Finance and Audit Committee Charter

TYPE OF COMMITTEE: Standing

PURPOSE:

The purpose of the Finance and Audit Committee is to bring to the attention of the Council all issues regarding the society’s finances that require the Council’s consideration and action and to review and approve reports on the income, expenditures and investments of the society. The committee is responsible for oversight of the financial activities of the society.

COMMITTEE MEMBERSHIP:

- Ideal Size: The Finance and Audit Committee shall be chaired by the Treasurer and will consist of at least three additional members. The President and President-Elect shall be ex officio members of the committee without vote
- Term Length: Committee members will be chosen for a three-year term, which can be renewed, for a maximum of six consecutive years of service
- Membership Type(s): This committee may include nonmembers with significant professional experience in finance and/or accounting
- Approval Process: ASCB Treasurer serves as the chair of the committee. The Treasurer shall oversee the handling and disposition of the society’s funds and shall have authority to sign checks, contracts, drafts and other orders for payment

RESPONSIBILITIES AND DELIVERABLES:

- Active participation in two telephone/Zoom conference calls annually to make recommendations regarding the society’s audit approval (typically in early May) and annual budget (typically in early November) to the ASCB Council. Additionally, the committee evaluates the society’s financial status and expenditures, fiscal policies, financial practices, reserve fund strategies, and investment allocations (according to the society’s bylaws). These calls generally last three to four hours each and are held based on committee member availability
- Review of documents in preparation for calls. Materials are usually sent a week before the meeting through a password-protected website. Materials include previous year’s audit (for the May call) or the coming year’s budget (November) with financial statement, trend data, investment reports (with benchmark data), etc.
- Conduct interviews with external auditors concerning ASCB’s financial strengths and weaknesses, internal controls, and other factors that pertain to the integrity of the financial reports
- Review of management letters, including management responses addressing recommendations
- Review of proposals for prospective new auditors and recommendations to Council of the appointment of external auditors
- Selection and evaluation of investment financial advisor
Review of investment policy guidelines to ensure the society is following approved investment policy
Review of business plans for new programs and related policies, including internal control documents and unusual contracts and agreements
Review and recommendation to Council of all long-range financial plans

MEETINGS:

Members meet twice a year; in the spring to review the annual audit, and in the fall to review the annual budget.