

## CAFP Finance Committee

The CAFP Finance Committee (CFC) is responsible for conducting financial oversight and enhancing transparency for the organization. Although the entire board carries fiduciary responsibility for the organization, the finance committee dedicates additional time to examining questions relating to the financial health of the organization. The CFC makes recommendations to the CAFP Board of Directors (BOD) on financial issues including budgeting, financial planning, and financial reporting. The CFC is responsible for making sure appropriate internal control procedures for all financial transactions are documented and followed. The CFC also acts as a liaison to the BOD, translating and interpreting financial information.

### **Responsibilities**

#### ***Budgeting***

- Review annual operating budget with staff and make recommendation to BOD.
- Develop multi-year operating budget adjustments that allow for implementation of strategic plan objectives and initiatives.
- Monitor adherence to the budget.

#### ***Financial planning***

- Review investment performance.
- Review, assess and improve the CAFP investment strategy and policy.
- Assess staff recommendations regarding hiring and evaluating the investment managers/advisors.
- Develop long-range financial goals.
- Work with staff and advisors to review and update the CAFP investment policy including any socially responsible investment goals, the performance objectives of the investment portfolio and guidelines on the asset allocation of the portfolio.
- Ensure on-going compliance with the investment policy.

#### ***Financial reporting***

- Help develop and monitor internal controls.
- Work with staff to review and modify report formats as needed.
- Present the financial reports to the CAFP BOD.

#### ***Internal controls***

- Review and update policies that protect CAFP assets and ensure transparency including policies pertaining to capital purchases and insurance requirements.
- Ensure policies and procedures for financial transactions are documented, reviewed, updated and followed.

## **Committee Structure**

### ***Members, Terms and Appointment Process***

Members will be selected by the Executive Committee in consultation with the CAFP CEO.

CFC members may serve up to (three) two-year terms. Founding member initial terms will be staggered to ensure continuity, and thus may be extended for up to one year.

- Chair: CAFP Secretary/Treasurer shall serve as chair of the finance committee. The chair will serve as principal liaison between the committee and the full BOD. The chair will work with the CEO to set agendas and ensure materials are developed and distributed in a timely manner. As Secretary/Treasurer, the Chair will present financial reports to the BOD at quarterly Board meetings.
- Vice Chair: Member of the CAFP BOD
- Two Members from the CAFP BOD
- Two At-Large Members
- CAFP CEO – non voting

### ***Committee Member Requirements***

Committee members must have an interest in and commitment to understanding non-profit finance rules and practices. Committee members must also have a commitment to accountability and the long-term financial stability of the CAFP.

Committee members must attend all meetings unless an absence is approved in advance by the Chair.

### ***Decision Making***

The CFC serves in an advisory capacity to the Board and Executive Committee. All recommendations from the CFC require a majority (no less than four) vote.

### ***Meetings***

The CFC may assist the secretary/treasurer in reviewing and approving financial reports in advance of quarterly CAFP BOD meetings. The Chair may call for a phone meeting to review the financials or allow for questions and approvals by e-mail.

The CFC will meet annually by phone, video conference or in-person to review and discuss the budget prior to submission to the full BOD for approval.

Other meetings may be called by the Chair to discuss specific issues.