

STAR ISLAND CORPORATION – FINANCE COMMITTEE

Intent of Board Committees

To study issues and make recommendations to the full Board

To help get the Board's job done, not to help with the staff's job (to aid the process of governance, not management)

To prepare Board-level policy issues for Board deliberation. The Board needs to know the choices and the consequences of these choices. Only then can the Board ponder, debate, and vote intelligently.

To know the charges of the various committees, so as to be able to support those charges rather than duplicate or interfere with them.

To have members that are receptive and open to ideas, have perspective and vision, are familiar with the SIC Strategic Plan, can give the necessary time, and can think in terms of Star Island Citizenship.

Role of the Board

- Be clear about the charge the Board is requiring from each committee as the committees work to support the implementation of the SIC Strategic Plan Objectives
- Ask each committee not to speak for the Board
- Require each committee not to interfere with delegation from the Board to the CEO
- Ask each committee not to exercise authority over staff
- Conduct a review process every two years to determine whether committee structure matches Strategic Plan priorities
- Ask what did each committee do over the past year that was strategically vital
- Ask what each committee can do over the next year to meet the same standard.

Roles of the Finance Committee

In order to further the goals and objectives of the Corporation's strategic plan, as adopted and amended from time to time, the Committee will do the following:

The Finance Committee will bring to the Board the information that it needs to carry out its responsibility of overseeing financial management, including annual and long-term budgeting, review of monthly financials, financial policy review, and other similar functions. It supports and assists the CEO and Finance Department (YR staff Accounting Coordinator and PT outsourced CFO) in creation of the annual budget. It considers and recommends, in co-operation with the CEO and Finance Department, financial policies, room and board rates and related

matters. It also implements SIC's conflict of interest policy on financial matters and manages the annual audit through an audit subcommittee.

Tasks/Roles/Responsibilities of the Committee

- Assists the Board, Treasurer, CEO and Finance Department in reviewing and monitoring SIC's financial procedures and controls;
- Participates in the establishment and review of financial policies and gives advice to the CEO on such policies so that he or she can properly undertake the financial management of SIC;
- Assists in the management of the annual audit through its audit subcommittee (not all of the members of which have to be members of the Finance Committee) and recommends conflict of interest policies for SIC as applied to financial matters;
- Assists the Finance Department and Treasurer by providing input throughout the budget process;
- Advises the CEO, Finance Department and Board about on-going financial decisions and immediate financial problems;
- Engages in long-term financial planning, including the financial aspects of the Strategic Plan, the Five-Year Financial Plan, the Long-range Integrated Financial Plan and, as needed, participates in the preparation of business plans; and
- Collaborates with other SIC committees as needed on the financial aspects of specific projects.

Committee Structure

The composition of the committee is:

Chair - Treasurer of SIC;

Permanent Trust – The Treasurer of the SIC serves as an ex-officio member of the SIC's Permanent Trust;

Members - Additional members who can provide financial acumen to the Committee and come from as many different constituencies of SIC as feasible; and

Ex officio members - President, CEO and CFO of SIC

The expectations of members, including the Chair, on how the Chair will lead the Committee are:

- Sets the dates and agenda for meetings and leads the discussions at the meetings;
- Supports the structure of the annual budget process;
- Brings to the Committee's attention financial matters of importance to SIC; and
- Appoints the members of the audit sub-committee.

Terms of Committee Members

The term for a Committee member is three years, and a member may be reappointed once for a maximum six-year term of service. When a committee member completes their second term, they may be eligible for an appointment as an advisor for one year, subject to SIC policies, for the purpose of continuity. The exception to this is the SIC Treasurer, who is appointed by SIC membership for a term of one year, and may be reappointed eight times for a maximum nine-year term of service.

Committee Process and Procedures

- a) The Treasurer, who also serves as the board liaison to the Committee, will report on a regular basis to the SIC Board. Additionally, the Treasurer will prepare an annual written report to SIC membership, which will be included in the packet for the SIC Annual Meeting. The Treasurer will prepare a draft of the Committee's annual report, have it reviewed and adopted by the Committee, and submit it for review to the CEO and Finance Department before the Board's Winter Board Retreat.
- b) The Committee will meet approximately monthly during the year except in months when there is little financial activity to discuss. Committee meetings are typically scheduled to occur the week prior to SIC Board meetings.
- c) Early each year, the Committee will evaluate its own progress in achieving its previous year's goals, and set goals for the current year, in collaboration with the CEO. When setting annual goals, the Committee will consider how these goals further SIC's strategic plan.

Last Review Date: January 15, 2020