COMMITTEE MEMBERS
Cortney Young, Treasurer
Joel Grace, Trustee
Mike Carrigan, Trustee
Staff Liaison
Randall Carlton, Chief Finance & Administration Officer

Reno-Tahoe Airport Authority

PRESIDENT/CEO
Cris Jensen, A.A.E.

CHIEF LEGAL OFFICER
Jenn Ewan

BOARD CLERK
Lori Corkery

AGENDA
Audit Committee Meeting
Tuesday, November 10, 2026 | 10:00 AM
Reno-Tahoe International Airport, Reno, NV
Administrative Offices, Second Floor

Notice of Public Meeting
Meetings are open to the public and notice is given pursuant to NRS 241.020.

This meeting will be livestreamed and may be viewed by the public at the following link:
Watch on Zoom: https://us02web.zoom.us/j/84037442235
Listen by Phone: Dial 1-669-900-6833
Webinar ID: 840 3744 2235

Accommodations
Members of the public who require special accommodations or assistance at the meeting are requested to notify the Clerk by email at lcorkery@renoairport.com or by phone at (775) 328-6402. Translated materials and translation services are available upon request at no charge.

Public Comment
Anyone wishing to make public comment may do by the one of the following methods:
1) In person at the Board meeting
2) By emailing comments to lcorkery@renoairport.com by **4:00 p.m. on the day before the meeting**. Comments submitted will be given to the Board for review and included with the minutes of this meeting.
3) Virtually by Zoom. You must have a computer or device with a working microphone. Use the information above to log into the Zoom meeting and use the "Chat" feature to submit a request to speak. When the Chair calls for public comment, your microphone will be turned on and you will be addressed to speak.

Public comment is **limited to three (3) minutes** per person. No action may be taken on a matter raised under general public comment.

Posting
This agenda has been posted at the following locations:
1. RTAA Admin Offices, 2001 E. Plumb
2. www.renoairport.com 3. https://notice.nv.gov/

Supporting Materials
Supporting documentation for this agenda is available at www.renoairport.com, and will be available for review at the Board meeting. Please contact the Board Clerk at lcorkery@renoairport.com, or (775) 328-6402 for further information.

1. INTRODUCTORY ITEMS

1.1 Call to Order
1.2 Roll Call

2. PUBLIC COMMENT

3. APPROVAL OF MINUTES

None.

4. BUSINESS ITEMS

4.1 Review of audit committee charter (overview and purpose)
4.2 Internal auditor's annual confirmation of independence & objectivity
4.3 Status of outstanding audits
4.4 Annual internal audit plan – committee input and feedback process
4.5 Uncollectable accounts/write off procedures
4.6 Whistleblower procedures
4.7 Schedule of future meetings *(for possible action)*

5. PUBLIC COMMENT

6. EXECUTIVE SESSION

7. ADJOURNMENT

RESOLUTION NO. 580

A RESOLUTION REINSTATING THE RENO-TAHOE AIRPORT AUTHORITY BOARD AUDIT COMMITTEE AS A STANDING COMMITTEE OF THE BOARD OF TRUSTEES AND ADOPTING THE AUDIT COMMITTEE CHARTER

WHEREAS, the Reno-Tahoe Airport Authority (the "**RTAA**") is a political subdivision created by special legislation (Chapter 474, Statutes of Nevada 1977) and is governed by its enabling act, its Board Bylaws, and Nevada's Open Meeting Law (NRS Chapter 241);

WHEREAS, Bylaw 9140 provides that the Chairman shall, with approval of the Board, establish Permanent Board Committees consisting of at least two members of the Board but less than the full membership;

WHEREAS, the Board of Trustees originally established a standing Audit Committee composed of three Board members pursuant to Resolution No. 325, adopted on September 21, 1995, to provide an independent appraisal activity to ensure management accountability and assist the Board of Trustees in the effective discharge of their responsibilities;

WHEREAS, Resolution No. 426, adopted on October 11, 2001, rescinded Resolution No. 325 and established a standing Finance Committee which absorbed the Internal Audit function, with the Treasurer of the Board of Trustees serving as Chairman of the Finance Committee;

WHEREAS, the Finance & Business Development Committee (successor to the Finance Committee established by Resolution No. 426) has been dissolved by companion Resolution No. 578, effective immediately upon its adoption;

WHEREAS, the dissolution of the Finance & Business Development Committee necessitates the reinstatement of a dedicated Audit Committee to ensure that the internal financial audit oversight function previously performed by the Finance & Business Development Committee endures;

WHEREAS, the Internal Audit function strengthens the Authority's ability to create, protect, and sustain public value by providing the Board of Trustees and management with independent, objective, risk-based assurance, advisory services, insight, and foresight;

WHEREAS, the Internal Audit function shall conduct its activities in conformance with The Institute of Internal Auditors' Global Internal Audit Standards, the Audit Committee Charter, and other applicable professional guidance;

WHEREAS, the Board recognizes that the performance of a governmental entity such as the RTAA cannot be measured solely through traditional financial indicators, and that it is vital the Authority exercise its powers and perform its duties in compliance with the law and established policies and procedures, applying good judgment and sound management practices;

