

AZUSA PACIFIC UNIVERSITY EXECUTIVE COMMITTEE CHARTER

Purpose

The Executive Committee is one of two standing committees of the Board provided in the Bylaws. The purpose of the Executive Committee (“Committee”) is to ensure the APU Board of Trustees (“Board”) functions efficiently and effectively as outlined in roles and responsibilities (below). The broad authority of the Committee shall also be used as necessary and appropriate on matters that cannot or should not be delayed until the next regularly scheduled meeting or special meeting of the Board. The Committee is empowered to act on behalf of the Board, except in circumstances reserved to the full Board, as outlined in the university Bylaws and in the roles and responsibilities of this charter.

Organization

Chair and Membership

Direction regarding Committee composition, quorum and required voting thresholds, and at-large membership appointment is provided in Bylaw III.15. The Chair of the Board serves as Chair of the Executive Committee.

Administrative Liaison

The administrative liaison to the Committee shall be the President. For purposes of the Committee duties pertaining to university integrity (outlined below), the administrative liaison is the Vice President for University Integrity & General Counsel, who shall pass all communications to the Committee through, or at the direction of, the President, except for matters that fall within the general counsel's dotted line reporting responsibility, which includes those narrow and rare situations where the general counsel believes the best lawful interests of the organization will be served by taking a matter directly to the Board..

Meeting Schedule and Communications

The Committee shall meet at least three (3) times annually or more frequently as, in its or the Chair of the Committee’s judgment, circumstances require. Meetings will typically be held each year in November, March, and July.

Recordkeeping

The Chair of the Committee, in consultation with the administrative liaison, shall be responsible for establishing the agendas for meetings of the Committee. An agenda, together with relevant materials, shall be sent to the Committee members in advance of each meeting. Minutes for all meetings shall be prepared in draft form by the administrative liaison or designee and reviewed by the Chair, and shall be approved by the Committee members at the following meeting. Minutes of each Committee meeting shall be made available to the full Board of Trustees at or before the next

session of the tri-annual meeting of the full Board. The Committee shall make regular reports to the Board of Trustees.

Roles and Responsibilities

The Committee's authority is provided for in Bylaw III.15 and its subsections.

The Committee's primary responsibilities are:

- Give oversight to ensure the Board is fulfilling its responsibilities.
- Consider significant institutional issues and priorities that transcend the purview of a single committee, for example, faithfulness to the Corporation's mission of spreading and advancing the Gospel of Jesus Christ in the World (which is being made part of the charter of every Committee of the Board in furtherance of [newly proposed] Bylaw Art. III, sec. 15.5).
- Support, monitor and advise the university president.
- Participate in the performance evaluation of the President as outlined in Bylaws III.15.2 and III.15.3.
- Continue the work of the Board as needed between Board meetings.
- Act on behalf of the entire Board within the limits provided in Bylaw III.15: "The Committee, to the extent provided in the Bylaws, shall have all the authority of the Board except in the following:
 - The approval of any action for which the California Nonprofit Corporation Law also requires approval of the members or approval of a majority of all members;
 - The filling of vacancies on the Board or in any Committee which has the authority of the Board;
 - The amendment or repeal of Bylaws or the adoption of the new Bylaws;
 - The amendment or repeal of any resolution of the Board, which by its express terms is not so amendable or repealable;
 - The appointment of Committees of the Board or the members thereof."

Charter Adoption and Revisions

This charter may be amended after due notice of proposed revisions upon the majority vote of the Executive Committee and the Board of Trustees in succession. Amendments must not be inconsistent with Bylaw III.15 related to the committee.

Significant revisions to this charter were adopted on January 20, 2005, July 11, 2017, May 26, 2020, May 4, 2022, and May 19, 2023.

The charter was last updated and approved by the Board as to form on May 19, 2023.

AZUSA PACIFIC UNIVERSITY MISSION FIDELITY COMMITTEE CHARTER

Purpose

The purpose of the Mission Fidelity Committee (“Committee”) is to oversee the university administration, through the President’s Cabinet, in its task to shepherd and strengthen the Christian mission of Azusa Pacific University. Reflective of the Board of Trustees’ responsibility to preserve and steward the mission of APU in ways that honor God, the Committee provides general oversight to the University’s curricular, co-curricular, research, service, diversity, and ministry activities as they relate to the development and strengthening of the University’s Christian mission.

Organization

Chair and Membership

The Committee shall be comprised of no less than three (3) voting members, all of whom shall be members of the board. It is desirable that the Committee should include one or more members who possess knowledge of Wesleyan history, theology and principles, and relationships with key church leaders. The committee shall be appointed by the APU Board of Trustees (“Board”). A quorum for any meeting of the committee shall consist of a majority of its voting members. The Chair of the Board and the President are ex officio members of the committee.

Administrative Liaison

The administrative liaison to the committee shall be designated by the President.

Meeting Schedule and Communications

The Committee shall meet at least three (3) times annually, or more frequently as, in its or the Chair of the Committee's judgment, circumstances require.

Recordkeeping

The Chair of the Committee, in collaboration with the liaison, shall be responsible for establishing the agendas for meetings of the Committee. An agenda, together with relevant materials, shall be sent to Committee members in advance of each meeting. Minutes for all meetings shall be prepared in draft form by the liaison and reviewed by the Chair or designee, and shall be approved by the Committee members at the following meeting. The minutes shall be distributed to the full Board of Trustees.

