



# Audit & Risk Committee Charter

Revised Charter as approved by the Board of Directors' vote, October 8, 2022<sup>i</sup>

## Role

The Audit & Risk Committee ("Committee") assists the Board of Directors ("Board") in its oversight of the quality and integrity of Public Library of Science ("PLOS") accounting, reporting, auditing, and risk management practices.

## Authority and Membership

1. The Committee is a committee of the Board established under Section 5.1 of the Bylaws. A majority of directors then in office will appoint members of the Committee and a Chair of the Committee, each to serve for two-year terms.
2. The Committee may not include staff members, the CEO, or the CFO of PLOS. Members of the Finance Committee may serve on the Committee, with the limitations that the Chair of the Committee may not serve on the Finance Committee and that Finance Committee members cannot comprise fifty percent or more of the Committee.
3. No person may serve on the Committee who has a material financial interest in PLOS or in any entity doing business with PLOS. Committee members may not receive any compensation from PLOS in excess of the compensation, if any, received by Board members for Board service.
4. The Board may fill vacancies on the Committee. The Board may remove a Committee member from the Committee at any time, with or without cause.

## Operations

1. The Committee will meet with such frequency as it may determine. The Chair of the Committee will preside over Committee meetings. A majority of Committee members will constitute a quorum. Committee approvals will require a vote of a majority of the Committee members present at a meeting at which a quorum is present.
2. The Committee will keep minutes of its meetings and report its activities to the Board on a regular basis.
3. The Committee may request any officer or employee of PLOS, or outside consultants, counsel or other advisors, to attend meetings or meet with Committee members.

## Responsibilities

1. Make recommendations to the Board on the retention and, when appropriate, termination of the independent auditor, and negotiate the terms of engagement subject to Board approval.
2. Review the performance and independence of the independent auditor, consider the desirability of soliciting proposals from other audit firms and consider the desirability of requiring periodic rotation of the lead partner on the audit.
3. Meet with the auditor and staff to discuss the audit plan, the annual financial statements and the completed audit, including accounting principles and any changes in such principles, judgment areas, key estimates and audit adjustments.
4. Review the audit and determine whether to accept the audit.
5. Review the auditor's observations and comments, discuss with the auditor and management the adequacy and quality of PLOS's internal controls and staff and policies, and confer with the auditor to verify that PLOS's financial affairs are in order.

6. Approve any engagement of the auditor for non-audit services and verify with the auditor and management that such services conform with the standards set out for auditor independence in the California Nonprofit Integrity Act.
7. Review PLOS's annual Form 990 filing with the Internal Revenue Service and present to the full Board.
8. Review periodically PLOS's legal and compliance risk management profile, strategic risk register, related policies, litigation matters, and insurance coverage.
9. Review periodically complaints or other communications made under PLOS's Whistleblower Protection Policy.
10. Comply in all respects with the requirements of the California Nonprofit Integrity Act and all other applicable laws relating to audit committees.
11. Review this charter at least annually and recommend any proposed changes to the Board for review.

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<sup>i</sup> Note: The Board may amend this charter at any time. Because the Committee is an advisory committee, it may not exercise Board authority to make decisions on behalf of PLOS. The Committee is restricted to making recommendations to the Board or Board committees and implementing Board or Board committee decisions and policies under the supervision and control of the Board.