WHEREAS, an audit committee is a practical means for the Board of Trustees to provide independent review and oversight of the RTAA's internal controls and financial reporting processes, and provides a forum separate from management in which the Internal Audit Team and other interested parties can candidly discuss concerns;

WHEREAS, as a subcommittee of the Board of Trustees, the Audit Committee is a public body subject to the Nevada Open Meeting Law, NRS Chapter 241, and all meetings of the Committee must be open and public pursuant to NRS 241.020;

WHEREAS, per NRS 241.015(5)(d), subcommittees of the Board are subject to the Open Meeting Law in the same manner as the full Board of Trustees; and

WHEREAS, it is in the best interest of the RTAA and the public it serves to reinstate the Audit Committee as a standing committee of the Board of Trustees and to adopt the Audit Committee Charter to govern its composition, authority, and responsibilities.

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of the Reno-Tahoe Airport Authority hereby reinstates the RTAA Board Audit Committee as a standing committee of the Board of Trustees and adopts the Audit Committee Charter, effective immediately upon adoption of this Resolution.

1. PURPOSE

The purpose of this Resolution is to reinstate the RTAA Board Audit Committee as a standing committee of the Board of Trustees, effective immediately, to serve as the Board's principal committee for oversight of the RTAA's internal audit function, financial reporting processes, and internal controls, and to adopt the Audit Committee Charter setting forth the Committee's composition, authority, and responsibilities.

II. STATEMENTS OF POLICY

The following policies shall govern the dissolution of the Permanent Committees:

- The Audit Committee shall be composed of three (3) Board members.
- The Treasurer of the Board of Trustees shall assume the duties of Chair of the Audit Committee upon election as Treasurer.
- The two (2) remaining Committee members shall be appointed by the Chairman of the Board of Trustees.
- The President/CEO shall serve as a non-voting, ex-officio member of the Committee.
- The Chief Finance and Administration Officer and the Internal Audit function shall provide staff support to the Committee.
- No Board member who exercises managerial responsibilities that fall within the scope of the audit shall serve as a member of the Committee, in order to ensure the Committee's independence and effectiveness.
- Ideally, all members of the Committee should possess or obtain a basic understanding of governmental financial reporting and auditing, and the Committee shall have access to the services of at least one financial expert, either a Committee member or an outside party engaged by the Committee for this purpose.
- The Internal Auditor shall report functionally to the Committee and administratively to the Chief Finance and Administration Officer.
- The Committee shall review and approve the annual Internal Audit Plan prior to the commencement of audit work.
- The Committee shall receive and review all internal audit reports, including findings, recommendations, and management responses, and shall monitor management's

implementation of audit recommendations and report significant unresolved findings to the full Board of Trustees.

- The Committee shall review and approve the write-off of uncollectible accounts, bad debts, or other losses in amounts exceeding $25,000.
- The Committee shall establish procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters, including procedures for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters, or other matters related to financial fraud, waste, abuse, or misconduct.
- The Committee shall present annually to the full Board of Trustees a written report of how it has discharged its duties and met its responsibilities under the Audit Committee Charter.
- The Committee shall meet as frequently as circumstances require, and all meetings shall comply with the Nevada Open Meeting Law, NRS Chapter 241.
- Written notice of all meetings must be given at least three (3) working days before the meeting, except in an emergency, and must include the time, place, location, and agenda for the meeting.
- The Committee shall keep written minutes of each of its meetings in accordance with NRS 241.035, including the date, time, and place of the meeting; members present and absent; the substance of all matters proposed, discussed, or decided; and a record, by individual member, of votes taken.
- Audio recordings of all meetings, whether public or closed, shall be retained for at least three (3) years after the adjournment of the meeting.
- The Audit Committee Charter shall be reviewed by the Committee no less than once every two (2) years to assess its continued adequacy, and any recommended amendments shall be presented to the full Board of Trustees for approval.
- The Audit Committee Charter, attached hereto and incorporated herein by reference, is hereby adopted as the governing document for the Committee's composition, authority, and responsibilities.
- Staff is directed to add the Audit Committee to the RTAA's public meeting calendar immediately upon adoption of this Resolution.
- Staff is directed to prepare the necessary notice, agenda, and minute-keeping procedures consistent with NRS 241.020 and the RTAA Board Bylaws.

III. RESCISSION OF PRIOR RESOLUTIONS

Resolution No. 426, to the extent it established the Finance Committee as the successor body to the Audit Committee and absorbed the Internal Audit function into the Finance Committee, is hereby rescinded as it pertains to the audit oversight function. All other resolutions, or parts thereof, inconsistent with this Resolution are hereby rescinded to the extent of such inconsistency.

IV. MOTION

On motion by Trustee _____, second by Trustee _____, the foregoing Resolution was passed and adopted this 13th day of August 2026, by the following vote of the Board:

Ayes: _____ Nays: _____

Absent: _____ Abstain: _____

ATTEST:

_____ _____

Adam Kramer, Chair Joel Grace, Secretary

RENO-TAHOE AIRPORT AUTHORITY
AUDIT COMMITTEE CHARTER

Article I. PURPOSE AND MISSION

The Audit Committee (the "**Committee**") is a standing committee of the Board of Trustees of the Reno-Tahoe Airport Authority ("**RTAA**" or "**Authority**"), established pursuant to the Board of Trustees' By-Laws.

