

**CHARTER OF
THE FINANCE COMMITTEE OF
THE GAMMA PHI BETA FOUNDATION**

Adopted: March 12, 2022

Section 1. Purpose. The Finance Committee (“Committee”) shall be a committee of the Gamma Phi Beta Foundation (“Foundation”). Its purpose shall be to provide advice and counsel to the Foundation Board of Trustees (“Board”) regarding, and oversight of, financial matters of the organization.

Section 2. Relationship to the Board. The Foundation Finance Committee Chair shall serve as a liaison between the Board and the Committee.

Section 3. Finance Committee Composition.

- (a) The Finance Committee shall be comprised of at least five (5), and no more than seven (7) members, including the Chair, at least three (3) of whom shall be Board members.
- (b) The Foundation chair, executive director and chief financial officer shall serve as ex officio, non-voting members of the Committee.
- (c) If needed and appropriate, and approved by the Board, the executive director may assign one member of the staff to the Committee and/or any of its subcommittees as an ex officio, non-voting member to serve as a liaison among the Committee and subcommittee members and Foundation staff.
- (d) Provided a majority of the members of the Finance Committee are Board members, the Board may, by Board resolution, authorize it or any of its subcommittees to act on behalf of the Board in overseeing the financial operations of the Foundation.

Section 4. Appointments and Terms of Office.

- (a) **Committee Chair.** The Committee chair shall be elected by the Board for a two (2) year term. She may serve no more than two (2) terms or four (4) consecutive years. The chair serves as an ex officio, voting member of the Committee and all subcommittees.
- (b) **Finance Committee Members.** The Board of Trustees shall elect at least four (4) individuals to serve on the Committee, with at least two (2) of said individual members of the Board. All Committee member terms shall be a one (1) year term commencing on August 1 and ending on July 31. Finance Committee members (other than the chair) may serve up to six (6) consecutive years.

Section 5. Expectations.

- (a) **Good Standing.** Gamma Phi Beta members who serve on the Committee and subcommittees shall be in good standing with Gamma Phi Beta Sorority.
- (b) **Confidentiality Statement and Conflict of Interest Policy.** The Committee chair and its Committee and subcommittee members shall be required to sign a Confidentiality Statement and a Conflict-of-Interest Policy annually.

Section 6. Job Descriptions.

- (a) **Finance Committee Chair.** The Finance Committee Chair shall work with the Foundation chair and Foundation staff to:
- (1) Lead the Finance Committee in its responsibilities pursuant to this charter.
 - (2) Develop an annual calendar of financial oversight work for the Committee and the Foundation.
 - (3) Working with the Foundation's chief financial officer, maintain the financial files for the Foundation, including final versions of all governing documents, policies and procedures.
 - (4) Review financial statements of the Foundation monthly providing input to Foundation staff, as appropriate.
 - (5) Review investment statements of the Foundation monthly, providing input to Foundation staff and investment advisor, as appropriate.
 - (6) Oversee request for proposal process for investment advisor no less than every five (5) years.
 - (7) Provide input on the request for proposal process for the external auditor no less than every five (5) years.
 - (8) Develop presentations to the Board and Committee and facilitate open communication.
 - (9) Schedule and chair all Finance Committee meetings.
 - (10) Establish the agenda for each Committee and subcommittee meeting.
 - (11) Ensure training for new Committee members.
 - (12) Solicit input from Finance Committee members on possible amendments to the finance charter at least annually. As appropriate, submit any proposed amendment(s) to the Board for approval.
 - (13) Provide leadership and direction to the Committee and any subcommittee in setting priorities, making assignments, establishing timelines, reviewing data and distributing information.
 - (14) Report periodically to the Board on activities of the Committee and its subcommittees, with written reports provided in accordance with the meeting homework schedule.
- (b) **Finance Committee.** The Committee shall work with the finance chair, Foundation chair and the Foundation staff to:
- (1) Overview of Responsibilities
 - a. Budgeting and Financial Planning
 1. Review and approve annual operating budget.
 2. Monitor adherence to the budget.
 3. Review financial statements of the Foundation monthly and provide input, as appropriate.

