

# **Charter for the Finance Committee**

## **1.0 Purpose**

The Finance Committee is responsible for consulting with the President and CFO on the corporation's financial policies and controls; for reviewing, making recommendations and ensuring the soundness of the corporation's Investment Policy and its implementation; and for providing oversight of the financial audit process. The Finance Committee shall only be delegated the powers and authority, if any, from the Board as specified below; and for any other work or matters requested by the Board, the Finance Committee will work to refer any actions or information for consideration by the Board.

## **2.0 Composition of the Committee**

The Committee shall consist of the Treasurer and three other members from the Board of Trustees. The Treasurer shall serve as the Committee Chair, and another trustee member of the Committee selected by the Committee Chair shall serve as the Vice Chair. The President shall serve as a non-voting ex-officio member of the Committee. The CFO and COO will serve as committee liaisons in an advisory capacity.

When requested, the General Counsel will provide advice to the Finance Committee.

## **3.0 Scope of Responsibilities**

The Committee has responsibilities in three overall areas: Finance, Investment, and Audit. The Committee shall report to the Board regarding actions taken in fulfilling these responsibilities.

### **3.1 Financial Responsibilities**

The Committee shall:

1. Review, at least annually, ARIN's fee structure and make recommendations to the Board on any fee changes, if necessary.
2. Review ARIN draft budget materials and make recommendation to the Board for approval, as appropriate.
3. Have the specific duty to review any unbudgeted financial support from ARIN for outside organizations.
4. Have the specific duty to review any reported or potential discrepancies in ARIN's tax compliance with regulatory authorities.
5. Provide advice to the CEO regarding proposed changes to financial controls.
6. Make recommendation to the Board of Trustees as needed for the placement of a line of credit or any other loans.
7. Review ARIN quarterly financial reports, and
8. Review ARIN draft IRS Form 990.

### **3.2 Investment Responsibilities**

The Committee shall:

1. Make recommendations to Board as needed for the hiring and dismissing of the investment consultant and, as necessary, the investment custodian.
2. Oversee the work and assess the performance of investment consultants.
3. Receive and review quarterly reports of investment plan performance, and
4. Review the Investment Policy Statement on an annual basis, and make recommendations to the Board of Trustees for changes as needed, including but not limited to:

New allocation of monies between the funds,

- a. Change the percentages in the funds among the asset classes; and,
- b. Direct changes to individual investments, as required.

### **3.3 Audit Responsibilities**

The Committee shall:

1. Act on behalf of the Board of Trustees to hire and dismiss financial auditors.
2. Review the financial auditor report.
3. Receive copies of all correspondence between financial auditor and ARIN, directly from the auditor.
4. Receive a copy of the financial auditor's comments and adjustments, directly from the auditor.
5. Meet with financial auditors directly.
6. Present the financial audit report to the Board of Trustees, for their acceptance; and,
7. Act on behalf of the Board of Trustees to hire and dismiss outside independent experts for opinions on financial audits and ARIN's books as needed.