



*Members of:
American Institute of Certified Public Accountants
Virginia Society of Certified Public Accountants*

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ABC Sample NonProfit Organization Finance Committee Purpose & Responsibilities

I. Purpose

The Finance Committee will assist the SAMPLE NON-PROFIT Board of Directors in its oversight responsibilities relating to fiscal management. The Committee will consist of Board Members, the Treasurer will chair the committee and at-large community members will be selected as deemed necessary:

- a. Review and recommend approval of an annual operating budget;
- b. Regularly review financial results;
- c. Oversee the management financial assets;
- d. Review and evaluate internal controls and make recommendations.

II. Key Responsibilities

To fulfill its purposes, the Committee shall:

- a. Review and Approve an Annual Operating Budget:
Annually, the Committee will review the proposed annual operating budget for the ensuing fiscal year. After review and amendment, if necessary, the Committee will recommend a final operating budget to the full Board of Directors for approval.
- b. Review of the Financial Results:
Members of the Committee will receive and review financial statements consisting of the then current year-to-date: **1)** statement of financial position, **2)** operating statements, **3)** cash flows; and **4)** key financial performance benchmarks that the Committee deems relevant from time-to-time. These financial statements will be accompanied by a narrative from management highlighting any financial issues and, where necessary, management actions related thereto.
- c. Oversee the Management of Financial Assets
The Committee will consider the management of financial assets, their protection and sufficiency in order to determine the sustainability of the SAMPLE NON-PROFIT
- d. Review and Evaluate Internal Controls and make Recommendations
The Committee will periodically review and update SAMPLE NON-PROFIT'S accounting manual and determine the sufficiency of controls in order to protect the NON-PROFIT from fraud or abuse. It will make recommendations for improvements to the board of Directors
- e. In addition, at its regularly scheduled meetings, the Committee will also review the status of the SAMPLE NON-PROFIT'S financial condition and discuss, in detail, issues that emerge from the review.

III. Timely/Accurate Financial Information:

The Committee will continually review and advise management regarding the form, content and frequency of financial information necessary for it to fulfill its responsibilities

described herein. Further, to the extent necessary to inform decision-makers, the Committee may advise management regarding key financial information and performance indicators necessary to evaluate the various internal business units throughout the organization.