



**Purpose:**

The purpose of the Finance Charter is to advance the mission of the Education Foundation of Collier County – Champions For Learning (CFL) by providing financial leadership and guidance that preserves and protects the assets, ensuring the financial health of Champions For Learning. The three committees of this charter provide a comprehensive framework for financial governance. They ensure accurate financial reporting, compliance with appropriate regulations, effective risk management and strategic financial planning. The Endowment Committee independently manages assets, reports to donors, and utilizes funds according to donor intentions. In fulfilling their responsibilities, these committees provide oversight independent of management.

**Finance Committees:**

- Finance Committee
- Audit and Compliance Subcommittee
- Endowment Committee

**Committee Responsibilities and Membership:**

**Finance Committee**

The Finance Committee ensures financial health and stability by providing oversight of financial operations, developing and reviewing budgets and engaging in short-term and long-term financial planning. The Finance Committee ensures adequate internal controls, accurate financial reporting, and risk management. The Finance Committee oversees the annual audit process, ensures compliance with appropriate regulations and supports fundraising efforts through financial analysis. The policies of the committees will be reviewed annually, and revised documents presented to the Board for approval.

The Finance Committee is responsible for overseeing the items listed below:

- Review and approve the annual operating budget prior to the end of the organization's fiscal year for presentation to and adoption by the Board. Also review projected annual budgets for the following two years.
- Review the annual and quarterly financial statements of the organization to ensure that all assets, revenue, and expenses are properly accounted for, including inquiring about any policy or procedure changes that have been implemented by the finance staff.
- The Finance Committee may choose to review the check register, bank statements, journal entries, disbursements, payroll procedures, password policies, and any other records of the Organization that it deems appropriate to provide adequate financial controls.
- The Audit and Compliance Subcommittee operates under the oversight of the Finance Committee.



- Review and approve the annual audit of the organization for submission to, and adoption by the Board and assure all audit recommendations are implemented as reviewed by the Audit and Compliance Subcommittee.
- Ensure that the staff and members of the Board have the appropriate policies and procedures in place to be in compliance with audit requirements, standard policies required by grant providers and as deemed necessary to provide adequate compliance and governance. This will be reviewed on an annual basis with the auditors and should include staff interviews.
- Submits all financial reports to the Executive Committee and Board of Directors.
- Review and approve the investment advisor(s) used to manage the cash reserves. It is the responsibility of the committee to review the performance on at least an annual basis and to confirm that the operating procedures are in compliance with the Cash Management Policy. The review will include restricted and unrestricted assets, reserve funds, Florida Prepaid Scholarship funds, and the operating cash flow.
- Review and approve all bank accounts paying attention to the safety of assets, interest earned on the accounts for a given time period, and the overall CFL relationship with the institution.
- Review and recommend to the Board any transfer of funds from reserves to support operations, and the percentage of the available endowment to be transferred to operations after receiving the Endowment Committee recommendation.
- Confirm that all grants are expended in compliance with the grant maker's requirements.

#### Finance Committee Membership

- Chair – Board Treasurer
- Members: All members should have relevant experience and a strong commitment to the financial health of the organization to optimize Champions For Learning's future success.
- Two members will have membership on both the Finance Committee and the Endowment Committee,
- Ex- officio members: President and CEO, CDO and CFO
- Members are identified in the annual roster on the Board Portal.

#### **Audit and Compliance Subcommittee**

The Audit and Compliance Subcommittee functions as a subcommittee of the Finance Committee, providing independent oversight of financial reporting, internal controls, and external audit. The Audit and Compliance Subcommittee submits reports of their activities to the Finance Committee. Their actions are subject to review and approval by the Finance Committee.

The Audit and Compliance Subcommittee will execute the following functions:

- Select external auditors and oversees the external audit process.



- Facilitate financial communications between management, finance staff, external auditors, and the Board of Directors.
- Monitor internal controls and recommend improvements to prevent fraud and enhance accountability.
- Review the Gift Acceptance and Windfall Gift policies as gifts are made, to ensure compliance.
- Ensure compliance with CFL policy that employees, Board members, and recipients of services bring to the attention of the organization allegations of wrongdoing or malfeasance.
- Review and respond to reports of potential financial misconduct or noncompliance. Refer credible allegations to the Board Chair for appropriate action, including further investigation where determined appropriate by the Chair and/or Executive Committee.
- Ensure compliance with the record retention policy.
- Review the annual audit with the audit firm for approval by the Finance Committee, Executive Committee and Board of Directors.
- Consider the merit of extra audit procedures when the organization experiences a change in the President and CEO or the CFO.
- Consider a selection process of an audit firm every five years.

