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Finance Committee Charge

Overview

The finance committee oversees the school's budget and asset management. This committee approves short- and long-term financial goals for the charter school, recommends and monitors a budget aligned with the school's strategic priorities, ensures compliance with strong policies, and raises financial concerns and solutions to safeguard the school's resources.

The finance committee includes the school leader, Chief Financial Officer (CFO), and at least three board members—one of whom serves as the committee chair. The committee meets at least once between every board meeting and submits committee minutes to the full board to communicate progress.

Purpose

The finance committee holds itself accountable for the following:

Recommending a budget aligned to the school's strategic priorities

- Works with the school leader and CFO to prepare and recommend an annual budget for the board's consideration and approval
- Ensures the annual budget is prepared in a timely manner

Overseeing the school's financial resources

- Reviews financial statements regularly to monitor progress throughout the year, and suggests adjustments as required

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- Identifies short- and long-term financial challenges before they become urgent issues
- Serves as an ongoing resource and advisor to staff on financial issues

Providing training or onboarding to ensure all board members understand the school's finances

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Driving progress toward financial goals

- Sets short- and long-term fiscal goals to ensure school sustainability and success
- Sets annual committee goals and regularly monitors progress

Ensuring financial compliance^[1]

- Confirms appropriate financial policies and procedures are in place and followed
- Recommends the selection of an auditor^[2]
- Meets with the auditor before the board's audit review and approval

Identifying actions needed to resolve complex financial issues

- Determines whether the complexity or scale of financial operations requires the committee to split into two separate board committees: finance committee and audit committee
- Recommends the creation of an investment committee^[3] when appropriate

[1] Some boards ask the finance committee to oversee all charter school compliance including authorizer reporting requirements, etc. Other boards assign this role to the executive committee.

[2] The committee should make sure its school changes auditors (or audit partners) approximately every five years.

[3] An investment committee manages the school's investment portfolio and determines the level of risk desired (high or low) for investments.