Idaho State University Foundation

Policy IX D Finance Committee

FINANCE COMMITTEE JOB DESCRIPTION

1. The Finance Committee shall be comprised of the Board Treasurer, Board Executive Vice President (non-voting) and three to four members of the Board appointed by the Board President. The President will appoint the Chair. The Finance Committee is responsible for assisting the Board in ensuring the organization is in good fiscal health. The work of the committee involves the following major areas:

   a. Oversight of budget and financial planning.

      i. Review the budget prepared by management before it is proposed for Board approval to ensure that it reflects the organization’s goals and Board policies.

      ii. Ensure that the budget accurately reflects the needs, expenses, and revenue of the Foundation.

      iii. Different Committees, such as Development or Investment, may assist in the preparation of financial and operating objectives for their respective areas. These goals and objectives should usually be realistic but challenging to achieve (usually referred to as “stretch budgets”). The Finance Committee should review these goals and objectives in approving the budget prepared by management but should feel free to adopt a somewhat more conservative approach for the overall Foundation’s budget to make sure that the Foundation remains in sound financial condition.

      iv. Review the comparison of actual financial results with the budget and prior periods prepared by management before it is presented to the Board to make sure that all explanations for differences are reasonable and appropriate in the circumstances.

   b. Safeguard the organization’s assets

      i. Ensure that the organization has the proper risk management provisions in place, including appropriate insurance coverage for the organization and for the Board.

   c. Help the full Board understand the organization’s financial affairs.

      i. Ensure that the Board as a whole is well-informed about the organization’s finances.
ii. Take measures to educate the Board on areas that need further explanation.

d. Oversee banking relationships and all Foundation debt

i. Periodically review with Foundation’s management our relationship with the bank or banks that are handling the Idaho State University Foundation’s operating accounts

ii. At least annually, review the terms and conditions of our existing debt to ensure that the Idaho State University Foundation is receiving the best terms possible.

iii. Review all projections, terms, and conditions of any new debt (other than for normal accounts payable) that the Idaho State University Foundation is considering entering into to make sure that all Foundation policies concerning the incurrence of indebtedness have been adhered to and that all required documentation is complete, accurate, and understandable. The Committee must approve the completed package before it is submitted to the Board and others for approval.

Date of Board Approval: October 2, 2009

Person responsible for the periodic review of policy and submitting proposed revisions to the Board for approval: Finance Committee Chair

Date of Last Review June 2009