Roles and Responsibilities

The Committee shall:

- Assess, evaluate, and provide accountability to the administration for the policies and practices that the administration has established to maintain, develop and strengthen the mission, anchored in the Word of God, honoring its Wesleyan Holiness tradition, and consistent with the beliefs and practices presented in the “What We Believe” document. Oversight includes but is not limited to:
 - Board of Trustees recruitment and development
 - Faculty/Staff hiring, orientation, and development for understanding institutional identity and community expectations
 - Undergraduate student growth in biblical literacy and development of their faith and Graduate student growth in understanding how the Christian faith applies to their discipline
 - Reviewing the President’s annual summary of administrative actions taken under the “Procedure for Addressing Complaints Concerning Fidelity to APU’s Mission” presented before each full Board meeting
 - Understanding and support of the University’s identity and mission by both internal and external constituencies.
 - Official University statements, policies, and documents expressing the mission of APU.
- Report its findings and recommendations to the full Board of Trustees at each May meeting.

Charter Adoption and Revisions

This charter may be amended after due notice of proposed revisions upon the majority vote of the Mission Fidelity Committee and the Board of Trustees in succession.

Amendments must not be inconsistent with Bylaws related to the committee. Significant revisions to this charter were adopted on April 28, 2022.

The charter was last updated and approved by the Board as to form on May 19, 2023.

AZUSA PACIFIC UNIVERSITY ACADEMIC AFFAIRS COMMITTEE CHARTER

Purpose

On behalf of the governing board, the Academic Affairs Committee bears the primary responsibility for defining, overseeing, understanding, and modifying the policies that fulfill the University's academic mission, including policies regarding:

- The strategic direction of the institution's academic philosophy, objectives, and priorities.
- Defining student academic success—for admissions standards, academic support, and program expectations.
- The integration of Christian faith and learning.
- The annual review, recommendation, and approval of faculty handbook changes.
- Faculty appointment, recognition, and assessment.
- Faculty development, with an emphasis on teaching and research.
- Academic policies and priorities.
- The appropriate integration of teaching, scholarship, and service.
- Ensuring sufficient budgetary support to carry out the institution's academic identity, including support for student and faculty teaching and research.

Organization

Chair and Membership

Membership of the Committee shall be composed of no less than three (3) voting members, all of whom shall be members of the APU Board of Trustees ("Board"). The Committee shall be appointed by the Board. A quorum for any meeting of the Committee shall consist of a majority of its voting members. The Chair of the Board and the President are ex officio members of the committee.

Administrative Liaison

The administrative liaison for the committee will be the Provost.

Meeting Schedule and Communications

The Committee shall meet at least three (3) times annually or more frequently as, in its or the Chair of the Committee's judgment, circumstances require. Meetings will typically be held each year in September, January, and May.

Recordkeeping

The Chair of the Committee, in consultation with the Provost, shall be responsible for establishing the agendas for meetings of the Committee. An agenda, together with relevant materials, shall be sent to the Committee members in advance of each meeting. Minutes for all meetings shall be prepared in draft form by the administrative

liaison or designee and reviewed by the Chair and shall be approved by the Committee members at the following meeting. Minutes of each Committee meeting shall be made available to the full Board of Trustees at or before the next session of the tri-annual meeting of the full Board. The Committee shall make regular reports to the Board of Trustees.

Roles and Responsibilities

- Ensure that the academic program aligns with the University's Christian mission and purpose, and that the faculty are honoring with faithfulness the University's mission of spreading and advancing the Gospel of Jesus Christ in the World (Bylaws Art. III, sec. 15.5).
- Ensure that the academic budget reflects the University's priorities.
- Ensure that faculty personnel policies and procedures complement contemporary academic priorities.
- Ensure that the University's academic programs are appropriate for its students.
- Ensure that the University assesses the effectiveness of its academic programs.

Charter Adoption and Revisions

This charter may be amended after due notice of proposed revisions upon the majority vote of the Academic Affairs Committee and the Board of Trustees in succession. Amendments must not be inconsistent with Bylaws related to the committee.

Significant revisions to this charter were adopted on January 20, 2018, and September 10, 2021.

The charter was last updated and approved by the Board as to form on May 19, 2023.

AZUSA PACIFIC UNIVERSITY STRATEGIC OVERSIGHT COMMITTEE CHARTER

Purpose

The purpose of the Strategic Oversight Committee (“SOC”) is to oversee the strategic planning activities of the President and the APU community, with faithfulness to the Corporation’s mission of spreading and advancing the Gospel of Jesus Christ in the World (Bylaw Art. III, sec. 15.5).

Organization

Chair and Membership

Membership of the committee shall be composed of no less than three (3) voting members, all of whom shall be members of the board. The committee shall be appointed by the Board. A quorum for any meeting of the committee shall consist of a majority of its voting members. The Chair of the Board and the President are ex officio members of the committee.

Administrative Liaison

The administrative liaison to the committee shall be designated by the President.

Meeting Schedule and Communications

The Committee shall meet at least three (3) times annually, or more frequently as, in its or the Chair of the Committee's judgment, circumstances require.