The Internal Audit function strengthens the Authority's ability to create, protect, and sustain public value by providing the Board of Trustees and management with independent, objective, risk-based assurance, advisory services, insight, and foresight. The Internal Audit function shall conduct its activities in conformance with The Institute of Internal Auditors' Global Internal Audit Standards and other applicable professional guidance.

The Committee serves as the Board's principal committee for oversight of the RTAA's internal audit function. The foundational purpose of this Committee, established by the Board in 1995 and reaffirmed in 2001 with its absorption into the Finance & Business Development Committee, is to provide an independent appraisal activity to ensure management accountability and assist the Board of Trustees in the effective discharge of their responsibilities.

The Board recognizes that the performance of a governmental entity such as the RTAA cannot be measured solely through traditional financial indicators, and that it is vital the Authority exercise its powers and perform its duties in compliance with the law and established policies and procedures, applying good judgment and sound management practices.

An audit committee is a practical means for the Board of Trustees to provide independent review and oversight of the RTAA's internal controls and financial reporting processes. The Committee also provides a forum separate from management in which the Internal Audit Team and other interested parties can candidly discuss concerns. By effectively carrying out its functions and responsibilities, the Committee helps to ensure that management properly develops and adheres to a sound system of internal controls, that procedures are in place to objectively assess management's practices, and that the RTAA's financial reporting practices are sound.

Article II. COMPOSITION AND MEMBERSHIP

Section 2.01 **Membership**. The Committee shall be composed of three (3) Board members.

Section 2.02 **Chair**. The Treasurer of the Board of Trustees shall assume the duties of Chair of the Audit Committee upon election as Treasurer.

Section 2.03 **Appointment**. The two (2) remaining Committee members shall be appointed by the Chairman of the Board of Trustees.

Section 2.04 **President/CEO**. The President/CEO shall serve as a non-voting, ex-officio member of the Committee.

Section 2.05 **Staff Support**. The Chief Finance and Administration Officer and the Internal Audit function shall provide staff support to the Committee.

Section 2.06 **Independence**. No Board member who exercises managerial responsibilities that fall within the scope of the audit shall serve as a member of the Committee, in order to ensure the Committee's independence and effectiveness.

Section 2.07 **Financial Expertise**. Ideally, all members of the Committee should possess or obtain a basic understanding of governmental financial reporting and auditing. The Committee shall have access to the services of at least one financial expert, either a Committee member or an outside party engaged by the

Committee for this purpose. Such a financial expert shall, through both education and experience and in a manner specifically relevant to the government sector, possess:

(a) An understanding of generally accepted accounting principles and financial statements;

(b) Experience in preparing or auditing financial statements of comparable entities;

(c) Experience in applying such principles in connection with the accounting for estimates, accruals, and reserves;

(d) Experience with internal accounting controls; and

(e) An understanding of audit committee functions.

Section 2.08 Member Education. Members of the Committee shall be educated regarding both the role of the Committee and their personal responsibility as members, including their duty to exercise an appropriate degree of professional skepticism.

Article III. AUTHORITY AND INDEPENDENCE

Section 3.01 Board Authority. The Committee acts on behalf of the full Board of Trustees in carrying out the oversight responsibilities set forth in this Charter. Nothing in this Charter shall be interpreted so as to limit the full Board of Trustees from exercising ultimate authority.

Section 3.02 Access to Information. The Internal Auditor is given specific authority by the President/CEO to access all records, personnel, and property of the RTAA, in accordance with established procedures for such access. In addition, agreements with tenants, concessionaires, and other parties doing business with the RTAA, and who make payments based on activity or sales levels, shall include a "Right to Audit" clause, which gives the RTAA access to all accounts and financial records, including general ledgers, source documents, and records, to verify gross revenues, concession revenues, activity levels, and similar metrics.

Section 3.03 Funding and Resources. The Committee shall be adequately funded and shall be authorized to engage the services of financial experts, legal counsel, and other appropriate specialists *as necessary* to fulfill its responsibilities.

Section 3.04 Functional and Administrative Reporting. The Internal Auditor shall report functionally to the Committee and administratively to the Chief Finance and Administration Officer. Functional reporting includes approval of the Internal Audit Charter, the annual risk-based Audit Plan, review of significant changes to the audit plan, receipt of audit reports, review of the Internal Audit function's performance, and safeguarding the independence of the Internal Audit function. Administrative reporting includes budgeting, personnel administration, payroll, office support, and other day-to-day organizational matters.

Section 3.05 Preservation of Management Authority. Nothing in the Charter shall be construed to authorize the Committee to direct or participate in the operational management of the Authority. Management remains responsible for establishing objectives, managing operations, implementing internal controls, managing risks, and ensuring compliance with applicable laws, regulations, and policies. The Committee's role is one of governance oversight.

Article IV. MEETINGS AND OPEN MEETING LAW COMPLIANCE

Section 4.01 Meeting Frequency. The Committee shall meet as frequently as circumstances require.

