



Book	BYLAWS AND POLICIES
Section	6000 FINANCES
Title	FINANCE COMMITTEE CHARTER
Code	6100
Status	Active
Adopted	September 15, 2020

## 1) **PURPOSE**

The Finance Committee shall serve as an advisory committee to the Board of Directors (“Board”) for Edison School of the Arts (“School”) but shall not take official action on behalf of the Board. The Finance Committee has the primary purpose of advising the Board on matters related to Board policies, specifically as they relate to Investment, Debt Management, and Internal Controls, and general support for ensuring financial stewardship of district resources. The Finance Committee shall be governed by this charter, all other applicable Board policies, and relevant state statutes.

## 2) **ADVISORY AUTHORITY**

- a) The Finance Committee serves as an advisory committee to the Board. Its mission and membership are consistent with the bylaws and policies of the Board.
- b) The Finance Committee shall advise the Board on matters related to the School’s investments, its short-term and long-term obligations, and appropriate internal control procedures consistent with the School’s finance policies.
- c) The Finance Committee shall have regular quarterly meetings. Additional meetings may occur as needed. A quorum shall consist of 50% (rounded to the nearest whole number) of the existing voting members.
- d) To facilitate preparation for Finance Committee meetings, all efforts should be made to provide to members the agenda and associated materials a week in advance of each regular meeting, as circumstances allow. If a special meeting is called, the agenda and materials should be available upon calling and noticing the meeting, at least 48 hours in advance.



- e) The Finance Committee is advisory to the Board and will present reports to the Board that may include dissenting viewpoints. Whenever a recommendation of the Committee on a substantive issue is reported to the Board, and the recommendation is not unanimous, the basis of the majority and minority positions should be brought to the attention of the Board.

### **3) COMPOSITION**

- a) The Finance Committee shall be composed of not less than two (2) or more than five (5) voting committee members, who shall be appointed by the Board President as provided in this section. The Finance Committee shall at all times include the Board Treasurer, who shall serve as the chair of the Finance Committee, appointed annually by the Board President.
- b) Finance Committee Members shall be appointed by the Board President upon the nomination by the Executive Director or the Treasurer.
  - i) In selecting Finance Committee members, emphasis should be upon persons with diverse relevant experience in financial management or who have retired from finance-related professions.
  - ii) When nominating new Finance Committee members, the Finance Committee may provide input to the Board President and provide the names of potential nominees for membership with the preferred experience.
- c) Finance Committee members serve in a voluntary capacity. If a vacancy exists, the remaining Finance Committee members and the Executive Director may at their discretion make recommendations to the Board President to fill the vacancy for the remainder of the term.
- d) After the initial appointments forming the Finance Committee, Finance Committee members shall serve three-year terms, with a maximum of two consecutive terms. Ideally, the Finance Committee shall consist of three classes, appointed annually, with overlapping three-year terms.
- e) Finance Committee members are expected to make every effort to attend all quarterly and special-called meetings, in person, telephonically or virtually, and will be removed automatically should they miss two (2) consecutive regular meetings, unless, by request of the member, the Treasurer grants leave due to personal, business, or family emergency.
- f) The Executive Director and other designated staff as requested by the Finance Committee, should attend all meetings to answer questions and provide information to the Finance Committee as needed. The Executive Director shall serve as the staff liaison and provide support for the Finance Committee.



#### **4) KEY AREAS OF ADVISORY RESPONSIBILITY**

- a) Recommending a budget aligned to the School's strategic priorities
  - i) Works with the Executive Director to prepare and recommend an annual budget for the Board's consideration and approval
  - ii) Ensures the annual budget is prepared in a timely manner
- b) Overseeing the School's financial resources
  - i) Reviews financial statements regularly to monitor progress throughout the year, and suggests adjustments as required
  - ii) Identifies short- and long-term financial challenges before they become urgent issues
  - iii) Serves as an ongoing resource and advisor to staff on financial issues
- c) Providing training or onboarding to ensure all Board members understand the School's finances
- d) Driving progress toward financial goals
  - i) Sets short- and long-term fiscal goals to ensure School sustainability and success
  - ii) Sets annual Finance Committee goals and regularly monitors progress
- e) Ensuring financial compliance
  - i) Confirms appropriate financial policies and procedures are in place and followed
  - ii) Recommends the selection of an auditor
  - iii) Meets with the auditor before the Board's audit review and approval
- f) Identifying actions needed to resolve complex financial issues
  - i) Determines whether the complexity or scale of financial operations requires the Finance Committee to split into two separate Board committees: Finance Committee and Audit Committee
  - ii) Recommends the creation of an Investment Committee when appropriate

#### **5) MEETING; QUORUM; CONFLICTS OF INTEREST; AND RULES OF PROCEDURES**

- a) Robert's Rules of Order shall serve as the general guide for the conduct of Finance Committee meetings. These meeting procedure rules may be



suspended for a meeting or portion thereof by a simple majority vote of a quorum of voting members present at the meeting.

- b) Finance Committee members may attend meetings and participate in meetings through the use of an interactive video and/or telephone systems. All members present, including those participating via video or telephone, may vote on matters before the Finance Committee.
- c) No Finance Committee member or any company in which the member may have a direct financial interest shall do business with the School, unless any direct or indirect conflict of interest shall be submitted in writing to the Finance Committee and Board, and the conflicted Finance Committee member does not participate in the vote or discussion of the matter.
- d) The Finance Committee's meetings shall be open to the public and subject to Indiana's Open Door laws. The Finance Committee will not receive public comment at meetings, but will accept public input submitted in writing for consideration.
- e) All documents maintained by persons in their capacity as Finance Committee members are subject to public disclosure unless otherwise exempt under Indiana law.
- f) A unanimous vote will be considered if all Finance Committee members voting (not abstaining due to actual or potential conflict of interest) audibly vote "yes", show by hands a "yes", or all those who are voting and present have indicated a "yes" vote, or if they remain silent it will be considered as consent with the approved action. However, if a member votes "no" audibly, or by a show of hands, it will then be considered a split vote. If a vote is evenly split between those in favor and those opposed to a measure, such tie vote shall defeat the measure. For each measure where a formal vote is necessary, the Treasurer or acting chair shall announce the vote, and the names of any member in dissent, after the vote is tabulated.