Recordkeeping

The Chair of the Committee, in collaboration with the liaison, shall be responsible for establishing the agendas for meetings of the Committee. An agenda, together with relevant materials, shall be sent to Committee members in advance of each meeting. Minutes for all meetings shall be prepared in draft form by the liaison and reviewed by the Chair or designee, and shall be approved by the Committee members at the following meeting. The minutes shall be distributed to the full Board of Trustees.

Roles and Responsibilities

The SOC will:

- Review, assess and advise regarding the progress of the University’s current strategic plan and initiative efforts;
- Review and assess assumptions, goals, accountability measures and performance targets with the President and his team as needed from time to time, but not less than annually; and
- Act as a source of strategic advice and counsel to the President and the Board

as they seek to evaluate, frame and address a wide range of issues facing APU and Christian Higher Education more broadly, including enrollment trends, changing student demographics, and the impact of societal shifts and movements on student interests, expectations, and needs.

In furtherance of these responsibilities, the Committee will:

- Oversee the goals, progress, and critical initiatives of the Administration's Enrollment Management function including enrollment strategies, evaluating programs and services, managing net pricing, and transitioning to new learning modalities; and
- Oversee the goals, progress, and critical initiatives of the Administration's Strategic Communication and Engagement function in providing effective, transparent, and missionally-aligned communications with the University community and its stakeholders.

Charter Adoption and Revisions

This charter may be amended after due notice of proposed revisions upon the majority vote of the Strategic Oversight Committee and the Board of Trustees in succession. Amendments must not be inconsistent with Bylaws related to the Committee.

Significant revisions to this charter were adopted on May 19, 2023.

AZUSA PACIFIC UNIVERSITY ADVANCEMENT COMMITTEE CHARTER

Purpose

The purpose of the Advancement Committee (“Committee”) of the Board of Trustees (the “Board”) is to oversee university fundraising activities and alumni and parent engagement programs, consistent with the University’s mission of spreading and advancing the Gospel of Jesus Christ in the World (Bylaws Art. III, sec. 15.5) to advance the University’s mission.

Organization

Chair and Membership

Membership of the Committee shall be composed of no less than three (3) voting members, all of whom shall be members of the Board. The Committee chair shall be appointed by the board. A quorum of any meeting of the Committee shall consist of a majority of its voting members. The Chair of the Board, and the President, are ex-officio members of the Committee.

Administrative Liaison

The Vice President for University Advancement shall be the administrative liaison to the Committee (the “Liaison”).

Meeting Schedule and Communications

The Committee shall meet at least three (3) times annually or more frequently as, in its or the Chair of the Committee’s judgment, circumstances require. Meetings shall be held within 30 days prior to a regularly scheduled meeting of the Board.

Recordkeeping

The Chair of the Committee, in collaboration with the Liaison, shall be responsible for establishing the agendas for meetings of the Committee. An agenda, together with relevant materials, shall be sent to the Committee members in advance of each meeting. Minutes for all meetings shall be prepared in draft form by the Liaison and reviewed by the Chair, and shall be approved by the Committee members at the following meeting. The minutes shall be distributed to the full Board of Trustees. The Committee shall make regular reports to the Board of Trustees.

Roles and Responsibilities

The Committee shall keep itself fully informed concerning the advancement and fundraising activities of the university. The Committee's primary responsibilities are:

1. Review University fundraising policies.
2. Provide support and oversight of major advancement initiatives, such as fundraising, alumni, and parent engagement.
3. Provide support and oversight to a comprehensive fundraising campaign in fulfillment of a strategic plan.
4. Model and promote the engagement of all trustees in the advancement priorities of the University.
5. Examine trends in philanthropy and analyze implications for APU's future.

Charter Adoption and Revisions

This charter may be amended after due notice of proposed revisions upon the majority vote of the Advancement Committee and the Board of Trustees in succession. Amendments must not be inconsistent with Bylaws related to the committee.

Revisions to this charter were adopted on October 3, 2023.

The charter was last updated and approved by the Board as to form on October 20, 2023.

AZUSA PACIFIC UNIVERSITY FINANCIAL AFFAIRS COMMITTEE CHARTER

Purpose

The purpose of the Finance Affairs Committee (“Committee”) is to oversee the fiscal stability, sustainability and long-term economic health of the University. The Committee ascertains that financial planning for the University is supportive of and fully integrated with the short-term and long-range strategic plan (inclusive of the master plan), faithfully stewarding the resources of the University in support of its mission of spreading and advancing the Gospel of Jesus Christ in the World (Bylaws Art. III, sec. 15.5). The Committee is responsible for the oversight of policies and practices related to the University’s financial operations, debt level, capital, investment performance, and restricted and operating funds, and reports regularly to the Board about the University’s financial condition.

Organization

Chair and Membership

Membership of the Committee shall be composed of no less than three (3) voting members, all of whom shall be members of the Board. The Committee Chair shall be appointed by the Board. The Committee Chair and a majority of Committee members shall be “financially literate,” which is defined as being able to read and understand fundamental financial statements. The chair of the Board is an ex-officio member of the Committee. A quorum of any meeting of the Committee shall consist of a majority of its voting members. The Chair of the Board, and the President, are ex-officio members of the Committee.

