

SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION

CORPORATE POLICY 1.05

FORMATION OF COMMITTEES

Chapter: 1.0 – Governance Policies
Section: 1.05 – Formation of Committees
Effective Date: November 17, 2010

1.0 PURPOSE

1.1 To establish a policy for the formation of BOARD committees of the CORPORATION.

2.0 EFFECTIVE DATE AND AMENDMENTS

2.1 This Policy shall be effective upon the approval by the BOARD. This Policy may only be amended by approval of the BOARD.

3.0 PROCEDURES

3.1 The President or his/her designee is authorized to establish and disseminate administrative procedures to implement this BOARD POLICY, as applicable.

4.0 POLICY

4.1 The BOARD may, by resolution, designate one or more committees to exercise all or a portion of the authority of the BOARD, consistent with Article 10 of the BYLAWS.

4.2 The BOARD may also designate one or more advisory committees to serve at the pleasure of the BOARD.

4.3 Each committee will have such powers, duties and responsibilities as shall be determined by the BOARD. The BOARD will designate the size and composition of each committee and whether such committee will include non-BOARD members. Each committee shall consist of at least two (2) or more Directors. The Chair of the BOARD shall designate the committee chair to preside over committee meetings.

4.4 The BOARD will determine the term of committee members and the duration of each committee, including whether such committee is an ad hoc special purpose committee for a limited duration to address a specific problem. Except as specifically authorized by the BOARD, committees will have no authority to negotiate for, represent or commit the

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BOARD or the CORPORATION in any respect. The BOARD retains the final authority on all matters. Committees are not authorized to give direction to the CORPORATION's staff to implement substantive actions.

- 4.5 The time and date of committee meetings will be determined by the BOARD. Committee meetings shall be conducted in accordance with Roberts Rules of Order and applicable laws of the AGENCY. A quorum will be considered established if a majority of the members currently appointed to the committee are present. Provided a quorum is present, the affirmative vote of a majority of the committee members present at a duly called meeting of the committee shall be required for any action.
- 4.6 All BOARD and committee meetings shall be noticed to the public via posting a window display at the CORPORATION's office and posting on the CORPORATION's website according to the BROWN ACT. All committee meetings shall comply with Policies 1. 3 – Meetings of the BOARD of Directors and 1. 4 - Public Participation at BOARD Meetings.
- 4.7 Each committee shall make recommendations to the BOARD on the matters or issues requested by the BOARD. Each committee may request information from the CORPORATION's staff and other sources to formulate recommendations for submission to the BOARD. The CORPORATION's staff will provide each committee with its recommendations on matters or issues falling within such committee's purview. Committee recommendations will not be represented as the position of the CORPORATION until the BOARD has endorsed the recommendation at a BOARD meeting.
- 4.8 BOARD and Committee members shall not receive compensation for their services related to any committee. BOARD and Committee members shall receive reimbursement for expenses related to any committee.
- 4.9 Below is the description, charter and makeup of each currently established committee;
 - 4.9.1 Executive Committee - The committee is charged with the management of the business and affairs of the CORPORATION. In addition the committee shall address personnel matters of the officers of the CORPORATION and shall review administrative activities of the CORPORATION between meetings of the BOARD.

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The Executive Committee's authority is limited by Resolution No. 43 of the CORPORATION, which was adopted by the BOARD on July 28, 2010 and is attached to this policy and incorporated by reference herein. The Executive Committee is composed of the following officers of the BOARD of Directors – Chair, Vice Chair, Treasurer and Secretary. This Committee meets on an as needed basis.

- 4.9.2 Projects & Development Committee – The committee serves as the recommending body to the BOARD of Directors for development projects and land use issues as they relate to the redevelopment plans and adjacent properties located within the CORPORATION's sphere of influence. This committee meets monthly.
- 4.9.3 Budget & Finance Committee - The committee serves as the recommending body to the BOARD regarding the CORPORATION's financial status and budget issues. This committee meets on an as-needed basis.
- 4.9.4 Audit Committee – The committee oversees, monitors, and advises the BOARD and outside auditors regarding the preparation of the CORPORATION's audits and financial statements. This committee meets on a monthly basis to review and approve the CORPORATION's financial statements as required by the OPERATING AGREEMENT and BYLAWS.