

FINANCIAL ACCOUNTABILITY AND TRANSPARENCY

The Board (working with its Audit or similar Committee) should be responsible for ensuring the transparency and the integrity of corporate financial statements, whether audited or unaudited. In furtherance thereof, the Board and Audit Committee should be responsible for:

1. The adoption of policies addressing audit partner rotation, proper accounting treatment of material correcting adjustments, off-balance sheet arrangements, and related party transactions;
2. The adoption of policies addressing audit-related activities of corporate employees formerly employed by the Corporation's auditor;
3. The adoption of policies prohibiting executive interference with the audit process;
4. in conjunction with the Executive Compensation or other Committee, and legal counsel,
5. Approving all loans, credit extensions and incentive compensation arrangements extended to directors and officers of the Corporation;
6. The adoption of a "Code of Ethics" or "Code of Conduct" for the senior financial officers of the Corporation; and in consultation with legal counsel, ensuring the sufficiency, clarity and timeliness of all financial disclosures of the Corporation.

The Board should ensure the consistency of corporate expenditures with statements made in corporate charitable solicitations, and compliance with all donor restrictions.

In satisfaction of these standards the Board should ensure that:

1. An appropriate limitation (consistent with industry standards) is placed on the amount of administrative/overhead expenses spent in connection with charitable mission-related activities;
2. An appropriate limitation (consistent with industry standards) is placed on the amount of contributions spent on fund raising activities;
3. The accumulation of funds that are not used for current program activities is no more than the Board, in consultation with management and advisors, determines to be prudent given the Corporation's financial condition, short and long-term needs, and industry trends; and
4. Financial information concerning the Corporation, prepared in accordance with generally accepted accounting principles, should be available to the public on request. Such information should accurately reflect the Corporation's expenses related to fund—raising activities, among other expenses.

The Board should ensure that the Form 990 filed annually by the Corporation with the Internal Revenue

Service contains as much information as reasonably possible concerning mission, goals, programs and other key developments of the Corporation relating to its charitable, exempt status, and is available for inspection by the public in accordance with applicable federal and state legal requirements.