Section 4.02 Open Meeting Law. As a subcommittee of the Board of Trustees, the Committee is a public body subject to the Nevada Open Meeting Law, NRS Chapter 241. Pursuant to NRS 241.020, all

meetings of the Committee must be open and public, and all persons must be permitted to attend any meeting of the Committee at a physical location or by means of a remote technology system. Written notice of all meetings must be given at least three (3) working days before the meeting, except in an emergency, and must include the time, place, location, and agenda for the meeting.

Section 4.03 Closed Sessions. The Committee may hold a closed session only as expressly authorized by Nevada statute. Pursuant to NRS 241.030, the Committee may close a meeting or a portion of a meeting to:

(a) Consider the character, alleged misconduct, professional competence, or physical or mental health of a person;

(b) Prepare, revise, administer, or grade examinations conducted by or on behalf of the Committee; or

(c) Consider an appeal by a person of the results of an examination conducted by or on behalf of the Committee, except that any action on the appeal must be taken in an open meeting.

Section 4.04 Closed Session Procedure. A closed session may only be held upon a motion that specifies (a) the nature of the business to be considered; and (b) the statutory authority pursuant to which the Committee is authorized to close the meeting. The exceptions provided under NRS Chapter 241 must not be used to circumvent the spirit or letter of the Open Meeting Law to deliberate or act, outside of an open and public meeting, upon a matter over which the Committee has supervision, control, jurisdiction, or advisory powers.

Section 4.05 Prohibition on Certain Closed Sessions. Pursuant to NRS 241.030(4)(d), the Committee may not hold a closed meeting for the discussion of the appointment of any person to public office or as a member of a public body.

Section 4.06 Subcommittee Status. Pursuant to NRS 241.015(5)(d), as a subcommittee of the Board of Trustees, the Committee is subject to the Open Meeting Law in the same manner as the full Board of Trustees.

Section 4.07 Minutes and Records. The Committee shall keep written minutes of each of its meetings in accordance with NRS 241.035, including the date, time, and place of the meeting; members present and absent; the substance of all matters proposed, discussed, or decided; and a record, by individual member, of votes taken. Audio recordings of all meetings, whether public or closed, shall be retained for at least three (3) years after the adjournment of the meeting.

Section 4.08 Executive Sessions. Subject to applicable provisions of Nevada law, the Committee may periodically meet in executive session with the Internal Auditor, without management present, to discuss matters affecting independence, objectivity, resources, or performance of the Internal Audit function.

Article V. INTERNAL AUDIT OVERSIGHT

Section 5.01 Primary Oversight Role. The Committee serves as the Board's principal oversight body for the RTAA's internal audit function. The Internal Auditor shall report directly to the Audit Committee on all audit matters.

Section 5.02 Annual Audit Plan. The Committee shall review and approve the annual Internal Audit Plan prior to the commencement of audit work. The annual plan shall identify the audit areas to be reviewed, the objectives of each audit, and the estimated resources required.

Section 5.03 Audit Reports. The Committee shall receive and review all internal audit reports, including findings, recommendations, and management responses. The Committee shall monitor

management's implementation of audit recommendations and report significant unresolved findings to the full Board of Trustees.

Section 5.04 Access to Internal Audit Work Plans. The Committee shall have access to the reports of the Internal Audit function , as well as access to annual internal audit work plans.

Section 5.05 Scope of Internal Audit. The Internal Audit function shall evaluate and provide independent assurance regarding the Authority's governance, risk management, and internal control processes, including the efficiency, economy, and effectiveness of RTAA operations, and shall assess compliance with applicable laws, regulations, and established policies and procedures.

(a) Financial and operational audits;

(b) Compliance audits;

(c) Performance audits; and

(d) Special investigations as directed by the Committee or the Board.

Section 5.06 Fraud, Waste, Abuse and Misconduct. Management is responsible for establishing and maintaining effective controls to prevent, deter, detect, and respond to fraud, waste, abuse, and other misconduct. Internal Audit is not responsible for preventing or detecting fraud but independently evaluates whether management's processes and controls are appropriately designed and operating effectively to manage fraud risk. The Internal Audit function shall independently evaluate the adequacy and effectiveness of those controls, assess fraud risks as part of audit planning, conduct or assist with investigations as directed by the Audit Committee or Board of Trustees, and promptly communicate significant fraud risks, suspected fraud, or control deficiencies to the Audit Committee.

Section 5.07 Independence of Internal Auditor. The Internal Auditor shall maintain organizational independence and objectivity and shall remain free from interference in determining the scope of audit work, performing audit engagements, communicating audit results, and carrying out other professional responsibilities. The Internal Auditor shall have direct and unrestricted access to the Audit Committee Chair and the Committee as a whole and shall promptly report any actual or perceived impairment to independence or objectivity.

Section 5.08 Advisory Services: Internal Audit may provide advisory and consulting services intended to improve governance, risk management, internal controls, operational efficiency, and compliance, provided such services do not impair independence or assume management responsibilities. Management shall remain responsible for making operational decisions, implementing recommendations, and accepting ownership of related risks.