Administrative Liaison

The Vice President and Chief Financial Officer (CFO) shall be the administrative liaison to the Committee.

Meeting Schedule and Communications

The Committee shall meet at least three (3) times annually, or more frequently as, in its or the Chair of the Committee's judgment, circumstances require.

Recordkeeping

The Chair of the Committee, in collaboration with the administrative liaison, shall be responsible for establishing the agendas for meetings of the Committee. An agenda, together with relevant materials, shall be sent to the Committee members in advance of each meeting. Minutes for all meetings shall be prepared in draft form by the staff liaison and reviewed and approved by the Chair, and shall be approved by the Committee members at the following meeting. The minutes shall be distributed to the full Board. The Committee shall make regular reports to the Board.

Roles and Responsibilities

The Committee shall keep itself fully informed concerning the budgetary and fiscal affairs of the university. The Committee shall review and approve the operating and capital budgets prior to July 1. The Committee is responsible for recommending budget parameters to the Board of Trustees for its consideration.

The Committee's primary responsibilities are:

- Regularly monitor and assess the University's overall financial operations;
- Assess and recommend for approval the annual operating, capital budgets, and master facility plans
- Ascertain that a viable long-range integrated financial plan is in place;
- Quarterly and annually review of financial performance against budget and plan;
- Oversee that timely and accurate financial information is presented to the Board;
- Communicate with and educate the Board on the University's financial condition;
- Establish a Debt Policy for recommendation to the Board, evaluate and monitor the Universities performance and compliance to the Debt Policy and structured debt requirements.
- Review plans for restructuring existing structured debt or issuance of new debt that aligns with the Universities short and long-term strategy, and make recommendations on such to the Board for its approval;
- Confirm with the Audit Committee, that accurate and complete financial records are maintained and are in compliance with all relevant regulatory requirements, and an external audit of such financial records are conducted on an annual basis
- In accordance with the Investment Policy Statement and, subject to the general direction of the Board, oversee and approve the operations of the Investment Committee, and reviews the Investment Committee's reports on overall endowment management, and reports on the investment portfolio performance;
- Annually, perform a self-assessment relative to the Committee's purpose, duties, and responsibilities outlined herein, review and assess this Charter, and submit to the Board any recommended changes; and
- Ensure financial decision-making consistent with Committee responsibility as stewards of the university's mission and resources

Reviewing periodic reports including:

1. Quarterly and year-end consolidated and audited financial reports (through the Audit Committee) that measure the University's fiscal condition;
2. Semi-annual debt management reports;
3. Year-end investment performance reports through the Investment Subcommittee.

Charter Adoption and Revisions

This charter may be amended after due notice of proposed revisions upon the majority vote of the Financial Affairs Committee and the Board in succession. Amendments must not be inconsistent with Bylaws related to the Committee.

Significant revisions to this charter were adopted on September 13, 2021.

The charter was last updated and approved by the Board as to form on May 19, 2023.

**AZUSA PACIFIC UNIVERSITY
FINANCIAL AFFAIRS COMMITTEE
INVESTMENT SUBCOMMITTEE CHARTER**

Purpose

The Investment Committee (“Committee”) is a subcommittee of the Financial Affairs Committee (“FAC”) and its members are appointed by the Board of Trustees (“Board”) of Azusa Pacific University (“APU”) to assist it in discharging its oversight responsibilities, including those relating to mission faithfulness (Bylaws Art. III, sec. 15.5). The Committee has direct oversight responsibility for the university’s non-operating assets (including, for example, short term cash, and cash equivalents, non-campus real estate, planned gift annuities and life income funds and other trust assets). Included in these are the APU Endowment and Trust Fund investment portfolios. The purview of the Committee does not extend to the university’s employee retirement plan.

Organization

Chair and Membership

The membership of the Committee shall consist of no less than three (3) voting members, all of whom shall be members of the Board. The Committee Chair shall be appointed by the Board. A quorum of any meeting of the Committee shall consist of a majority of its voting members. Members of the Committee shall serve at the pleasure of the Board and shall be appointed to and removed from the Committee, by the Board. The chair of the Board, and the president, are ex-officio members of the Committee.

Administrative Liaison

The Vice President and Chief Financial Officer (CFO), shall be the administrative liaison to the Committee.

Meeting Schedule and Communications

The Committee shall hold regular meetings not less than four (4) times per year. Special meetings of the Committee may be called by the Chair at any time that the attendance, and/or consent of at least a majority of the Committee can be obtained. The Committee may invite other participants from the APU staff to attend Committee meetings and/or provide reports as it deems appropriate.

Recordkeeping

The Chair of the Committee, in collaboration with the staff liaison, shall be responsible for establishing the agendas for meetings of the Committee. An agenda, together with relevant materials, shall be sent to the Committee members in advance of each meeting. Minutes for all meetings shall be prepared in draft form by the CFO and reviewed and approved by the Chair, and shall be approved by the Committee members at the following meeting. Minutes shall be filed in the Office of the CFO and presented to the Board at the next scheduled meeting of the Board following a Committee meeting.

