



Finance Committee Charter

August 9, 2016 – Updated November 2018

NERCOMP Board members have approved the following charter documenting the Finance Committee procedures and expectations for its work. This Charter is subject to the bylaws and the decisions of the NERCOMP Board of Trustees. The Finance Committee is a Standing Committee of the NERCOMP Board in accordance with NERCOMP bylaws Article VIII, Section 2.

Committee Charge: The Finance Committee will recommend a financial plan and budget for approval by the Board each year. In addition, the Finance Committee sets investment policy and recommends investment strategy. Members will advise and seek approval from the Board for substantive changes in either investment policy or strategy. The Finance Committee will advise the Treasurer and the Board on the financial impacts of new operational projects and on financial strategies and best practices to achieve financial goals. The Finance Committee will assist the Treasurer and Executive Committee in monitoring the overall financial health of the NERCOMP organization.

Leadership Appointment:

The Standing Chair of the Finance Committee shall be the NERCOMP Treasurer in accordance with NERCOMP bylaws Article VII, Section 3,d. Subcommittee Chairs may be either Board or non-Board members. The Director of Operations staff member shall be considered an ex-officio, non-voting member of the Committee.

Responsibilities of Chair:

The role of the chair is to provide leadership and accountability for the planning and coordination of the Finance committee to fulfill its charge. Specific responsibilities include, but are not limited to, the following:

- Liaison with NERCOMP staff to create and distribute agendas and relevant materials in advance of meetings
- Lead/manage meetings to ensure agenda items are addressed, action/follow-up items are clearly identified and assigned, and all voices are heard
- Be accountable, and hold members accountable, for committee activities, including decision-making and deliverables
- Ensure committee work is progressing in a timely manner and aligned with the NERCOMP Strategic plan and goals
- Provide updates to the Board on Committee activities upon request

[Note: Delegation of tasks is acceptable as long as the chair is accountable and ensures completion.]

Committee Members' Role: Finance Committee members will participate in all scheduled Finance Committee meetings (preferably missing no more than one per year), review provided meeting materials, provide comment and expertise on financial matters, research financial resources or services as needed, reach out to colleagues to consult on strategies and best practices, and keep up to date on the current financial status of NERCOMP as well as any relevant financial concerns or decisions.

Membership, Selection and Term Length:

- *Membership:* The Finance Committee shall consist of no less than 2 Board members plus an additional number appointed from outside Board membership, as needed. The Director of Operations will serve as the assigned staff member on the Committee.
- Membership reflects NERCOMP members with substantive financial experience and expertise, either as individuals who have served as former NERCOMP Treasurers or in roles of significant financial responsibility in member institutions.
- *Selection:* Board members make committee commitments in April after the election of Officers. Potential non-Board members are appointed by the Finance Committee Chair by July or as needed.
- *Term Length:* Members are expected to serve a two-year term at a minimum. Appointments are renewable at the discretion of the Finance Committee Chair for up to four additional years (two additional terms). Ideally, after six consecutive years, members rotate off the Committee for a period of at least one year before beginning a new term of service.

Meetings:

The Committee meets as determined by the Finance Committee Chair and membership, no fewer than four times per year, either virtually or face to face.

Decision-making and Procedural Details:

In accordance with NERCOMP's Bylaws, one-half of the total Committee membership shall constitute a quorum and the vote of a majority of the Committee members present at any meeting at which there is a quorum shall constitute an act of the Committee.

Responsibilities of Members:

Members of the Finance Committee are expected to participate actively in all activities of the Committee. Additionally, they are expected to serve as representatives and advocates of NERCOMP in general. Attendance and assistance at the Annual Conference are also encouraged. As these activities represent a significant time and financial commitment, potential members are asked to carefully consider their involvement prior to joining the Finance Committee, including discussing their involvement with their supervisors. Members failing to meet these responsibilities may be removed at the discretion of the Committee Chair.

Reporting:

Based on the work of the Committee, the Committee Chair will provide regular feedback to the Board at least four times per year. In accordance with NERCOMP's Bylaws, the Finance Committee will provide a record of each meeting to the Board, as well as make other reports as requested by the Board.