Section 5.09 Quality Assurance and Improvement Program. The Internal Audit function shall maintain a Quality Assurance and Improvement Program appropriate to the size, complexity, and resources of the Authority's Internal Audit function. The program shall include ongoing quality monitoring and periodic self-assessments. The Audit Committee shall periodically consider whether an independent external quality assessment is appropriate, taking into account available resources, organizational risk, and the recommendations of The Institute of Internal Auditors' Global Internal Audit Standards.

Section 5.10 Annual Written Confirmation. At least annually, the Internal Auditor shall provide written confirmation to the Audit Committee regarding the organizational independence and objectivity of the Internal Audit function and shall disclose any actual or perceived impairment to independence.

Article VI. FINANCIAL OVERSIGHT AND INTERNAL CONTROLS

Section 6.01 **Financial Reporting Oversight**. The Committee shall provide independent review and oversight of the RTAA's financial reporting processes and internal controls. The Committee shall help ensure that management properly develops and adheres to a sound system of internal controls and that procedures are in place to objectively assess management's practices.

Section 6.02 **External Auditor Communications**. The Committee shall receive communications from the independent external auditors regarding the annual financial statement audit, significant audit findings, management letter comments, and other matters required to be communicated to those charged with governance. The Committee may meet with the external auditors as appropriate.

Section 6.03 **Write-Off Approval**. The Committee shall review and approve the write-off of uncollectible accounts, bad debts, or other losses in amounts exceeding $25,000.

Section 6.04 **Complaints and Whistleblower Procedures**. The Committee shall establish procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters. Such procedures shall specifically provide for the confidential, anonymous submission by employees of the RTAA of concerns regarding questionable accounting or auditing matters, or other matters related to financial fraud, waste, abuse or misconduct. The Committee shall also monitor controls performed directly by senior management, as well as controls designed to prevent or detect senior management override of other controls.

Article VII. REPORTING TO THE BOARD

Section 7.01 **Annual Written Report**. The Committee shall present annually to the full Board of Trustees a written report of how it has discharged its duties and met its responsibilities under this Charter. It is further recommended that this report be made public and be accompanied by this Charter or other establishing documentation.

Section 7.02 **Report Contents**. In its annual report to the Board, the Committee shall specifically state that it has:

- **(a)** Reviewed the status of the annual Internal Audit Plan and all audit findings;
- **(b)** Discussed the financial statements with management;
- **(c)** Reviewed the adequacy of the RTAA's internal control framework; and
- **(d)** Believes that the financial statements are fairly presented, to the extent such a determination can be made solely on the basis of such discussions.

Article VIII. CHARTER REVIEW AND AMENDMENT

Section 8.01 **Periodic Review**. This Charter shall be reviewed by the Committee no less than once every two (2) years to assess its continued adequacy. Any recommended amendments shall be presented to the full Board of Trustees for approval.

Section 8.02 **Effective Date**. This Charter shall become effective upon adoption by the Board of Trustees by resolution and shall supersede all prior Audit Committee charters and related resolutions governing the Committee's composition and responsibilities.

Reno-Tahoe Airport Authority

Box 12490, Reno, NV 89510 | 775-328-6400 | www.RenoAirport.com

November 10, 2026

Reno-Tahoe Airport Authority
Audit Committee

Purpose
This written confirmation fulfills the Internal Audit Charter requirement for at least annual confirmation of the organizational independence and objectivity of the Internal Audit function and disclosure of any actual or perceived impairment to independence.

Confirmation
To the best of my knowledge and belief, except as disclosed below or in an attachment, I confirm the following as of the date of this confirmation:

The Internal Audit function maintains its organizational independence, including its functional reporting relationship with the Audit Committee and direct access to the Committee.

I exercise impartial professional judgment and do not allow personal interests, conflicts of interest, or undue influence to compromise my objectivity.

Internal Audit is free from interference in determining audit scope, performing its work, and communicating results. Any current restrictions on access to records, personnel, or property needed for audit work are disclosed below.

I have disclosed any actual or perceived impairment to independence or objectivity, including any management responsibilities or other duties that could affect my ability to provide independent assurance.

Disclosure status
☐ No actual or perceived impairments currently exist to my knowledge.
☐ Actual or perceived impairments are disclosed below or in an attachment.
Disclose any existing impairment, including one that began before the charter was adopted. Describe the circumstances, affected work, any safeguards or corrective actions, and any unresolved concerns.

_____
_____
_____

I will promptly notify the Audit Committee of any new or changed circumstances that may impair independence or objectivity.

Signature: _____ Date: 11/10/2026
Paula Murphy, Senior Internal Auditor

RENO-TAHOE AIRPORT AUTHORITY
DRAFT PROCEDURE: Reporting Write-Offs and Financial Losses to the Audit Committee
Governing Authority: Audit Committee Charter, adopted August 13, 2026 (Resolution No. 580)
Prepared by: Chief Finance and Administration Officer / Internal Audit
Status: DRAFT — For Audit Committee Review and Approval

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1. PURPOSE

This procedure establishes the process by which RTAA staff identifies, documents, escalates, and reports uncollectible accounts receivable, bad debts, and other financial losses to the Audit Committee, consistent with the Committee's oversight responsibilities under the Audit Committee Charter.

