

Finance committee job description

Source of authority:

- committee members are appointed by the board (refer to Rule 20).
- the committee is accountable to the board.
- the committee reports to the board and the general membership, and
- committee members may be removed by the board.

Committee size: minimum of 3, maximum of 5.

Term of office: 1 year, no greater than a continuous period of 2 years.

Chair: the members of the committee elect the chair annually.

Quorum: 51% of committee members.

Purpose

To ensure effective, efficient management of the co-op's finances and the long-term viability of the co-op by overseeing the financial operations.

Duties and responsibilities

The committee will work with the treasurer, management staff, board and auditor as needed on the following:

1. Financial policies and procedures:
 - make sure members, committees and management staff, follow financial policies and procedures
 - propose new policies or policy revisions for board and general meeting approval, and
 - make sure that procedures are in place as needed and inform the board and members about them.

2. Carry out financial planning in consultation with other committees, the board and management staff, including:
 - annual operating and capital budgets, and
 - long-range planning, including future reserve requirements, investment of reserves and surplus funds, special project proposals and research on proposed financial initiatives for approval by the board and members as required.
3. Monitor the financial system.
4. Ensure that regular reports are made to the board, as set out in the financial reporting policy.
5. Report at each regular general meeting on the financial situation of the co-op.
6. Assist the board in ensuring that the audited financial statements are prepared, presented and explained to the members at the Annual General Meeting.
7. Monitor, without having access to personal information, the subsidy status report and security of tenure fund. Recommend changes to policy or procedures where needed. Work with management staff and the board to ensure that the co-op makes the necessary reports to the funding agencies, CMHC and BC Housing.
8. Monitor the co-op's investments and make recommendations to the board.
9. Inform and educate the membership about the co-op's finances and the activities of the committee through articles in the newsletter and special workshops and presentations at general meetings.
10. Keep confidential all information it receives from applicants or members except where that information is required by the board or other committees to carry out their responsibilities. Each committee member will sign the confidentiality agreement.
11. If no Finance Committee in place, management staff to assume the duties described.

Options

Option: Source of authority

Change (based on your Rules):

- “appointed by the board” to “elected by the members”
- “board (with periodic information reports given to the general membership)” to “general meeting” if the general meeting elects the committee, and
- “board” to “general meeting”

Options: Point #1

Change “board and general meeting” to “board” if the board has the approval authority for policies (refer to Rules 17.2 and 17.3).

The sample allows for the finance committee or management staff to develop procedures. If you want to give the approval authority to the board, change “and inform the board and members about them” to “and obtain board approval and inform the members about them”.

Option: Point #3

The sample job description assumes that management staff performs all the financial administration functions such as receiving and preparing cheques, making bank deposits, bookkeeping, bank reconciliation, etc. The finance committee monitors the financial system. If the finance committee performs all the financial administration functions, change Point #3 to “Co-ordinate and monitor the financial system”.

Option: Point #4

If management staff performs this function, delete Point #4 and re-number.

Options: Point #8

The sample covers a co-op funded under the Section 95 (56.1) program. If your co-op is funded under another program, change to:

For the Federal Co-op Housing Program (FCHP or ILM)

8. Monitor, without having access to personal information, the subsidy status report and security of tenure fund. Recommend changes to policy or procedures where needed. Work with **[management staff and the board]** to ensure that the co-op makes the necessary reports to the funding agencies, CMHC and BC Housing.

For the Homes BC program

8. Monitor, without having access to personal information, the subsidy status report. Recommend changes to procedures where needed. Work with **[management staff and the board]** to ensure that the co-op makes the necessary reports to the funding agency, BC Housing.

Change “management staff and the board” to “the housing charge officer” or “the treasurer”.

Resources

- Confidentiality agreement
- PIPA tools
- Relevant co-op policies