Roles and Responsibilities

The Committee's primary responsibilities are:

- Adopt, review and revise the Investment Policy Statement (IPS) and provide input on investment strategies and objectives, target asset allocations and ranges, and investment manager guidelines
 - All substantive revisions of the IPS must be approved by the Finance Affairs Committee and the Board;
- Evaluate and monitor the performance of the individual investments and ensure compliance with the guidelines established in the Investment Policy Statement
- Monitor the provision of sufficient internal and external resources to support a comprehensive investment process
 - Select, monitor, retain, or and replace all external investment managers;
- Regularly report performance to the FAC and the Board;
- Review all fees incurred by or on behalf of the investment portfolio for reasonableness;
- Evaluate investment performance based on a comparison of actual returns with the endowment's absolute return objective, overall risk tolerance and with such other benchmarks as the Board or Committee may select;
- Periodically review and evaluate all non-operational real estate holdings of the University included within total investments;
- Present reports to the FAC and Board regarding the performance of the endowment investments and other matters to which the Committee has given consideration;
- Annually, perform a self-assessment relative to the Committee's purpose, duties, and responsibilities outlined herein, review and assess this Charter, and submit to the Board any recommended changes.
- Ensure financial decision-making consistent with Committee responsibility as stewards of the university's mission and resources.

Charter Adoption and Revisions

This charter may be amended after due notice of proposed revisions upon the majority vote of the Committee, the FAC and the Board in succession. Amendments must be consistent with Bylaws related to the Committee.

Significant revisions to this charter were adopted on January 20, 2018.

The charter was last updated and approved by the Board as to form on May 19, 2023.

AZUSA PACIFIC UNIVERSITY

AUDIT AND RISK COMMITTEE CHARTER

Purpose

The Audit and Risk Committee (“Committee”) is a Standing Committee of the Board of Trustees (“Board”) of Azusa Pacific University (“APU”) whose members are appointed by the Board to assist in discharging oversight responsibilities with respect to APU’s accounting and financial reporting, and other areas of enterprise risk (including, without limitation, missional, operational, compliance, legal, and reputational) that could have a material adverse impact on APU’s financial reporting or operations. In addition, the Audit and Risk Committee is responsible for overseeing accountability measures, maintaining transparency among stakeholders, and overseeing management’s assessment of all such accounting and other risks to the University and its entrusting community. All this is done to faithfully steward the resources of the University in support of its mission of spreading and advancing the Gospel of Jesus Christ in the World (Bylaws Art. III, sec. 15.5).

Organization

Chair and Membership

The Board will nominate the chair and Committee members. The chair of the Audit Committee cannot also be chair of the FAC. The Committee shall be composed of at least five (5) voting members and all members shall be independent. Members will be considered independent as long as they do not accept any consulting, advisory, or other direct or indirect compensatory fee from the university and are not affiliated persons of the university, its subsidiaries or management. A quorum of any meeting of the Committee shall consist of a majority of its voting members. A majority of Committee members shall be “financially literate.” Financial literacy is defined as being able to read and understand fundamental financial statements and to be familiar with common systems and controls used to identify and mitigate enterprise risk in its various forms, systems & controls, and higher education business practices. The chair of the Board and the President are ex-officio members of the Committee.

Administrative Liaison

The Chief Financial Officer & VP of Administration (“CFO”) and the General Counsel & University Integrity Officer (“OGC”) shall be Administrative Liaisons to the Committee.

Meeting Schedule and Communications

Meetings shall be held no less than three (3) times a year and should correspond with the audit cycle. The Committee can invite staff members to its meetings as deemed appropriate. As part of its responsibility to foster open communication, the Committee shall provide sufficient opportunity for the Auditor to meet privately with the Committee. The Committee will meet with the Auditor at least once annually without management present.

Recordkeeping

The Chair of the Committee, in collaboration with the Administrative Liaisons, shall be responsible for establishing the agendas for meetings of the Committee. An agenda, together with relevant materials, shall be sent to the Committee members in advance of each meeting. Minutes for all meetings shall be prepared in draft form by the Administrative Liaisons and reviewed by the Chair, and shall be approved by the Committee members at the following meeting. Minutes shall be filed in the Office of the CFO and presented to the Board at the next scheduled meeting of the Board following a Committee meeting.

Roles and Responsibilities

The Committee's Primary Responsibilities are:

- Engage independent financial consultants and other financial, risk, and compliance advisors as it deems necessary to carry out its duties;
- Through the President, CFO, and OGC, and in line with applicable procedures, have access to members of management and other employees as well as to financial and other records and relevant facilities of the institution that are necessary and reasonable to carry out its duties;
- Establish procedures for the receipt, retention and treatment of complaints (both formal and anonymous) by employees regarding accounting, risk, and compliance systems and controls and their associated testing and auditing activities;
- Be directly responsible for the recommendation, compensation, retention and oversight of the work of the external financial auditor;
- To directly engage as necessary non-audit services by the external financial auditors including tax services and, when required, the approval of such services;
- Review and assess management's efforts to ensure the security and integrity of internal and external computer systems and applications, the contingency plans for processing financial information in the event of a systems breach or breakdown, and the protection against computer fraud or misuse;
- Annually confer with outside financial auditors and evaluate if any additional outside examination is needed to assess the written internal controls and their internal compliance to the University;
- Annually assess the overall quality of the University's vendors, with an added focus on third-party reporting concerning key vendors within this group;
- Inquire of management and the independent external auditor about significant financial risks or exposure to the institution and how these are being managed;
- Evaluate ministerial housing allowance process as appropriate and ensure that allowances are being processed in accordance with relevant tax law and internal policy;
- Ensure financial and risk-management decision-making is consistent with Committee responsibility as stewards of the University's mission, resources, and assets.
- Report any material deficiencies to the Executive Committee and Board of Trustees as deemed necessary.