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2. GOVERNING AUTHORITY AND THRESHOLD

The Audit Committee Charter, Section 6.03, states: **"The Committee shall review and approve the write-off of uncollectible accounts, bad debts, or other losses in amounts exceeding $25,000."**

The current approval threshold structure, as derived from the Charter and RTAA's historical policy record, is:

Amount	Approval Authority	Reporting Requirement	Source
Up to *$[TBD — staff to confirm President/CEO delegated limit]*	President/CEO or designee	Administrative Report to Audit Committee and Board within 30 days	
Exceeding **$25,000**	**Audit Committee review and approval required**	Agendized at next Audit Committee meeting; Administrative Report to full Board	
Any amount — significant or unusual	President/CEO discretion to escalate	May be brought to Audit Committee or full Board regardless of dollar amount	

Note to staff: Resolution No. 503 (adopted October 14, 2010) set the President/CEO's unilateral write-off authority at $50,000, with Finance Committee approval required above that threshold. The new Charter (Resolution No. 580, August 2026) resets the Committee approval threshold to $25,000 and transfers that oversight role to the Audit Committee. Staff should confirm whether a new resolution is needed to formally rescind or supersede Resolution No. 503's dollar thresholds, or whether the Charter's $25,000 figure controls by operation of Resolution No. 580.

3. IDENTIFICATION AND EVALUATION OF UNCOLLECTIBLE ACCOUNTS

Step 1 — Monthly Review. The Chief Financial Officer (or designee) shall evaluate accounts receivable monthly to identify invoices that may be uncollectible.

Step 2 — Year-End Recommendation. At the end of each fiscal year, the Chief Financial Officer shall prepare a formal recommendation identifying all outstanding invoices likely to be uncollectible.

Step 3 — Legal Review. Staff shall provide lease agreements and other supporting documentation to Legal Counsel to evaluate collection options and determine the cost-benefit of further legal action (e.g., surety bond demands, bankruptcy claims).

Step 4 — Documentation Required. Each proposed write-off shall be documented with:

- Tenant/debtor name
- Amount of the write-off
- Reason for write-off (e.g., bankruptcy filing, cessation of operations, exhausted collection efforts)
- Evidence of collection efforts made
- Legal Counsel assessment, if applicable
- Fiscal impact statement (effect on airline landing fees, terminal rental rates, or net revenues, as applicable)

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4. APPROVAL ROUTING

Step 5 — President/CEO Review. All proposed write-offs shall be submitted to the President/CEO for review and approval.

Step 6 — Audit Committee Submission (amounts exceeding $25,000). Where the proposed write-off exceeds $25,000, the item shall be:

- Placed on the agenda of the next regularly scheduled Audit Committee meeting, with at least three (3) working days' written notice as required by NRS Chapter 241 and the Charter.
- Accompanied by a written staff report containing the documentation listed in Step 4 above.
- Presented by the Chief Finance and Administration Officer or designee.

Step 7 — Audit Committee Action. The Audit Committee shall review the proposed write-off and take one of the following actions, recorded by individual member vote in the meeting minutes per NRS 241.035:

- Approve the write-off as presented
- Approve with conditions
- Deny and return to staff with direction
- Table pending additional information

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5. REPORTING TO THE FULL BOARD

Step 8 — Administrative Report. Following Audit Committee approval, an Administrative Report shall be submitted to the full Board of Trustees within *[30 days — consistent with historical practice under Resolution No. 305]* , summarizing:

- The write-off(s) approved
- The Audit Committee's action and vote
- The fiscal impact

Step 9 — Annual Report. The Audit Committee's Annual Written Report to the full Board, required under Charter Section 7.01, shall include a summary of all write-offs reviewed and approved during the year. The annual report shall specifically state that the Committee has reviewed the status of all audit findings and the adequacy of the RTAA's internal control framework.

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6. RECORD-KEEPING AND OPEN MEETING LAW COMPLIANCE

- All Audit Committee meetings at which write-offs are considered are public meetings subject to Nevada Open Meeting Law, NRS Chapter 241.
- Written minutes of each meeting shall be kept per NRS 241.035, including the date, time, place, members present and absent, substance of matters discussed, and a record by individual member of votes taken.
- Audio recordings of all meetings shall be retained for at least **three (3) years** after adjournment.
- All Administrative Reports and supporting documentation shall be filed with the Board Clerk and retained per RTAA records retention policy.

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7. FISCAL IMPACT DISCLOSURE

Each write-off report shall include a fiscal impact statement noting that the write-off of accounts receivable affects airline landing fee and terminal rental rates, as the Authority and airlines share net revenues from airport operations, and any loss of revenue originally booked when the account receivable was billed will increase airline costs and lower net revenue available to the Authority.

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8. WHISTLEBLOWER / COMPLAINT REFERRALS

If a write-off arises from or reveals suspected fraud, waste, abuse, or misconduct, the matter shall be referred to the Audit Committee under the confidential complaint procedures required by Charter Section 6.04. The Internal Audit function shall promptly communicate significant fraud risks or control deficiencies to the Audit Committee.

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9. PROCEDURE REVIEW

This procedure shall be reviewed by the Chief Finance and Administration Officer and the Internal Audit function at least every two (2) years, consistent with the Charter's review cycle under Section 8.01, and any recommended amendments shall be presented to the Audit Committee and, if material, to the full Board of Trustees for approval.

