

Finance Committee Charter

1. Purpose

The finance committee provides recommendations to the Board on budgeting and financial planning, reporting, and safeguards. The entire board has fiduciary responsibilities for the organization and remains accountable for protecting the organization's financial wellbeing.

2. Reporting

The Finance Committee reports to the Board of Directors. The ORCID staff member supporting the meeting shall take minutes and the committee chair shall create and share a summary of discussions, including dissenting opinions, and recommendations with the Board at each meeting of the Directors.

3. Roles and Responsibilities of the Committee

The Finance committee is a Standing Advisory Committee of the Board. As such, it provides guidance or recommendations to the Board on specific issues or endeavors, as specifically delegated to them by the Board. The committee is guided by the ORCID's organizational values of openness and transparency and the principle that prudent financial sustainability will require ORCID to maintain a buffer of at least three months of operating expenses. The committee has a standing charter to advise the Board on protecting the organization's financial wellbeing, and will develop an annual workplan for review by the Board, including the following activities:

- **Budgeting and Financial Planning.** The finance committee is tasked with working with staff to develop long term financial well-being for the organization and model impact of new business models, loans, or major program expenditures, for review by the Board.
- **Financial Reporting.** The finance committee works with staff to develop useful and readable formats for financial reports to the Board.
- **Safeguards.** The finance committee is charged with reviewing the organization's insurance coverage to ensure that its assets are appropriately protected, and making recommendations to the Board.

Initially, the committee is tasked to: (1) review cash management and loan repayment schedule options in light of ORCID's strategic objectives; (2) review financial reporting templates to ensure they suit purpose; and (3) provide expertise to the membership and fees committee in modeling membership fee options. The committee objectives and its scope and duration should be

re-evaluated by the Board on an annual basis.

4. Committee Constitution

The Committee is chaired by the Board Treasurer. As a standing advisory committee of the Board, the members of this committee are appointed by the Board, and the Board reviews committee membership and role annually.

- The Committee chair serves as the principal liaison between the committee and the Board, works with the staff leader to schedule and set an agenda for each committee meeting, and prepare and distribute handouts and reports to committee members in advance or each meeting.
- The committee consists at minimum [E1] five persons, at least three of whom are Board Directors, one of whom is Chair of the committee, and at least two members with financial expertise. In addition, there shall be two members of the committee who are also members of the ORCID Membership & Fees Committee, one of whom will generally be the Treasurer.
- The committee must include members with appropriate financial experience and knowledge of the non-profit sector; the committee may wish to consult with an independent financial expert on special topics.
- Committee members shall not receive any consulting, advisor, or other fees from ORCID.
- All committee members, excluding the person serving as chair, may serve two consecutive 3-year terms. There is no limit to the number of consecutive 1-year terms that the chair may serve.
- Committee members are responsible for reviewing materials and making substantive contributions to the work of the group.
- The committee is supported by ORCID staff, who are responsible for scheduling meetings, developing meeting agendas and Board summary reports with the chair, creating and distributing meeting materials, and taking meeting minutes.

5. Meetings and Quorum

The finance committee meets as needed to fulfill its responsibilities. Meetings may be conducted in person, by phone or video conference. The committee is supported by ORCID staff, who schedule meetings, develop meeting agendas with the chair, and maintain meeting minutes. A quorum shall consist of the majority of Committee members. All actions shall be reported to the Board.

6. Membership

2019: Daniel Hook (Chair), members: TBD | **ORCID Staff:** Laure Haak
