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FINANCE COMMITTEE COMMISSION-SAMPLE

Commission

The Finance Committee is commissioned by the Board of Directors and responsible for assisting the board in ensuring the organization maintains good fiscal health.

The Finance Committee is a standing committee of the Board of Directors and meets on a monthly basis. It receives its authority from the board and its actions are subject to review and approval by the board. The committee has the authority to establish ad hoc groups from time to time as may be necessary to carry out its work.

Composition

The Chair of the Board of Directors shall appoint the Chair of the Finance Committee. The Committee Chair shall be a member of the Board. The Committee shall be composed of 6-10 members. The Committee Chair, in consultation with staff, shall appoint other members of the Committee. The term of service shall be three years. A Vice Chair will be appointed from the committee.

Duties

1. Ensure that accurate and complete financial records are maintained.
 - Monitor income and expenditures against projections.
 - Review and recommend financial policies to the board, including ensuring adequate internal controls and maintaining financial records in accordance with standard accounting practices.
2. Ensure that accurate, timely, and meaningful financial statements are prepared and presented to the board.
 - Present quarterly or monthly financial statements to the board.
3. Budget and oversee financial planning.
 - Propose for board approval a budget that reflects the organization's goals and board policies.
 - Ensure that the budget accurately reflects the needs, expenses, and revenue of the organization.
4. Safeguard the organization's assets.
 - Review proposed new funding for financial implications, recommending approval or disapproval to the board.
 - Ensure that the organization has the proper risk management provisions in place, including appropriate insurance coverage for the organization and for the board.
5. Help the full board understand the organization's financial affairs.
 - Ensure that the board as a whole is well-informed about the organization's finances.
 - Take measures to educate the board on areas that need further explanation.
6. Ensure compliance with federal, state, and other requirements related to the organization's finances.
 - Ensure that the organization maintains adequate insurance coverage.
 - Ensure that the IRS Form 990 or any other forms required by government are filed completely, correctly, and on time.