#### Audit and Compliance Committee Membership

- Chair – Board Treasurer
- Members: Include the Finance Committee members plus one additional member.
- Ex-officio members: President and CEO, CDO and CFO
- Members are identified in the annual roster on the Board Portal.

#### **Endowment Committee**

The Endowment Committee will maintain the long-term stewardship and sustainability of the endowment program. The committee is responsible for developing and maintaining an endowment program that grows the assets, ensures prudent management of the funds, reports the ongoing value of each gift to its contributor, and ensures that any gift is being utilized in the manner intended by the donor. It is Champions For Learning's responsibility to create an Endowment Investment Policy that is consistent with our mission and long-term goals, enabling Champions For Learning to be a catalyst for educational success.

The Endowment Committee responsibilities include:

- Recommend endowment funds annual payout to the Finance Committee on a timely basis so that it can be incorporated as part of the annual budgeting process. The annual payout must comply with donor intent and the approved Disbursement and Utilization Policy as established by the Board.
- Monitor and review the designated investment advisor's investment performance and compliance with our Endowment Program approved Investment Policy and report the



Committee findings to the Board of Directors on an annual basis. The Board of Directors has the sole authority to act on any Committee recommendations.

- Periodic oversight of the investment management and administrative costs attributed to our Endowment portfolio.
- Periodic review of the Endowment to determine if there is a need to modify structural elements to ensure that they meet the expectations of a highly successful program.
- Oversee and monitor the Endowment Program's various internal and external administrative responsibilities. This includes reporting to all donors on a minimum of an annual basis. This should include an update of the overall financial performance of Champions For Learning and a status report on the organization.
- Work effectively in conjunction with Champions For Learning's Development team to help optimize the long-term success of the overall program. This may include partnering to address potential endowment donor issues or questions, and/or participating in potential donor related meetings.
- It is the responsibility of the Committee to monitor and approve written policies for donor gifts to ensure that they are classified as intended by the donor, that the return earned or losses incurred is reported appropriately, and that program funding includes an allocation for operating costs.
- Coordinate with the Development Committee to ensure that policies and procedures, legal documents, and a checklist are established to facilitate processes for annual, planned, and capital gifts.
- Meet annually with Investment advisors to review investment performance.
- Consider an investment advisor selection process every five years.
- Review the Investment Policy annually and make recommendations to the Board of Directors.

#### Endowment Committee Membership

- Chair – As designated by the Board Chair
- Members: All members should have relevant experience and a strong commitment to the potential that a successful Endowment Program will provide to optimize the Champions For Learning's future success.
- Two members will have membership on both the Finance Committee and the Endowment Committee.
- Ex-officio members: President and CEO, CDO and CFO
- Members are identified in the annual roster on the Board Portal.

#### **Committee Leadership Responsibilities:**

- The Committee Chair and President and CEO will collaborate on setting a meeting schedule for the year
- The Committee Chair, Board Chair, and President and CEO will collaborate with Champions For Learning's leaders to develop a roster for the committee.



- An agenda and relevant materials shall be available to Committee members in advance of meetings.
- The Committee Chair or designee will facilitate the meetings.
- A staff designee will record official minutes in accordance with Robert's Rules of Order, documenting attendance, motions, votes, and key actions taken. Draft minutes will be posted to the Board Portal Committee page, If amended during approval, the final approved version will be reposted.
- Minutes of confidential executive sessions will be prepared by the Chair or designee in accordance with Robert's Rules of Order, documenting attendance, motions, votes, and key actions taken. Draft minutes will be sent to the Board Secretary and President and CEO and will be maintained securely and separately from regular meeting minutes. If amended during approval, the final approved version will be maintained securely and separately from regular meeting minutes.
- The Committee Chair and President and CEO will establish a reporting process and schedule as needed notification to other Board committees and/or the Board.
- The Committee Chair may invite relevant guests to attend meetings.