Hudson River Park Trust
Board of Directors
Audit Committee Charter

Purpose
The purpose of the Audit Committee is to assist the HRPT Board in fulfilling its oversight responsibilities regarding the integrity of HRPT’s financial statements, the qualification and selection of the independent auditors, the performance of the annual audit of financial statements, and the performance of HRPT’s internal audit functions relative to financial and regulatory recordkeeping, reporting and compliance.

Composition of Committee and Selection of Members
In accordance with Section 8 of the HRPT By-Laws, the HRPT Board of Directors established a Finance Committee, now known as the Audit Committee, in May 1999 (the “Committee”). The Committee consists of the HRPT Chair and Vice-Chair, and not less than three other members of the HRPT Board, each of whom shall be independent. A member shall be considered independent if the member, is not and has not been within the last three years, a paid employee of HRPT and has not had a significant business or other financial relationship with HRPT. To the extent practicable, the Audit Committee members shall be familiar with governmental and corporate financial reporting and auditing. At least one member of the committee should be a financial expert and this shall be disclosed in HRPT’s annual reports. Such financial expert should have 1) an understanding of generally accepted accounting principles and financial statements; 2) experience in preparing or auditing financial statements of comparable entities; 3) experience in applying such principles in connection with the accounting for estimates, accruals and reserves; 4) experience with internal accounting controls; and 5) an understanding of audit committee functions.

Meetings
The audit committee will meet a minimum of twice a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter. Members of the audit committee are expected to attend each committee meeting, in accordance with the requirements of the Open Meetings Law. The audit committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary. The audit committee will meet with HRPT’s independent auditor at least once annually to discuss HRPT’s financial statements. Meeting agendas will be prepared for every meeting and provided to the audit committee members along with briefing materials 5 business days before the scheduled audit committee meeting. The audit committee will act only on the affirmative vote of a majority of the members at a meeting or by unanimous consent. Minutes of these meetings will be recorded.

Powers and Responsibilities
The Audit Committee shall be charged with the following:
• Reviewing HRPT's financial statements
• Overseeing HRPT’s internal controls and compliance systems
• Appointing, compensating and overseeing HRPT’s outside auditors
• Resolving disagreements with respect to and overseeing compliance with accounting policies and principles
• Reviewing management reports on internal controls and the attestation of such reports by HRPT’s outside auditors
• Meeting as needed with HRPT staff, independent auditors or outside counsel
• Ensuring that HRPT has an appropriate confidential mechanism for individuals to report suspected fraudulent activities, allegations of corruption, fraud, criminal activity, conflicts of interest or abuse by the directors, officers or employees of HRPT or any persons having business dealings with HRPT
• Investigating compliance with HRPT’s policies
• Establishing procedures for receipt, retention, investigation and/or referral to the appropriate body for further investigation of complaints received by HRPT regarding accounting, internal controls and auditing
• Obtaining any information and training needed to enhance the committee members’ understanding of the role of internal audits and the independent auditor, the risk management process, internal controls and a certain level of familiarity in financial reporting standards and processes
• Reviewing the committee’s charter annually, reassess its adequacy, and recommend any proposed changes to the HRPT Board and update the Charter as applicable laws, regulations, accounting and auditing standards change
• Reviewing all reports and draft reports delivered by the State Inspector General, Authorities Budget Office, State and City Comptroller, and other investigative bodies to HRPT.