Compliance with Laws and Regulations

- Review the effectiveness of the internal controls system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any fraudulent acts or willful non-compliance;
- Obtain reports concerning financial fraud resulting in losses in excess of \$10,000 or involving a member of senior management, and report such finds to the Board Chair;
- Obtain regular updates from management and the OGC regarding compliance matter that may have a material adverse impact on the organization's financial statements, compliance policies, or enterprise risk management efforts;
- Be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements;
- Review the Form 990 and recommend approval by Board before filing of return;
- Review of any internal or external reporting to external government reporting agency.

Independent External Financial Audit

- Have the independent external auditor report directly to the Committee;
- Review the professional qualification of the independent external financial auditor (including the background and experience of the engagement partner and auditing personnel);
- Consider the independence of the auditors as well as potential conflicts of interest. Also assess the independence of the independent external auditor under Generally Accepted Auditing Standards;
- Review on an annual basis the performance of the external auditors and make recommendations to the Board for their appointment, re-appointment or termination.
- Be responsible for setting the compensation of the external auditor;
- Review the proposed audit scope and approach for the current year in the light of the institution's present circumstances and changes in the regulatory environment;

At the end of audit:

- Review required communications for the external independent auditors;
- Discuss with the external auditor the quality and appropriateness of the institution's aggressiveness or conservatism in applying significant judgments or estimates and the application of generally accepted accounting principles related to critical accounting policies and practices;
- Discuss with external auditor any audit problems encountered in the normal course of audit work, including any restrictions on audit scope or access to information;

- Meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately. Ensure that the auditors have access to the chair of the Committee when required. An executive session with the auditors must take place at the conclusion of the annual audit;
- Review policies for the provision of non-audit services by the external auditor;
- Ensure the organization has appropriate policies regarding the hiring of audit firm personnel for senior positions after they have left the audit firm and within the first year of their separation from the audit firm.

Complaints and Ethics

- Ensure procedures for the receipt, retention and treatment of complaints about accounting and financial reporting practices and auditing matters;
- Require appropriate disclosure of related party transactions, including an annual accounting.

Reporting Responsibilities

- Regularly update the Financial Affairs Committee about Committee activities and make appropriate recommendations;
- Ensure the Financial Affairs and Executive Committees are aware of matters that may significantly impact the financial condition or affairs of the university;
- Prepare any reports required by law or listing rules or requested by the board (e.g., a report on the audit committee's activities and duties to be included in the section on governance in the annual report).

Evaluating Performance

- Evaluate the Committee's own performance, both of individual members and collectively, on a regular basis;
- Assess the achievement of the duties specified in the charter (1) with respect to accounting and financial reporting, report these findings to the Financial Affairs Committee, and (2) with respect to enterprise risk and compliance, report these findings to the Executive Committee;
- Annually, perform a self-assessment relative to the Committee's purpose, duties, and responsibilities outlined herein, review and assess this Charter, and submit to the Financial Affairs Committee and Board any recommended changes.

Charter Adoption and Revisions

This charter may be amended after due notice of proposed revisions upon the majority vote of the Audit and Risk Committee, the Executive Committee, and the Board in succession. Amendments must not be inconsistent with Bylaws related to the Committee.

Significant revisions to this charter were adopted on January 20, 2018 and May 19, 2023.

The charter was last updated and approved by the Board as to form on May 19, 2023.

AZUSA PACIFIC UNIVERSITY STUDENT AFFAIRS COMMITTEE CHARTER

Purpose

The Student Affairs Committee is charged to:

- Keep the “God First” mission of the institution as its guide while providing leadership for the university focusing on all students (undergraduate, graduate and professional);
- Monitor the impact of each unit of the institution on students’ goals for co-curricular learning and spiritual development; and,
- Help board members and senior administrators broaden their conception of students as participants in the educational and cultural offerings of the institution and as members of the Azusa and regional campus communities.

Organization

Chair and Membership

Membership of the Committee shall be composed of no less than three (3) voting members, all of whom shall be members of the Board. The committee chair shall be appointed by the board. A quorum of any meeting of the Committee shall consist of a majority of its voting members. The chair of the Board, and the president, are ex-officio members of the Committee.

Administrative Liaison

The Vice President for Student Affairs shall be the administrative liaison to the Committee.

Meeting Schedule and Communications

Meetings shall be held in conjunction with regularly scheduled meetings of the Board, or as deemed necessary by the chair of the Committee.

Recordkeeping

The chair of the Committee, in collaboration with the staff liaison, shall be responsible for establishing the agendas for meetings of the Committee. An agenda, together with relevant materials, shall be sent to the Committee members in advance of each meeting. Minutes for all meetings shall be prepared in draft form by the staff liaison and reviewed by the chair, and shall be approved by the Committee members at the following meeting. The minutes shall be distributed to the full Board of Trustees. The Committee shall make regular reports to the Board of Trustees.