4. Review liquidity status on a regular basis.
 5. Review and recommend major capital expenditures or disposals.
 6. Set long-range financial goals along with finding strategies to achieve them.
 7. Develop multi-year operating budgets that integrate strategic plan objectives and initiatives.
 8. Present all financial goals and proposals to the Board for approval.
- b. Reporting
1. Develop useful and readable report formats with staff.
 2. Develop a list of desired reports noting the level of detail, frequency, deadlines and recipients of these reports.
 3. Work with staff to understand the implications of the reports.
 4. Present the financial reports to the full Board.
- c. Internal Controls and Accountability
1. Evaluate the need for an audit of internal controls. If necessary, create, approve and update policies and ensure policies and procedures are reviewed annually.
 2. Ensure policies and procedures for financial transactions are documents and reviewed at least annually. Ensure updates occur as necessary.
 3. Ensure approved financial policies and procedures are being followed.
 4. Review and recommend any changes in signature and wire transfer authority resolutions concerning financial and investment matters for approval by the Board.
- d. Audit and Tax
1. Recruit and select the auditor, including on a periodic basis, a third-party internal auditor.
 2. Review the draft audit and 990 before submitting to the Board for review. The Committee's review shall include discussion with management of significant issues recording accounting principles, practices and judgments, including any matters required to be communicated to the Committee by the independent public accountants under applicable professional standards.
 3. Coordinate the presentation of the audit report to the Board.
 4. Review the management recommendation letter, if applicable, from the auditor and ensure follow up on any issues mentioned.
 5. Review the Foundation's financial reporting policies and recommend appropriate revisions to the Board; periodically review the Foundation's compliance with such policies and report results to the Board.
 6. Approve the fees, as appropriate, to be paid to external auditors.
- e. Investments and Endowments

1. Review the investment, endowment distribution and administrative fees policies at least annually and recommend changes, if any, to the Board for approval.
2. Review investment statements of the Foundation monthly to determine compliance with the investment policy and provide input as appropriate view on an annual basis the ending year balances of all endowments.
3. Ensure provisions of the investment, endowment distribution and administrative fees policies are followed.
4. Recruit and select the investment advisor, including engagement in the Request for Proposal process no less than every five years.
5. Evaluate the performance of the investment advisor on an annual basis.

f. Other

1. When necessary, review business risks, including insurance coverage, pending or threatened litigation and public policy matters affecting the Foundation, including IRS and state attorney general activities not covered by other Committees.
2. Set annual goals and objectives of the Committee.
3. Perform other functions within the scope of the foregoing, which the Committee deems appropriate to undertake from time to time.
4. Evaluate Committee progress toward achieving its goals.
5. Set new goals based on the areas of focus in the Foundation strategic plan.
6. Develop plans of action and assign responsibilities and timelines for completion of work.
7. Develop recommendations for the Board to consider.
8. Annually review this charter and recommend appropriate changes to the Board
9. Recommend to the Board as appropriate custodian of the Foundation's assets, including bank relationships.

- (c) **Staff Liaison.** The Finance Committee will be assigned a staff liaison. The staff liaison role is to support the Finance Committee in preparing, supporting and executing on items outlined in the charter.

Section 7. Committee Meetings.

- (a) The Committee shall meet at a minimum quarterly, and as often as it deems necessary in order to performs its responsibilities. A majority of the voting members of the Committee shall constitute a quorum.
- (b) The vote of a majority of the voting members of the Committee present at a meeting at which a quorum was present shall be the action of the Committee.
- (c) When the Committee does not meet in person, its business shall be conducted via email, conference calls or other communication means.

- (d) The finance chair shall coordinate in-person meeting arrangements with the Foundation executive director and staff liaison.
- (e) The Committee shall deliver a report to the Board when requested, including a description of all actions taken and recommendations made by the Committee at the meeting, for review and consideration by the Board and subject to such further action by the Board as the Board deems necessary and appropriate.
- (f) The Committee shall keep written notes of its meetings.
- (g) Travel and other expenses on behalf of the Foundation shall be undertaken in accordance with the Foundation's administrative policy. The chair and Committee members are encouraged to cover as many of their meeting and other expenses as possible.
- (h) The Committee members may designate the Foundation as the recipient of any approved reimbursable and/or non-reimbursable expenses and receive credit for a tax-deductible donation. This gift shall be considered an unrestricted gift and credited toward her annual unrestricted recognition giving levels.

Section 8. Finance Committee Sub- Committees.

- (a) The Finance Committee may form additional subcommittees to perform specific tasks.
- (b) Any subcommittees shall follow the Committee meeting guidance in Section 7.

Section 9. Amendments to the Finance Committee Charter. Provided that they do not conflict with the Foundation Articles of Incorporation and Bylaws, the Finance Committee charter may be adopted, amended or repealed by a two-thirds (2/3) vote of the Board.