Commities Resolution 4
Board Committees

WHEREAS, the Board of Directors is responsible for the administration and operation of the Association consistent with the amended provisions of the Reston Documents; and

WHEREAS, Section III.2(e) of the First Amendment to the Deed of Amendment to the Deeds of Dedication of Reston ("Amended Reston Deed") delineates that it is a purpose of the Association to do any and all lawful things and acts that it, in its discretion, may deem to be for the benefit of the Property and the Owners and inhabitants thereof; and

WHEREAS, Section III.2(f) of the Amended Reston Deed delineates that it is a purpose of the Association to exercise the powers now or hereafter conferred by law on incorporated property owners' associations including those powers specified in the Virginia Nonstock Corporation Act and the Property Owners' Association Act ("POAA"), as may be necessary or desirable to accomplish the purposes of the Association; and

WHEREAS, Section IX.1 of the Amended Bylaws for Reston ("Amended Bylaws") grants the Board of Directors the right to establish, by resolution, Board Committees, comprised of Directors and such staff and Members as it deems appropriate, to assist in the work of the Board of Directors; and

WHEREAS, Section IX.1 of the Amended Bylaws stipulates that Board Committees shall not have any authority of the Board of Directors unless it is specifically delegated by any resolutions adopted by the Board of Directors; and

WHEREAS, Committees Resolution 1 delineates the manner in which Board Committees are to operate.

NOW, THEREFORE, BE IT RESOLVED, that the following Board Committees be established to assist in the work of the Board of Directors:

A. BOARD OPERATIONS COMMITTEE ("BOC")

1. Committee Composition: The President; Treasurer; two other Directors; and, as non-voting members the Chief Executive Officer; Legal Counsel; and Assistant Secretary.

2. Responsibilities:

   a. Board Agenda Development. Assists the Board President in drafting Regular Board Meeting Agendas.

   b. Design Review Board & Committee Composition. Interviews and forwards to the Board of Directors recommendations on candidates for appointment to open positions on the Design Review Board, Covenants Committee, Elections Committee, Board Advisory Committees, and
any other Special Committee established by the Board and as per Committees Resolution 2 and Design Review & Covenants Resolution 1.

c. **Committee Leadership.** Interviews and forwards to the Board of Directors recommendations on candidates for appointment to fill Committee Chair and Vice Chair positions, as per Committees Resolution 2.

d. **Advisory Committee Work Plan/Project Proposal Review.** Reviews work plans submitted by Advisory Committees prior to such work plans being submitted to the Board of Directors for consideration and approval. Also, reviews any new committee proposals or projects.

e. **Design Guideline Amendments.** Reviews any proposed Design Guideline amendment(s) in accordance with Design Review & Covenants Administration Resolution 4.

f. **Resolution Establishment & Amendments.** Reviews any new or proposed amendments to policy, rules, regulations, and standards Resolutions.

g. **Review of Special Requests Regarding the Use of Common Area & Residential Property.** Reviews special request made by Members or other groups regarding the use of the Association Common Area and or residential property included but not limited to lake use requests, recreational facility requests, and hunting requests before sending to the Board of Directors for consideration.

h. **New Matters.** Review any new matters such as recommendations for new policies, projects, initiatives, or other issues that may be forwarded to the full Board of Directors for consideration as may be determined by the BOC.

i. Other actions properly delegated to the BOC by the Board of Directors.

**B. BOARD GOVERNANCE COMMITTEE**

1. **Committee Composition:** The Vice President; Secretary, two other Board Directors; and, as a non-voting members, the Chief Executive Officer and Legal Counsel.

2. **Responsibilities:**

   a. **Strategic Planning**
      1. In coordination with the CEO, leads the Board in recommending a process for developing the organizations' multi-year Strategic Plan.
      2. Monitors and reports back to the Board of Directors on the implementation of the Association's multi-year Strategic Plan.
      3. Assist the Board in periodically updating and clarifying primary areas of focus for the Board – the Board’s agenda for the next 1-2 years based on the Strategic Plan.

   b. **Board Leadership -** Work with each Director to identify the Board tasks and projects he or she might assume.

   c. **Board Knowledge**
      1. Design a process to orient new directors.
      2. Design and implement an ongoing program of board information and education.
d. **Board Role & Effectiveness**
   1. Lead the Board in regularly reviewing and updating the board's statement of its role and areas of responsibility, and the expectations of individual members.
   2. Lead the periodic assessment of the Board's performance, effectiveness, and on-going measures of performance.

