

MAKE-A-WISH FOUNDATION OF GREATER LOS ANGELES AUDIT COMMITTEE CHARTER

Organization

The audit committee is appointed by the board of directors. Only independent directors will serve on the audit committee.

An independent director is free of any relationship that could influence his or her judgment as a committee member. An independent director may not be associated with a major vendor to, or customer of, the company. When there is some doubt about independence, as when a member of the committee has a short-term consulting contract with a major customer, the director should recuse himself from any decisions that might be influenced by that relationship.

The chair of the audit committee may not be a member of the finance committee, and the members of the finance committee may only constitute less than half of the members of the audit committee. Additionally, the audit committee members will not include any member of the staff or top management of MAWFGLA, or any person who has a material financial interest in any entity doing business with MAWFGLA.

Primary function

The primary function of the audit committee is to assist the board in fulfilling its oversight responsibilities by reviewing the financial information and the systems of internal controls management and the board of directors have established and all audit processes.

- The audit committee should perform all the duties as determined by the board of directors. The duties should be appropriate relative to the size of the institution and the complexity of its operations. Appropriate additional duties could include:
 - reviewing with management and the independent public accountant the scope of services required by the audit, significant accounting policies and audit conclusions regarding significant accounting estimates
 - reviewing with management and the independent accountant their assessments of the adequacy of internal controls (including any management letters issued by such accountants relating to internal control issues discovered during the course of their annual examination) and the resolution of identified material weaknesses and reportable conditions in internal controls, including the prevention or detection of management override or compromise of the internal control system
 - reviewing with management and the independent accountant the institution's compliance with laws and regulations
 - discussing with management any significant disagreements between the independent accountant and management

As specified in the chapter's charter with the Make-A-Wish Foundation of America, the National Organization will be responsible for selecting the independent auditor and negotiating the fee for the services of the independent auditor.

General responsibilities

- The audit committee provides open avenues of communication among the the independent accountant and the board of directors.
- The audit committee must report committee actions to the full board of directors and may make appropriate recommendations
- The audit committee has the power to conduct or authorize investigations into matters within the committee's scope of responsibilities. The committee is authorized to retain independent counsel, accountants or others it needs to assist in an investigation.
- The audit committee will meet at least twice a year and, more frequently, if the circumstances are warranted. The audit committee chairman has the power to call a committee meeting as frequently as he or she deems necessary.
- An audit committee member is to remain independent and should not vote on any matter in which he or she is not independent.
- The audit committee may, at its discretion, invite others, including members of management, to attend audit committee meetings. Additionally, the audit committee is authorized to receive and review all pertinent information from management.
- The audit committee will do whatever else the law, the company's charter or bylaws or the board of directors require.

Responsibilities for reviewing the external audit and the review of quarterly and annual financial statements

- The audit committee will ascertain that the independent accountant views the board of directors as its client, that it will be available to the full board of directors at least annually and that it will provide the committee with a timely analysis of significant financial reporting issues.
- The audit committee will ask management and the independent accountant about significant risks and exposures and will assess management's steps to minimize them.
- The audit committee will review the following with the independent accountant and management:
 - The adequacy of the company's internal controls, including computerized information system controls and security.
 - Any significant findings and recommendations made by the independent accountant together with management's responses to them.

- Shortly after the annual examination is completed, the audit committee will review the following with management and the independent accountant:
 - The company's annual financial statements and related footnotes.
 - The auditor's qualitative judgments about the appropriateness, not just the acceptability, of accounting principles and financial disclosures and how aggressive (or conservative) the accounting principles and underlying estimates are.
 - Any serious difficulties or disputes with management encountered during the course of the audit.
 - Anything else about the audit procedures or findings that GAAS requires the auditors to discuss with the committee
 - Any significant findings during the year and management's responses to them.
 - Proposed audit entries and management letter comments as well as the auditor's impression of the chapter's accounting function, internal controls and staff competency
- The audit committee will present the audit conclusions to the board of directors with a recommended conclusion for acceptance or not.
- If determined necessary, the audit committee will approve and negotiate the fee relating to the performance of any non-audit services by an independent audit firm or other professional financial consulting firm.
- Minutes of all meetings of the audit committee shall be recorded and included in the minutes of the next meeting of the board of directors.

Periodic responsibilities

- Review and update the committee's charter annually
- Review policies and procedures covering officers' expense accounts and perquisites, including their use of corporate assets, and consider the results of any review of those areas by the independent accountant.
- Review legal and regulatory matters that may have a material effect on the organization's financial statements, compliance policies and programs and reports from regulators.
- Meet with independent accountant and management in separate executive sessions to discuss any matters the committee or these groups believe should be discussed privately with the audit committee.