**(Sample/Template) Finance Committee Charter of The XYZ Foundation**

**(Approved on [Date])**

**General**

The Finance Committee is a standing committee of the Board of Trustees (the “Board”) of the XYZ Foundation (the “Foundation”) and shall be responsible to the Board.

**Purpose**

The Finance Committee shall assist the Board in financial oversight of the Foundation.

**Functions**

The functions of the Finance Committee shall include, but not be limited to:

* Working with the Executive Director to prepare a proposed annual operating budget for approval by the Board.
* Monitoring adherence to the operating budget.
* Preparing proposed amendments to the operating budget as may be necessary or appropriate for approval by the Board.
* Overseeing expenditures authorized by the Executive Director.
* Preparing proposed long-term financial goals consistent with strategies of the Foundation for approval by the Board.
* Preparing and managing internal controls, policies, and procedures.
* Monitoring compliance with legal and governmental filing requirements, deadlines, or disclosures.
* Assessing the adequacy of insurance policies and review of policies and compliance with requirements of insurance policies.
* Working with the Executive Director to identify and retain accountant(s) and auditor(s) upon approval of the Board.
* Reviewing the draft audit and working with the auditor regarding auditor’s exceptions.
* Presenting the final audit to the Board and making recommendations.
* Reviewing governmental filings including, without limitation, IRS form 990 and making recommendations.
* Overseeing investments of Foundation funds.
* Submitting a written report to the Board prior to each Board meeting including a summary of the financial condition of the Foundation.

**Membership**

The Finance Committee shall consist of up to eight (8) voting members. The Finance Committee may recruit up to five (5) additional non-board members to serve on the Committee. Members shall be appointed by the Board of Trustees for two (2)-year terms and shall be eligible for reappointment except that half of the initial committee members shall serve one (1)-year terms so that terms are staggered.

**Meetings**

The Committee shall meet as required, and normally hold a meeting prior to each Board meeting. The Committee may meet and act upon the vote of its members via telephone or other electronic communication equipment where all parties participating in the meeting can hear each other at the same time.

Non-board members on the committee do not have binding authority or voting power.