e. **Board Conduct**
   1. Recommends to the Board of Directors a proposed Board Code of Conduct Policy, and periodically reviews, and provides recommended revisions to the Board Code of Conduct policy.
   2. Regularly reviews the Board's practices regarding director communications, conflict of interest, confidentiality, etc., and suggest to the Board of Directors improvements as needed.
   3. Receives formal complaints, investigates, and provides recommendations, including sanctions, to the Board of Directors regarding individual Director conduct.

f. **Committee Structure** - In accordance with the Section IX.2 of the Amended Bylaws, annually review the existing Board and Advisory Committees to determine whether to recommend to the full-Board termination, continuation, or the addition of new Committees.

g. **CEO Evaluation & Corporate Operations**
   1. Annually, conduct the CEO evaluation and recommend appropriate action related to the evaluation to the full Board of Directors.
   2. As needed, review contractual, legal and or operational issues with the CEO.

C. **BOARD FISCAL COMMITTEE**

1. **Role**
   a. The Fiscal Committee will review and monitor the fiscal decisions and financial statements of Reston Association (RA) in order to ensure compliance with RA governing documents, ensure decisions made are in the best interest of RA and its members, and assist the Board in fulfilling its fiduciary responsibilities.
   b. The Fiscal Committee will work with the RA Chief Executive Officer (CEO), Chief Financial Officer (CFO) and RA staff, meet monthly to discuss and analyze fiscal issues before they are presented to the Board, and advise the Board on fiscal issues before, during, and/or after Board meetings.
   c. A member of the Fiscal Committee, generally, the Chair or Treasurer, will present the Fiscal Committee Report to the RA Board at monthly meetings, including a synopsis of Committee members' opinions in order to ensure that any dissent from its conclusions is acknowledged.
2. Responsibilities

a. Review and provide analysis of fiscal issues for the Board of Directors. The Fiscal Committee will serve an advisor to the Board on all financial matters including:
   1. Annual Assessments
   2. Financial Statements,
   3. Significant financial transactions,
   4. Financial policies and procedures,
   5. Budgets (capital and operating) in accordance with Financial Resolution 1,
   6. Financial health of programs and capital projects,
   7. Investment policies,
   8. Insurance policies,
   9. Grant opportunities,
   10. Review of financial resolutions
   11. Capital Assets Reserve Study
   12. Other financial matters as referred to the committee by the Board

b. Internal Control.
   i. Review the Policies and Procedures Manuals on an annual basis for their adequacy.
   ii. May perform sample testing of the effectiveness of processes and the control environment as needed.
   iii. Initiate an objective selection of an independent Certified Public Accountant (CPA) to conduct an internal control audit(s) upon direction from the Board.
   iv. Define the scope of any audit of internal controls.
   v. Review and discuss the report. The Treasurer or Chair will report the results of the internal control audit to the RA Board of Directors.

c. Annual Audit.
   i. Recommend, as per Assessments & Financial Resolution 8, to the RA Board of Directors an independent Certified Public Accountant ("CPA") who shall prepare an annual report and render an opinion on the Association's books and records of accounts.
   ii. Oversee the annual audit engagement by:
      1. Pre-Audit meeting with the auditor to discuss:
         a) The audit scope and any areas of special interest to be examined.
         b) Obtain a formal written statement from the auditors as to their independence.
         c) Instruct the auditors that they are responsible to the Board of Directors.
      2. Post-Audit meeting with the auditor to discuss:
a) Any audit findings or audit adjustments.
b) Review of the draft financial statements and accompanying footnotes.
c) Evaluate the cause of significant variances from the previous year.
d) Any management or Board issues noted by the auditors during the engagement.
e) Any operational or other issues of importance.

3. Review the performance of the auditors.

4. Report to the RA Board of Directors the results of the Audit Committee’s review of the financial statements and audit opinion.

5. Present the board with any recommendations based on the audit results.

3. Composition
Treasurer; Chief Financial Officer who shall serve as a non-voting ex officio member; one RA Board Director; and up to seven Members with financial experience, as described below, appointed by the RA Board of Directors. The terms of the Board appointed Committee members shall be for three years.

Members being considered for appointment to the Fiscal Committee must be “financially literate” and collectively possess a diverse financial skill set with a minimum of either: a bachelor’s degree in accounting, finance, or business administration; or three years of financial, business or accounting experience. The RA Board of Directors should make all reasonable efforts to ensure that at least one member of the Fiscal Committee is a Certified Public Accountant.

ATTEST: Resolution was adopted at a Regular Meeting of the Reston Association’s Board of Directors held on December 14, 2006; and amended on November 15, 2007, May 26, 2011; July 14, 2011; January 22, 2015; May 24, 2018; and April 1, 2019.