Roles and Responsibilities

The Student Affairs Committee primary responsibilities are:

- Overseeing faithfulness to the University's mission of spreading and advancing the Gospel of Jesus Christ in the World (Bylaws Art. III, sec. 15.5) within all areas of responsibility of the Vice President of Student Belonging and Chief Diversity Officer, with respect to all students (undergraduate, graduate and professional);
- Represent undergraduate, graduate and professional students' interests in all policy decisions made by the board;
 - Approve material Community Expectation policy changes
- Ensure that adequate financial resources to support a comprehensive student development program be provided for all students at all degree levels and at all campuses;
- Ensure that the institution as a whole provides an environment in which Biblically- grounded spiritual growth is nurtured;
 - Review material changes to student spiritual formation expectations
- Ensure that board policies keep pace with students' changing needs, particularly as the institution enrolls and serves a more diverse student body; and,
- Promote the value of community on campus.

In addition, the Committee shall review the following reports and discuss as needed:

- Student Affairs Annual Report
- Annual Title IX Report and policy
- Biennial Alcohol and Other Drugs Taskforce Report

Charter Adoption and Revisions

This charter may be amended after due notice of proposed revisions upon the majority vote of the Student Affairs Committee and the Board of Trustees in succession. Amendments must not be inconsistent with Bylaws related to the committee.

Significant revisions to this charter were adopted on January 20, 2018, September 1, 2021, and January 19, 2023.

The charter was last updated and approved by the Board as to form on May 19, 2023.

AZUSA PACIFIC UNIVERSITY GOVERNANCE COMMITTEE CHARTER

Purpose

The purpose of the Governance Committee (“Committee”) is to ensure that the Board of Trustees’ (the “Board”) composition and governance practices and Trustee development (consisting of orientation, training, and ongoing education) and evaluation, enable the Board of Trustees to fulfill its legal duties of care, loyalty and confidentiality in support of the mission of Azusa Pacific University (“APU”).

Organization

Chair and Membership

The Committee shall be composed of no less than three (3) members of the Board, each of whom shall be an independent Trustee. A Trustee is deemed independent if he or she is, in the judgment of the Board, free from any relationship that would interfere with the exercise of his or her independent judgment. The Chair and members of the Committee shall be appointed by the Board.

Administrative Liaison

The University’s General Counsel (or delegate) shall act as the administrative liaison to the Committee and be available to assist the Committee as requested.

Meeting Schedule and Communications

The Committee shall meet at least three (3) times annually, or more frequently as, in its or the Chair of the Committee’s judgment, circumstances require.

Recordkeeping

The Chair of the Committee, in consultation with the administrative liaison, shall be responsible for establishing the agendas for meetings of the Committee. An agenda, together with relevant materials, shall be sent to the Committee members in advance of each meeting. Minutes for all meetings shall be prepared in draft form by the Chair or designee and reviewed and approved by the Chair, and shall be approved by the Committee members at the following meeting. Minutes of each Committee meeting shall be made available to the full Board of Trustees at or before the next session of the tri-annual meeting of the full Board. The Committee shall make regular reports to the Board of Trustees.

Roles and Responsibilities

The following sets forth the responsibilities of the Committee in carrying out its purpose:

- Board Composition: Working through the Nominating Subcommittee:
 - Ensure the Board is best placed to meet future needs through a well-composed group of individuals reflecting the preferred experience,

skills, diversity, perspective and character.

- Identify, evaluate, recommend and recruit prospective trustees who align with the mission of the university and help the Board achieve its preferred composition.
- Committee Assignments: Recommend trustees to serve on board committees and subcommittees based on each trustee's background and experience and the most effective allocation of trustee resources to fulfill the Board's responsibilities.
- Trustee Orientation, Training, and Ongoing Education: Provide orientation, training, mentorship, and on-going education opportunities to help trustees be successful in discharging their duties and responsibilities, consistent with Trustees' legal duties of care, loyalty and confidentiality to the University.
- Maintain the Board Manual and recommend to the full Board.
- Update Board Manual as appropriate to incorporate best practices and other policies to assist the Board in fulfilling its responsibilities.
- Trustee Evaluation: Ensure the performance of trustees and officers and committees are evaluated and reported to the Board on a regular basis and/or on the occasion(s) when requested by the Board and/or Executive Committee.
- Board Officers: Nominate and review the performance of board officers annually.
- Board Governance: Identify and introduce best practices in governance to the Board and its committees, ensuring such practices are appropriate for the desired culture of the Board and the University.
- Other Responsibilities: The Committee may perform any other activities consistent with this Charter, the University's Articles of Incorporation and Bylaws, and governing law, that may be assigned to it by the full Board from time to time.

In performing its roles and responsibilities in connection with all matters under its purview, the Committee shall be responsible for assuring faithfulness to the University's mission of spreading and advancing the Gospel of Jesus Christ in the world (Bylaws Art. III, sec. 15.5).

Charter Adoption and Revisions

This charter may be amended after due notice of proposed revisions upon the majority vote of the Governance Committee and the Board of Trustees in succession. Amendments must be consistent with Bylaws related to the committee.

