

Finance Committee Policy for Unitarian Universalist Fellowship of Bozeman, Montana July 14, 2017

Section A

Purposes

- I. This Policy implements the Bylaws of UUFB with regard to a Finance Committee.
- II. The Finance Committee is delegated the authority to act for the Board in fulfilling the Board's fiduciary duties by engaging in the activities identified in this Policy and by engaging in other activities assigned to the Committee by the the Board, within the limits established in this Policy and the Bylaws. The board remains accountable for the fiduciary activities of the fellowship.
- III. The basic responsibility of the Finance Committee is to oversee the activities of the UUFB to ensure its fiscal stability and long-term economic health. Board responsibility for the budget, financial reporting, audits, investments, and financial relationships such as banking shall be addressed by the Finance Committee.
- IV. The charge to the Finance Committee "is to oversee the general financial health of the congregation. Develop an annual budget for approval by the governing board and the membership based on the congregation's mission. Engage in long-range financial planning including investigating and suggesting additional sources of revenue (i.e grant, matching funds, planned gift giving, capital campaign, stewardship pledges, etc.) If applicable oversee management of investment portfolios."

Section B

Membership

1.
 - i. Except for any ex officio members, Membership on the Finance Committee must consist of at least three members of UUFB and may contain other non-members of the Fellowship. All of whom shall be appointed by the Board.
 - ii. The members of the committee collectively commit to be able to read and understand basic financial statements, including a balance sheet, income statement and cash flow statements and external audit or financial review report and shall otherwise possess the skills to fulfill the duties established in the bylaws and this policy.
 - iii. The members will understand the vision and mission of the Fellowship.
 - iv. The committee is authorized to provide education to the committee members in order to meet the requirements of this section.
2. The members shall be considered "independent" for the purposes of this Committee Policy if he or she:
 - i. Is not, and has not been for a period of at least three years, an employee of UUFB or any entity in which the UUFB has a financial interest;
 - ii. Does not directly or indirectly have a significant business relationship with UUFB, which, in the Board's judgment, might affect independence in decision-making;
 - iii. Is not employed as an executive of another corporation where any of

UUFB executive officers or employees serve on that corporation's compensation committee.

3. Chair and members
 - a. The UUFB Board will appoint the chair of the committee after entertaining recommendations from the committee.
 - b. If there is a campaign to raise funds the administrative structure will be determined by the Board
 - c. The treasurer of UUFB will be a member of the committee but not the chair and will function as the liaison to the board
 - d. The Finance Committee will have a minimum of 3 members
 - e. Members at large will serve three-year terms ideally with staggered terms. They must be off the committee for at least one year after serving two three-year terms
 - f. One of the members of the Stewardship Committee will be a member of the Finance Committee.
 - g. The minister will be an ex-officio member of the committee

Section C

Meetings and Procedures¹

1. The Committee shall establish and continuously update and revise a calendar that shows the month or other reasonable time frame within which basic functions of the Committee are expected to occur.
2. The Committee shall hold quarterly meetings and any additional meetings may be called by the Committee chair, the board or any two members.
3. The Committee shall maintain minutes of its meetings and provide them to the full Board at regularly scheduled meetings. The board shall incorporate the report of the Finance Committee into its written minutes.
4. The board shall discuss the financial status of the UUFB each quarter with the assistance of the reports prepared by the Treasurer and other inputs requested by the Board
5. The Committee will report to the membership the past and projected budgets at the annual meeting beginning the fiscal year.

Section E

Powers

- I. The duties and responsibilities of the Finance Committee shall include, at a minimum, the following:
 - i. Auditor or Financial Reviewer
 1. The Board shall select a working group of three members of the fellowship to act as financial reviewers of the financial reports on an annual basis. The committee shall present the results of this audit or financial review and any recommendations to the Board. It is further recommended that an external audit of UUFB finances be done no less than every five years
 2. There will be a review by the Board of the financial status whenever there is a new Treasurer

- ii. Internal Controls.
 - 1. The Finance Committee shall recommend internal control policies to the Board, consistent with sound financial practices recognized by the accounting industry for organizations of the size of the membership and shall oversee the implementation of sound internal controls by management. *See the previously passed board policy on Internal Financial Review for UU Congregations*
- iii. Financial Statements and Records.
 - 1. The Finance Committee shall oversee preparation and maintenance of the financial records of the UUFB and ensure that appropriate financial statements, including an account of major transactions and the financial condition of the UUFB are made available to the Board of Directors on a timely basis.— narrative summary monthly and full treasurer’s report quarterly.
- iv. Budget.
 - 1. The Finance Committee shall annually present a budget for approval by the Board of Directors of UUFB two months prior to the Annual Membership Meeting, and shall monitor performance against the approved budget, developing remedial action recommendations as required.
- v. Oversight of Investments, Grants, and Restricted Funds.
 - 1. The Committee shall recommend to the Board policies and procedures to make certain that UUFB manages investments, grants, and restricted funds in accordance with contractual requirements, legally enforceable donor restrictions, accepted accounting practices, and applicable law. The Committee shall be responsible for overseeing management’s compliance with such board policies and procedures and applicable enforceable obligations of the UUFB.
- vi. Financial Policies.
 - 1. The Finance Committee shall recommend and oversee financial policies and other policies within the scope of its responsibilities under this Policy to the Board. Any policy within the scope of its authority under this Policy that is approved by the Finance Committee shall go into effect after being presented to the full Board for its information and ratification.

Section G

Report to Board

- I. Any action taken by the Finance Committee between meetings of the Board shall be reported to the Board at the next meeting.

Approved by the Board of Directors on July 14, 2017