Reno-Tahoe Airport Authority

DRAFT Whistleblower and Complaint Procedures

Proposed for Audit Committee Review and Adoption

Adopted: _____ Effective: _____

1 Purpose and authority

These procedures establish a process for receiving, retaining, assessing, investigating, and resolving complaints concerning accounting, internal accounting controls, auditing, financial fraud, waste, abuse, or misconduct. They support Section 6.04 of the RTAA Audit Committee Charter adopted under Resolution No. 580 in August 2026.

The Audit Committee oversees this process. The Internal Auditor administers it unless a conflict requires an alternate administrator. These procedures do not expand the Committee's authority beyond the adopted charter, Board delegations, or applicable law.

2 Covered concerns and referrals

Employees and other persons may report suspected or actual concerns, including:

- Questionable accounting, financial reporting, or auditing practices.
- Internal accounting control deficiencies, circumvention of controls, or senior management override.
- Financial fraud, theft, misuse of resources, waste, abuse, or financial misconduct.
- Retaliation for reporting a concern or participating in a review under these procedures.

A reporter need not prove wrongdoing or determine the correct reporting category. Matters outside this scope, including employment grievances, discrimination, harassment, or safety concerns, will be referred promptly to the appropriate function. Before referral, the administrator will check for conflicts and limit disclosure to information needed to address the matter. Any financial or retaliation component remains subject to appropriate oversight under these procedures.

Immediate threats to health or safety should be reported through emergency channels. These procedures do not restrict lawful reporting to regulators, law enforcement, or other authorized external bodies.

3 Reporting channels and information

Employees may bypass their supervisor and management. Reports may be named or anonymous and may be submitted through any operational channel listed in the employee reporting notice.

Before these procedures take effect, RTAA shall complete and publish the following contact information and provide at least one operational anonymous reporting channel:

- Internal Auditor: [designated mailing address and secure contact method].
- Audit Committee Chair: [designated direct mailing address and secure contact method].
- Alternate recipient for conflicts: [Board Chair or other authorized, unconflicted recipient and direct contact information].

- Anonymous reporting channel: [designated hotline number, website, or anonymous written submission address]. Identify whether two-way anonymous communication is available.

Only channels that are operational may appear in the employee reporting notice. Anonymous written reports may be submitted without a name or return address; follow-up may be impossible without a secure way to communicate. If a reporting system supports two-way anonymous communication, reporters should retain the case number or access credentials.

Reports should describe what occurred, relevant dates, persons involved, available supporting records, and any immediate risks. Reporters should preserve records already lawfully available to them and should not conduct their own investigation or obtain records through unauthorized access.

4 Confidentiality and anonymity

An anonymous report does not identify the reporter. A confidential report may identify the reporter, but access to that identity and case information is restricted to persons with a legitimate need to know.

RTAA will protect identities and case information to the extent permitted by law and consistent with a fair and effective investigation. Absolute confidentiality or anonymity cannot be guaranteed. Disclosure may be necessary for investigation, due process, legal obligations, or lawful records requests. The designated records officer and legal counsel will evaluate disclosure requirements and applicable protections before release.

5 Conflicts and alternate handling

No person implicated in a complaint may control its receipt, assessment, investigation, disposition, or related records. Recipients shall disclose actual or perceived conflicts promptly and recuse themselves as appropriate.

- Complaints involving senior management shall be routed directly to the Audit Committee Chair and Internal Auditor, excluding any implicated person.
- Complaints involving the Internal Auditor shall bypass the Internal Auditor and be handled by the unconflicted Audit Committee Chair with independent support as needed.
- Complaints involving the Audit Committee Chair shall bypass the Chair and be routed to the designated alternate recipient.
- If the usual recipient, alternate recipient, or legal counsel is implicated or conflicted, an authorized, unconflicted Board representative shall arrange independent handling and, when appropriate, independent counsel.

The alternate administrator assumes the case administration and records responsibilities assigned to the Internal Auditor. Access permissions and reporting distribution shall be adjusted accordingly.

6 Receipt and preliminary assessment

The administrator shall record each complaint upon receipt in a restricted case log using a unique case number. The log shall include the receipt date, submission method, general allegation, assigned administrator, conflict assessment, risk level, status, key dates, and disposition. Reporter identities shall be kept separately where practicable.

When a secure means of reply is available, receipt shall be acknowledged within five business days. The acknowledgment shall explain the next step and the limits on confidentiality and status information.

A preliminary assessment should be completed within 10 business days of receipt. It shall address scope, credibility of available information, conflicts, urgency, evidence preservation, referral needs, and proposed next steps. Any delay and revised target date shall be documented. Anonymous reports shall be assessed on their substance rather than rejected because the reporter is unidentified.

The unconflicted Audit Committee Chair or alternate recipient shall be notified promptly of each covered complaint through a secure channel. Credible indications of ongoing material loss, evidence destruction, retaliation, senior management involvement, or another urgent risk shall be escalated immediately. Evidence preservation and authorized protective measures shall not await a scheduled Committee meeting.

