review the audit engagement, special investigations, financial irregularities, and internal control failures. The Committee will keep minutes of its
meetings.

The Committee shall annually elect its own Vice-Chair and any other officers as necessary. The Committee shall appoint subcommittees as necessary.

The Committee shall follow Policy 201.4 Regarding Open Committee Meetings and provide a Residents’ Forum in which Residents may address concerns to the Committee.

Robert’s Rules of Order shall govern all Committee proceedings.

ADOPTED BY THE GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS, AS REVISED, ON ____________________________.
AUDIT COMMITTEE CHARTER
GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS

Draft: September 20, 2018

MISSION

The mission of the Audit Committee is to oversee financial reporting, risk management, and audit functions for the Golden Rain Foundation.

ORGANIZATION AND MEMBERSHIP

The Committee shall consist of not less than five (5) nor more than seven (7) GRF members. Four to six (4 to 6), only one of whom shall be a non-a member of the GRF Board of Directors. All Committee members, all shall be nominated by the GRF Board President and approved by the GRF Board. The One of the members shall be the GRF Treasurer shall be the additional member with, without vote and, who shall also serve as the GRF liaison.

The Committee shall not include GRF employees or management. No member shall have a material financial interest in any entity doing business with the Foundation. All members shall be free of any relationship that, in the opinion of the GRF Board, would interfere with that member’s individual exercise of independent judgment.

Applicants for vacant positions on the Committee shall submit applications to the GRF Assistant Secretary and shall be interviewed by the GRF President, the GRF Liaison, and the Committee Chairperson. If the Chairperson or other officer is an applicant, a non-applicant Committee officer or member shall be the third interviewer.

The GRF President shall designate one of the Committee members as Chairperson, to serve a one-year term, effective July 1 of the appointment year.

The at least one Committee member shall be designated as a financial expert. This member should understand generally accepted accounting principles, financial statements, and financial reporting through prior work as a principal financial officer, principal accounting officer, controller, certified public accountant, or auditor or through other relevant experience.

The non-members of the Committee who are not members of the GRF Board Committee members shall be appointed to staggered three-year terms, as required to
Terms shall begin July 1 of their appointment year. Should a vacancy occur among these Committee members who are not members of the GRF Board, the replacement shall serve out the term of the vacating member.

RESPONSIBILITIES

The Committee assists the GRF Board in fulfilling the Board’s responsibility to oversee the integrity of Foundation’s financial reporting process, the qualifications and performance of the independent external auditor, the effectiveness of the Foundation’s system of internal controls, and its compliance with laws and regulations.

The Committee shall:

• Annually assess the performance, independence, and cost of the Foundation’s independent external auditor and recommend to the GRF Board for its approval renewal of that independent external auditor or retention of another independent external auditor to audit the Foundation’s financial statements, accounts, and internal controls and to provide such other compliance services as are required by federal and state laws and regulations and by the retirement plans.

• Before the start of each year’s audit, review with the independent external auditor the scope and planning for the audit.

• Upon completion of the audit, review and discuss with the independent external auditor any material risks and weaknesses in the Foundation’s internal controls that the independent external auditor may have identified, any restrictions that may have been placed on the scope of its activities and access to information that it requested, the conclusions it reached as to the adequacy of the Foundation’s accounting and financial reporting process, and any recommendations that it may propose.

• Determine whether to accept the results of the independent external audit, report to the GRF Board on the Committee’s activities, and recommend approval or rejection of the audit results.

• Oversee the corrective actions that are implemented to address issues identified in the required communication and management letter.

• Monitor compliance with the GRF’s conflict of interest and whistleblower policies and anti-fraud program.
• Monitor and review with management and the Board the adequacy and effectiveness of the Foundation’s internal controls and its risk management framework. Risk management involves the identification and assessment of key potential risks (such as financial errors or frauds, threats to information technology security and data, legal liabilities, accidents, and natural disasters).

