

SAN DIEGO OPERA ASSOCIATION

CHARTER OF THE GOVERNANCE COMMITTEE OF THE BOARD OF DIRECTORS

I. MISSION

The Governance Committee of the Board of Directors of the San Diego Opera Association has the responsibility and authority to (i) evaluate and recommend to the Board the adoption of Corporate Governance Guidelines for the Association; (ii) evaluate related party transactions; (iii) recommend to the Board good governance practices related to risk management and other legal compliance and ethics matters; (iv) identify and recommend to the Board director nominees for each election of directors; (v) develop and recommend to the Board criteria for selecting qualified director candidates and (vi) identify and recommend to the Board the election of the President of the Association and its officers.

II. ORGANIZATION AND MEMBERSHIP REQUIREMENTS

The Committee shall be appointed annually by the President and shall be comprised of at least three directors, a majority of whom must be determined by the Board to be “independent” under the Association’s Corporate Governance Guidelines.

Each member of the Committee shall serve until his or her successor is appointed or until such member’s earlier resignation, removal or death. Any member of the Committee may be removed or replaced by the Board. Unless a chairman is appointed by the President, the members of the Committee may designate a chairman by majority vote of the Committee. The Chair shall preside at all Committee meetings and set the agenda for the meetings.

In fulfilling its responsibilities, the Committee may establish subcommittees and delegate responsibilities thereto.

III. MEETINGS

The Committee shall meet as often as it considers necessary and may meet with management or other directors whenever it considers this necessary to discuss matters before the Committee. The Committee may request that any Association employee attend any of its meetings or meet with any Committee member.

Formal actions of the Committee shall be by the affirmative vote of a majority of the Committee members present (in person, by virtual meeting or by telephone conference call) at a meeting at which a quorum is present. A quorum shall consist of a majority of the Committee’s members.

The Committee shall maintain and approve written minutes of its meetings and distribute those minutes to the Board Consent Agenda to be filed with the Board meeting minutes.

IV. COMMITTEE AUTHORITY AND RESPONSIBILITY

The Committee shall have the following authority and responsibilities, subject to such modification and additional authority as the Board may approve from time to time:

A. Governance Authority and Responsibility

1. Develop, recommend for Board approval, and review on an ongoing basis the adequacy of the Association's Governance Guidelines.
2. If requested by the President or the Board, assist the Board in its evaluation of the Board's performance.
3. Review and recommend to the Board changes to the Association's Articles of Incorporation and Bylaws, as needed.
4. Develop orientation materials for new directors and governance-related continuing education for Board members.

B. Related Party Transactions and Conflicts of Interest

1. Review and approve or disapprove any related-party transactions.
2. Develop and recommend to the Board a Conflicts of Interest policy for the Association.
3. Develop a Disclosure Statement and Conflict of Interests Agreement to be signed by all employees and Board members.
4. Review the signed Disclosure Statements and Conflict of Interest Agreements to identify potential conflicts and make recommendations to the Board concerning same.

C. Risk Management, Legal Compliance and Ethics

1. Be available to discuss with the Association's management the process by which risk assessment and management is undertaken and handled.
2. Act as a reception and screening point for complaints, including anonymous complaints by the Association's employees, regarding the Association's accounting, internal accounting controls, auditing, or any other matters, delegating any such complaints to the Finance, Audit, Executive, or other committees as appropriate.
3. As requested by the Board, review and investigate Board member conduct alleged to be unethical or damaging to the Association's interests, and adopt as necessary remedial, disciplinary, or other measures with respect to such conduct.

D. Nominating Authority and Responsibilities

1. Identify and recommend to the Board the nomination for the President of the Association and officers.
2. Identify and recommend to the Board nominees for each election of directors.
3. Determine criteria for selecting new directors, including desired board skills and attributes, and identify individuals qualified to become directors, as needed.
4. Consider any nominations of director candidates validly made by the Association's members.

E. General Authority and Responsibilities

1. Regularly report to the Board on the Committee's activities, recommendations and conclusions.
2. Review and reassess the Charter's adequacy at least annually and recommend any proposed changes to the Board for approval.

Approved: _____