

AIGA National Board of Directors: Finance Committee Charter

Effective November 23, 2020

From AIGA's Bylaws: The Board of Directors, by resolution adopted by a majority of the Directors in office, shall designate and appoint three or more Directors to constitute a Finance Committee to oversee the financial and fiscal integrity of the Corporation and to receive the reports of the Treasurer, who shall also be the Chair of the Finance Committee. To the extent provided by resolution of the Board, the Finance Committee shall have and exercise the authority of the Board of Directors in the financial management of the Corporation between meetings of the Board, except as expressly limited by the State of New York Nonprofit Corporation Act.

Charge/Purpose:

As with all AIGA National Board Committees, the Finance Committee is responsible for supporting the mission, vision, purpose of AIGA, the professional association for design.

The Finance Committee (the "Committee") is a committee of AIGA's National Board of Directors (the "Board") established to support the Board in fulfilling its responsibility to oversee AIGA's (the "Organization") financial strategy and performance.

Composition:

The Finance Committee reports to the AIGA National Board of Directors. The Committee is composed of the Treasurer as the Committee Chair, the President of the Board of Directors (Board Chair), and 1-3 additional Committee members. There should not be overlapping membership between the Finance Committee and the Audit & Ethics Committee. Committee membership is appointed by the Board Chair. The Executive Director and the CFO shall both serve as the staff liaisons to the committee, and sit in on meetings as non-voting participants.

The Committee Chair will serve a one-year term with the possibility of reappointment through the end of their Board service. A vice-chair may also be appointed from the Board from time to time to ensure continuity of information and/or support with succession planning for the Treasurer/Finance Committee Chair position.

Vacancies in the Membership of the committee may be filled by appointments made in the same manner as provided in the case of the original appointments or by the Board Chair. The Board may remove a Committee member from the Committee at any time, with or without cause.

Qualifications:

- Must be a voting member of the Board of Directors in good standing:
 - Desire to advance the mission of the Organization
 - Member of the organization in good standing
 - Up-to-date Conflict of Interest disclosures, with no conflicts being investigated
 - Up-to-date signature on the Organization's ethical conduct statements
 - In compliance with Board attendance requirements
- A collaborative team player
- Ability to make the necessary time commitment
- Not an active employee or have been employed by the Organization within the past 3 years
- Received no compensation from the Organization for work or services amounting in a payment of \$10K or more
- No relatives who service or operate within a key role within the Organization

Time Commitment/Expectations:

- Approximately 3-8 hours a month (mostly at their pace), this includes:
 - Review the financial materials provided by the CFO/staff liaison
 - Review financial audit and approve before sharing with the board
 - Prepare materials for the AIGA National Board budget discussions and decisions
 - Review all materials/agenda prior to each quarterly Committee meeting
 - Attend and contribute to quarterly Committee conference/video calls (estimated length: 1-2 hrs)
 - Be an ambassador and support membership and community engagement and networking
 - Review and provide content updates to the once-annual Annual Report
- In the future, Committee members may also attend an in-person Committee meeting at the Conference and/or Leadership Retreat (event discounts would apply)

Responsibilities:

- Review the Organization's:
 - a. quarterly financial statements;
 - b. annual resource allocation plan, ensuring alignment to mission priorities, and submit to the Board for consideration;
 - c. resource allocation plan to actual results;
 - d. liquidity status;
 - e. Internal Revenue Service Form 990 and accompanying schedules,
 - f. status of significant operating/revenue investment plans; and
 - g. other appropriate financial information concerning the organization;
- Review the Organization's external audit and tax reports (in addition to Form 990) in accordance with performance and strategic objectives including any relevant portions of the "management letter" and other communications from the auditor as referred by the Audit Committee. Review should include discussion with management of significant issues regarding accounting principles, practices and judgments, including any matters required to be communicated to the Committee by the independent public accountants under applicable professional standards;
- Oversee enterprise risk management related to assigned risk areas and submit a report to the Audit Committee each year;
- Review the Organization's financial policies and recommend appropriate revisions to the Board; periodically review the Organization's compliance with such Policies and report results to the Board;
- Review on a quarterly basis the performance of invested funds, including funds in the employee retirement annuity plan (pension);
- Review and approve fund performance and fund manager(s) for the charitable gift annuity pools, as applicable.
- Review on at least an annual basis the Organization's various employer-sponsored defined contribution plans.
- As necessary, ensure that Committee members receive an orientation to the Organization's financial statements, the application of generally accepted accounting principles to those statements, and other financial governance issues;
- Accomplish additional tasks as charged by the Board Chair;
- Operate under this charter and review it annually for adequacy and recommend any necessary changes for approval to the Board; and
- At least annually, report its activities and findings to the Board.

In carrying out its responsibilities, the Committee's policies and procedures should remain flexible in order to react to changing conditions and to ensure that the accounting and financial reporting

practices of the Society are in accordance with all applicable requirements and are of the highest quality.

Provide Input:

The following may happen asynchronously outside of the regular Committee meetings to ensure timely responses to active work conducted elsewhere.

- Membership models (under the purview of the Membership Structure Committee)
- Membership dues/levels (under the purview of the Membership Structure Committee)
- Corporate relations framework (under the purview of the Corporate Relations Committee)
- Infrastructure and tools to support with financial management
- Strategic plan; annually through the Chair as a board liaison and the staff liaison

Meetings:

- **Cadence:** Committee shall meet a minimum of once a month, with additional meetings as necessary.
- **Quorum:** A majority of the whole committee shall constitute a quorum and the act of a majority of the Members present at a meeting at which a quorum is present shall be the act of the committee.

Reporting:

The Treasurer/Committee Chair along with the staff liaison will prepare a written quarterly report for the Board of Directors on a quarterly basis (minimum) and on an as-needed basis for additional National Board meetings. From time to time, the Committee Chair may be asked to speak to the work of the Committee in an AIGA leadership or community forum.