• Periodically review audit-related policies

AUTHORITY

The Committee reports directly to the GRF Board. As it deems necessary, the Committee may recommend to the GRF Board the hiring of outside counsel or other advisors or consultants. The Committee will have access to all Foundation books, records, data, policies, procedures, and personnel as necessary to carry out its responsibilities.

PROCEDURES

Each year, the Committee will meet with the Chief Executive Officer and/or his or her designee to establish the scope of that year's audit and required tax services and then may solicit a proposal from the independent external auditor who has been serving as the Foundation's auditor. If the Committee deems it advisable to engage the services of a new independent external auditor, it will solicit and review proposals from at least three certified public accounting firms.

At the end of the annual audit, the Committee and the Chief Executive Officer and/or his or her designee(s) will meet with the independent external auditor to review the audit results, discuss any critical policies and practices used by the Foundation, and consider any problems encountered by the independent external auditor. The Committee will also review with the Chief Executive Officer and/or his or her designee the proposed reply to the independent external auditor's management letter before its final presentation for approval by the Foundation's Board.

The Committee shall pre-approve any non-audit services to be requested of the independent external auditor after determining whether these services would impair the auditor’s independence.

The Committee will conduct sessions with the GRF’s Chief Executive Officer, Chief Financial Officer, and if applicable legal counsel regarding the effectiveness of the Foundation’s risk management.

The Committee shall meet as often as it determines necessary or appropriate to fulfill its responsibilities, but no specified limit to the number of terms served by members or
The Committee shall annually elect its own Vice-Chairman, Chair and any other officers as necessary. The Committee shall appoint subcommittees, as necessary.

The Committee shall follow Policy 201.4 Regarding Open Committee Meetings, and provide a Residents’ Forum in which Residents may address concerns to the Committee.

Robert’s Rules of Order shall govern all Committee proceedings.

**PURPOSES AND RESPONSIBILITIES**

The purpose of the Committee is to assist the GRF Board in monitoring the integrity of the Foundation’s financial statements, the effectiveness of its internal controls, and the qualifications and performance of the Foundation’s independent auditor. Through the Foundation’s independent audit process, the Committee will also have oversight and reporting responsibility (to the GRF Board) on the operation of a document retention and destruction policy, anti-fraud program and conflict of interest policies. The Committee will conduct sessions with the Chief Executive Officer, Chief Financial Officer, and General Counsel regarding the effectiveness of internal controls, document retention and destruction policy, antifraud program and conflict of interest policies.

Each year, the Committee will meet with the Chief Executive Officer and/or his designee to establish the scope of that year's audit and the tax services required and then to solicit a proposal from the independent auditor who has been serving as the Foundation's auditor. If it is deemed advisable to engage the services of a new independent auditor, the Committee will solicit and review proposals from at least three certified public accounting firms.

The Committee will recommend to the GRF Board of Directors the appointment of the independent auditor who will examine GRF’s financial statements, accounts and internal controls, and to provide such other compliance services as are required by state and federal tax regulations and by the retirement plans. The Committee shall also pre-
approve any other non-audit services to be requested of the independent auditor after
determining whether these services would impair the auditor's independence.

At the conclusion of the annual audit, the Committee and the Chief Executive Officer
and/or his designee will meet with the independent auditor to review the results of the
audit and to discuss any critical policies and practices used by the Foundation and any
problems encountered by the independent auditor. The Committee will also review with
the Chief Executive Officer and/or his designee the reply to the independent auditor's
management letter before its final presentation for approval by the Foundation's Board.

The Committee will develop key operating considerations which it believes necessary in
the conduct of its responsibilities to assure year-to-year consistency in the work of the
Committee. The Committee may meet for such additional purposes as it considers
necessary.

ADOPTED BY THE GOLDEN RAIN FOUNDATION BOARD OF DIRECTORS, AS REVISED, ON
DECEMBER 6, 2012. ________________________________________