7 Authorization and investigation

The preliminary assessment shall recommend investigation, referral, a request for additional information, or closure with a documented reason. The Committee shall authorize investigations or act through an express, lawful delegation.

Before adoption, the Committee shall document who may authorize action between meetings, select investigators, and approve expenses. The delegation must identify its scope, spending limit or approved funding source, required consultation, reporting requirements, and matters reserved to the Committee or Board. The Chair has no unilateral investigative or spending authority merely by holding that position.

Investigators shall be independent of the matter and have appropriate skills and capacity. The Committee or authorized delegate may assign the Internal Auditor or engage outside investigative, legal, forensic accounting, or technology support within authorized procurement and spending authority. Legal counsel shall advise on required notifications, employment considerations, potential criminal conduct, and external referrals.

An investigation plan shall define the allegations, scope, investigator, anticipated timing, evidence needs, reporting arrangements, and safeguards. Investigators shall document work performed, preserve relevant records and metadata, restrict access, and provide a fair opportunity for relevant persons to respond. An allegation alone is not a finding of wrongdoing.

Investigators shall provide status updates to the unconflicted oversight recipient at agreed intervals and promptly communicate significant emerging risks. Management may assist when appropriate but shall not direct or restrict an investigation of its own conduct.

8 Findings corrective action and closure

The case file shall document the allegation, investigative work, evidence, conclusions and limitations, referrals, and recommended corrective actions. Outcomes shall distinguish substantiated, unsubstantiated, and inconclusive allegations. An unsubstantiated allegation does not establish that a report was knowingly false.

Management shall identify an owner and target date for each accepted corrective action. The Internal Auditor or alternate administrator shall track progress and verify implementation where appropriate. Significant unresolved findings, overdue actions, or management disagreement shall be escalated to the Committee and, when warranted, the Board.

The Committee or its expressly authorized, unconflicted delegate shall approve case closure and document the basis. Closing an investigation does not end tracking of outstanding corrective actions. New relevant evidence may warrant reopening a case.

When a secure reply channel is available, the reporter shall receive an appropriate status or closure notice. Details may be limited to protect privacy, investigative integrity, and legal obligations; personnel or disciplinary outcomes will not routinely be disclosed.

9 Nonretaliation

RTAA prohibits retaliation, intimidation, threats, or adverse action against a person for honestly reporting a concern or assisting in an assessment or investigation. Protection applies even when a concern is not substantiated. Knowingly making a false statement or deliberately fabricating evidence is not protected; an error or unproven allegation alone does not establish bad faith.

Suspected retaliation may be reported through any listed channel, including directly to an unconflicted Chair or alternate recipient. Retaliation allegations shall be assessed promptly, assigned to an unconflicted reviewer, and investigated as appropriate. Authorized interim measures may be used to protect affected persons and preserve evidence. Confirmed retaliation shall be addressed through applicable personnel or other corrective processes.

10 Records security and retention

The administrator shall maintain complaint and investigation records in secure storage with access limited to authorized, unconflicted persons. Records shall include the complaint, acknowledgments, assessments, authorization, evidence, work performed, findings, communications, closure approval, and corrective action follow-up. Arrangements shall provide for continuity if the administrator is absent or leaves RTAA.

Complaint and investigation files shall be retained under the applicable RTAA records retention schedule, as confirmed with the records officer and legal counsel. Destruction shall be suspended when records are subject to a legal hold, pending investigation, litigation, audit, or other applicable preservation requirement.

Committee meeting records are separate from case files. Minutes, recordings, and transcripts shall be maintained under applicable meeting-record requirements, including NRS 241.035. The statutory three-year minimum for meeting recordings or transcripts is not the retention period for complaint and investigation files.

11 Committee meetings and reporting

Committee consideration of complaints shall comply with Nevada Open Meeting Law, including applicable agenda, notice, and records requirements. These procedures do not independently authorize executive or closed sessions. Legal counsel shall determine whether a particular discussion may lawfully occur in closed session and identify any required notices or limitations before it is scheduled.

Sensitive case materials shall not automatically be included in public meeting packets. The administrator, records officer, and counsel shall determine appropriate reporting and lawful disclosure. This does not authorize withholding records contrary to law.

At least quarterly, the Committee shall receive a summary of complaints received, pending cases and aging, dispositions, significant findings, and overdue corrective actions. Urgent matters shall be reported sooner. Reporting shall limit identifying details as appropriate and distinguish restricted case information from information suitable for public reporting.

The Committee's annual report to the Board should summarize oversight of this process, significant themes, and unresolved matters consistent with the adopted charter and applicable disclosure requirements. Oversight shall also consider controls performed directly by senior management and controls intended to prevent or detect management override.

12 Implementation and periodic review

Before adoption, RTAA shall finalize reporting contacts and an anonymous channel; establish alternate handling and access arrangements; approve any delegation and investigation funding; confirm the applicable retention schedule; and have legal counsel verify charter references and the meeting, confidentiality, and disclosure provisions.

After adoption, RTAA shall communicate the procedures to employees and make reporting instructions readily accessible. The Internal Auditor or alternate administrator shall review the process at least annually, test that reporting channels work, and recommend changes to the Committee. Substantive revisions require approval by the authorized governing body.