

**SAR Board of Directors
Audit Committee Charter
(Adopted August 10, 2013)
(Amended August 6, 2016)**

1. Purpose of Committee

The purpose of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of SAR is to assist the Board in oversight of management’s preparation of financial statements, risks, and controls related to financial reporting.

2. Membership

The Committee will consist of at least three members appointed by the Board in accordance with the Bylaws.

The Committee must include members with basic expertise in financial management and who are financially literate. Each member shall be independent and free of any relationship that, in the opinion of the Board, would interfere with his or her exercise of independent judgment. No more than 50% of the Audit Committee members may also be members of the Finance Committee. No members of SAR management or staff may serve on the Audit Committee.

3. Committee Duties and Responsibilities

The following are the duties and responsibilities of the Committee:

1. Develop and periodically review audit-related policies; have a regular process for determining whether it is receiving quality audit services for a fair price based on any applicable policies and regulations and other information available to the Committee.
2. Provide open lines of communication between the external auditor and the Board.
3. Evaluate and select the external auditor and make recommendations for engagement of the selected auditor for approval by the Board.
4. Inquire of management and the external auditor about significant financial and other risks and exposures and assess the steps management has taken to monitor and control those risks. The Audit Committee should take into account operational and reputational risk.
5. Review the adequacy of SAR’s internal controls over financial reporting, discuss with external auditor, and address any issues identified in the required communications between the external auditor and management, including the management letter, if there is one.

6. Meet with management and external auditor on completion of the annual audit to review the audited financial statements prior to their issuance. Discuss with the external auditor the quality of SAR's accounting principles.
7. Solicit observations from the external auditor on staff skills, qualifications, and performance related to audit functions. Conduct private executive sessions with external auditor, any person conducting internal audit function, and management.
8. Review and evaluate the performance of the external auditor.
9. Review the audit plan for the coming year and discuss the plan with the external audit firm.
10. Review the IRS Form 990 annually, prior to review and approval for submission by the Board.
11. Review the presentation of financial information in the annual report before it is printed.
12. Review SAR's compliance with whistleblower policy requirements.
13. Report Committee activities and actions to the Board at each meeting of the Board.
14. Review the Committee's Charter annually. Recommend possible changes or additions to the Board for its approval.

4. Structure and Operations

The Committee will meet at least two times a year, with additional meetings as deemed necessary or desirable by its Chair. Meetings will be held to review the audit plan, the audited financial statements and the IRS Form 990; to approve the audit engagement; and to for any special investigations related to fraud, financial irregularities and internal control failures; and such other matters as necessary to comply with its responsibilities.

The Committee may invite members of SAR staff and other persons to attend meetings, which may be a continuing invitation its Chair may deem desirable or appropriate. Members of the Committee may participate in a meeting of the Committee by conference call or similar communications technology in accordance with the Restated Bylaws.

The Committee Chair will prepare or approve an agenda in advance of each meeting and communicate meeting details to the membership in a timely fashion, including the provision of any support materials to be reviewed prior to meeting.

The Committee Chair will arrange for minutes to be taken at each meeting.

At the conclusion of each meeting, the Committee will produce a copy of the minutes of the meeting, which will include an attendance record, a copy of the agenda, and a full account of the committee discussions, with documented recommendations and decisions. A draft of the minutes will be submitted to the chair of the Governance and Nominating Committee no later than three weeks after each meeting.