Significant revisions to this charter were adopted on January 20, 2018, September 14, 2021, and May 4, 2022.

The charter was last updated and approved by the Board as to form on May 19, 2023.

AZUSA PACIFIC UNIVERSITY NOMINATING SUBCOMMITTEE CHARTER

Purpose

The purpose of the Nominating Subcommittee (“Subcommittee”), which is a subcommittee of the Governance Committee (the “GC”), is to oversee and provide due diligence of the Governance Committee’s responsibility to recruit candidates for the Board of Trustees.

Organization

Chair and Membership

The membership of the Subcommittee shall consist of no less than three (3) voting members, all of whom shall be members of the Board. The Subcommittee chair shall be a member of the GC and appointed by the Board. A quorum of any meeting of the Subcommittee shall consist of a majority of its voting members.

Administrative Liaison

The administrative liaison to the Subcommittee shall be the President, unless the President delegates the function to the administrative liaison for the Governance Committee.

Meeting Schedule and Communications

Meetings shall be held as deemed necessary by the Chair of the Subcommittee.

Recordkeeping

The Chair of the Committee shall be responsible for establishing the agendas for meetings of the Committee. An agenda, together with relevant materials, shall be sent to the Committee members in advance of each meeting.

Roles and Responsibilities

The Subcommittee will:

- Oversee and maintain a nomination process on behalf of the Board of Trustees
- Review nominees received through the Trustee Recommendation Process outlined in the Board Manual
- Cultivate and conduct diligence, including in-person/virtual meetings and reference checks, with nominees deemed by the Subcommittee to meet the prioritized needs of the Board of Trustees and who would honor with faithfulness the University’s mission of spreading and advancing the Gospel of Jesus Christ in the World (Bylaws Art. III, sec. 15.5).
- Present qualified candidates for review to the Governance Committee and, if approved, to the full Board.

Charter Adoption and Revisions

This charter may be amended after due notice of proposed revisions upon the majority vote of the Nominating Subcommittee, the Governance Committee and the Board of Trustees in succession. Amendments must be consistent with Bylaws related to the committee.

Significant revisions to this charter were adopted on January 20, 2018 and January 15, 2021.

The charter was last updated and approved by the Board as to form on May 19, 2023.

**AZUSA PACIFIC UNIVERSITY
PRESIDENTIAL PERFORMANCE EVALUATION AND
CONTRACT REVIEW COMMITTEE CHARTER**

Purpose

The purpose of the Presidential Performance Evaluation and Contract Committee (“Committee”) is to oversee the annual evaluation of the University President’s performance, compensation and terms of employment on behalf of the Board of Trustees. (Bylaw 15.2)

Organization

Chair and Membership

Membership of the Committee shall consist of no less than three (3) voting members, all of whom shall be members of the Board. A majority of the Presidential Performance Evaluation and Contract Committee shall be members of the Executive Committee. The Committee Chair shall be the Chair of the Board of Trustees. A quorum of any meeting of the Committee shall consist of a majority of its voting members. The Chair of the Board is an ex-officio member of the Committee.

Administrative Liaison

The University General Counsel is the Committee’s administrative liaison.

Meeting Schedule and Communications

Meetings shall be held as reasonable and necessary to effectuate the purposes of the committee as provided in the Bylaws and this Charter.

Recordkeeping

The Chair of the Committee shall be responsible for establishing the agendas for meetings of the Committee. An agenda, together with relevant materials, shall be sent to the Committee members in advance of each meeting. Minutes for all meetings shall be prepared in draft form by the Chair or designee and approved by the Committee members at the following meeting. Minutes of each Committee meeting shall be made available to the full Board of Trustees (excepting the President as necessary) at or before the next session of the tri-annual meeting of the full Board. Records of decisions concerning compensation and the basis for those decisions shall be communicated to and maintained by the Office of the General Counsel for IRS compliance purposes.

Roles and Responsibilities

The Committee’s primary responsibility is to oversee the annual evaluation of the University President’s performance, compensation and terms of employment, as outlined in Bylaws III.15.2.

- In consultation with the President, determine the evaluation process and scope of

fact-finding to be applied, and conduct its review each within 60 days after the end of the fiscal year to enable sufficient data gathering to assess performance in meeting annual goals

- Evaluate the performance of the University President, which may involve input from members of the Board of Trustees, students, faculty, staff, deans, and vice presidents, including with respect to overseeing the University's mission of spreading and advancing the Gospel of Jesus Christ in the World (Bylaws Art. III, sec. 15.5).
- Review compensation and contract terms in consultation with the University's General Counsel, who will engage appropriate compensation experts to ensure compliance with IRS regulations on executive compensation for non-profits
- Discuss findings first with the University President in the summer, before presenting to the Executive Committee
- Present its report to the Board of Trustees in Executive Session at the Annual Meeting (September)
- See Bylaw III.15.2 for details

Charter Adoption and Revisions

This charter may be amended after due notice of proposed revisions upon the majority vote of the Presidential Performance Evaluation and Contract Review Committee and the Board of Trustees in succession. Amendments must not be inconsistent with Bylaw III.15.2 related to the committee.

Significant revisions to this charter were adopted on January 15, 2021.

The charter was last updated and approved by the Board as to form on May 19, 2023.