

NeighborWorks® America
Audit Committee Charter
Approved September 21, 2012

At each Annual Meeting of the Board of Directors, the Chairperson of the Board shall appoint, subject to the approval of the Board, three Directors, including a Committee Chairperson, to serve as the Audit Committee (the “Committee”). Each committee member shall continue to be a member of the Committee only during the pleasure of the Board of Directors. Except as otherwise provided in the Corporation’s Bylaws, a majority of the members of the Committee shall constitute a quorum and the act of a majority of those present at a meeting at which a quorum is present shall be the act of the Committee. Meetings of the Committee shall be called by the Chairperson of the Committee or any two members of the Committee. The Committee shall render such reports at such time as the Board shall require. Minutes of each Committee meeting shall be maintained in the books and records of the Corporation.

The Committee shall:

1. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
2. Meet at least quarterly or more frequently as circumstances require. Such meetings may include management, the internal audit director and the external auditors in separate or joint sessions as deemed appropriate by the Chairperson of the Committee.
3. Be responsible for the oversight of the work of the external auditors and making recommendations to the Board for approval of the selection, compensation and retention of the external auditors.
4. Be responsible for normal audit functions, including meeting with, and receiving and discussing the reports of the external auditors of the Corporation.
5. Report its findings and recommendations to the Board (including approval of the annual audit and the review of any management letters) at the first meeting following receipt of the reports of the external auditors of the Corporation, and at such other times as it, or the Board, may deem appropriate.
6. Discuss with the external auditors the conduct of the audit, including any problems or difficulties the auditors may have encountered in the course of the audit work and management’s response, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.
7. Review and approve any non-audit consulting services by the external auditing firm.

8. Evaluate the qualifications, performance and independence of the external auditors, including assessing whether all relationships between the external auditors and the Corporation and the provision of permitted non-audit services are compatible with maintaining auditor independence.
9. Discuss with management the Corporation's major risks and exposures and the steps management has taken to monitor and control such risks and exposures, including the Corporation's policies with respect to risk assessment and risk management (See Board of Directors/officers Scope of Responsibilities).
10. Supervise the Corporation's internal audit function, including the review and approval of the internal audit plan (See Internal Audit Charter).
11. Review and approve the appointment, annual performance review, compensation, replacement, reassignment or dismissal of the Chief Audit Executive in conjunction with the Corporate Administration Committee.
12. Receive reports from the Chief Audit Executive.
13. Review and accept internal audit reports submitted to the Committee by the Chief Audit Executive with management's responses.
14. Discuss with the external auditors, management and the Chief Audit Executive, the internal audit department staffing and responsibilities and any recommended changes thereto.
15. Establish and review periodically procedures for (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters and (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting, auditing or other matters in accordance with the guidelines and procedures established in the Corporation's whistle-blower policy.
16. Receive a report (from the General Counsel and or Chief Audit Executive) on each complaint under the whistle-blower policy and a follow-up report on actions taken by management.
17. Fulfill such other duties and responsibilities as may be assigned to the Committee, from time to time, by the Board or the Chairperson of the Board, or as may be required by law or regulation.

This charter is effective as of the date approved by the Board of Directors.