

Finance Committee

Purpose:

- **Reports to:** Board of Directors and coordinates all work with the Executive Director of FHANA. The finance committee is responsible for assisting the board in ensuring the organization is financially viable and meeting its fiduciary and compliance responsibilities.
 - **Internal Controls and Accountability Policies:**
 1. Monitor income and expenditures against projections
 2. Create, approve, and update (as necessary) policies that help ensure the assets of the organization are protected.
 3. Ensure policies and procedures for financial transactions are documented in BoardEffects, and the manual is reviewed annually, and updated as necessary.
 4. Ensure that the budget accurately reflects the needs, expenses, and revenue of the organization.
- Although the entire board carries fiduciary responsibility for the organization, the finance committee serves a leadership role in this area, making sure appropriate internal control procedures for all financial transactions are documented in BoardEffects and followed by staff. The committee should also play a role in determining and updating bank account signatories as well as overseeing all legal and governmental filing deadlines are met.
- Finance committees are also often charged with ensuring compliance and/or developing other policies that further serve to protect the organization and manage its exposure to risk. These include establishing policies surrounding:
 - Personnel policies
 - Executive compensation packages (in the absence of a separate human resources committee)
 - Long-term contracts or leases
 - Loans or lines of credit
 - Internet use and computer security
 - Capital purchases
 - Disposition of donated stock
 - Insurance requirements and reviews
 - Record retention
 - Gift acceptance
 - Investments and savings accounts
- **Staff to the Committee:** The committee shall consist of 4-7 members as appointed by the Board of Directors. One of the members shall be appointed as Committee Chair by the Board of Directors. The Committee shall also have one Board member as the Liaison for the Committee. The Executive Director shall also support the Committee as needed and directed by the President of the Board of Directors.
- **Committee membership and operations:** Members of the committee shall have experience in finances and non-profit organizations. All committee work is done in partnership with and through the leadership and enabling of assigned staff. The committee does not usurp the authority of the Board, and neither directs nor oversees staff.
- **Frequency of meetings:** Ten times annually via teleconference (or other media as applicable), or as additionally needed to support the mission.

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