

## **Finance Committee Charter**

### **Cornerstone Montessori Elementary School**

#### **General Purpose**

The Finance Committee is commissioned by and responsible to the Board of Directors. The Committee is formed to work with the Head of School and the school's Director of Business Operations to create the annual budget; present budget recommendations to the Board; monitor implementation of the approved budget on a regular basis and recommend proposed budget revisions; and recommend to the Board appropriate policies for the management of the school's assets.

#### **Appointments and Composition**

The members of the Finance Committee shall consist of the Treasurer of the Board, who shall serve as chair; the Chair of the Board, who is an ex-officio and non-voting member, but may be designated by the Finance Committee Chair as a voting member; and other directors and non-directors appointed by the Finance Committee Chair with the advice and consent of the Board in accordance with the school's bylaws.

#### **Responsibilities**

1. Prepare or cause to be prepared an annual budget for the school in collaboration with the Head of School and the school's Director of Business Operations. Select and recommend to the Board an accounting firm if using an outside contractor for this purpose.
2. Develop and annually revise a three-year financial forecast and develop long-range financial plans based on the forecast, including the use of any cash and invested fund balance.
3. The Head of School has flexibility in managing expenditures within the approved budget. The Finance Committee will review all non-budgeted expenditures (single or aggregate) exceeding \$10,000 and present same to the Board with a recommendation to approve or not approve. Non-budgeted expenditures less than \$10,000 (single or aggregate) are at the discretion of the Head of School.
4. Report to the Board of Directors at regular meetings of the Board, results for the most recent accounting period, year-to-date activity and forecasted cash flow for the end of the next reporting period.
5. Arrange for an annual audit of the school's financial operations and submit same to the Board of Directors for review and approval. Select and recommend to the Board an auditing firm if an outside contractor is used for this purpose.
6. Receive any funding requests from other committees or Task Forces of the Board in accordance with procedures established by the Finance Committee. Such requests will be reviewed by the Committee, including the HOS, the school's Director of Business Operations and the school's accounting firm, for impact on and alignment with the current or proposed budget. The Committee may approve the request, return it to the requestor for changes, or forward it to the full Board, with or without recommendation.

7. Monitor implementation of all grants received; the Advancement Committee shall keep the Finance Committee apprised of all grant applications submitted. Grants requiring school funding shall follow the funding request procedure set forth by the Finance Committee.
  
8. Annually evaluate the work of the Committee and its objectives as part of the Board's annual planning and budgeting process.

Approved: February 15, 2011

Revised: August 20, 2024

## **Finance Committee Funding Request Procedure**

Funding requests should first be reviewed at the requesting Committee or Task Force level with the Head of School or Director of Business Operations present at such review.

Such requests shall include, at a minimum, all of the following:

- a detailed statement of the purpose of the funding;
- the specific needs or goals being met by the requested funding;
- who will be doing the required work; and
- the estimated amount and timing of the funding requested.

Requests approved at the Committee or Task Force level may then be submitted to the Chair of the Finance Committee and the Board Chair (for informational purposes), in writing, at least ten (10) days prior to the next regular Finance Committee meeting. The Finance Committee Chair may determine when to put the request on the Committee's agenda or whether a special Committee meeting may be called for such consideration.

Approved: August 20, 2024