

Finance Committee Charter

Purpose

JJ Legacy Finance Committee provides oversight of the finances and financial operations for the school, on behalf of the Board of Directors and in close partnership with the school administration and its financial service providers (including auditor). The committee's purpose is to:

1. Ensure high integrity
2. Ensure professional accounting practices are followed
3. Ensure effective communications related to financial matters
4. Provide substantive oversight of the school's finances, financial policies, and adherence to approved budget.
5. Ensure the legal, controlled, and highest-best-use use of school funds.
6. Provide relevant information and guidance to the School Board on financial matters.

Membership

- *Board Members*: The finance committee shall be comprised of no fewer than two current board members. One of the two members shall be the board treasurer, who shall serve as chair. The other board member shall be the Chair of the board who shall serve as an ex-officio member. Other directors appointed by the chair with the advice and consent of the board in accordance with the bylaws and Committee procedure may serve as voting members to a maximum of five board members.
- *School Staff and Service Providers*: The primary school administrator will serve as a voting member. The school's business accounts, financial management/services staff or providers (named annually for clarity and transparency) will serve as ex-officio members.
- *Other members (parents, community members, etc.)*, as the committee may deem helpful to its work, and who do not present a conflict of interest and can act without self-interest, may be proposed to the board for appointment, not to exceed seven voting members in total.
- To convene a meeting of the Finance Committee, the Treasurer, primary school administrator, and at least one financial management/services staff member must be in attendance.

Reports To: Board of Directors

Frequency and Method of Reporting: Monthly to Board of Directors in written and verbal report, as well as annually in a summative report to the JJ Legacy community and ad-hoc, as directed by the board of directors.

Scope of Responsibilities:

- **Monthly fiscal oversight and support:**
 - Meet monthly during the year, at least two weeks prior to each scheduled school board meeting.
 - Review monthly financial records to include, but not limited to: balance sheet, check register, credit card activity, budget to actual revenue / expenses, current student enrollment, status of line of credit, and monthly cash flow actual and projections.
 - Clarify with the school's financial services provider any information about which the committee or members have questions or would like additional information.
 - Review all non-budgeted expenditures over the dollar amount set in the financial policies and recommend action to the board on these items.
 - Establish and manage a 12 month calendar of board responsibilities to ensure full compliance, support, and development of the governance of JJ Legacy, in collaboration with the Executive Committee.
 - And any other activity that will provide the committee with information to stay abreast of the school's current and projected financial position.

- **School budget and forecasts**
 - Review, revise, and present the (bi)annual budget for the charter school drafted (caused to be drafted) initially and proposed to the committee by the charter school administrator
 - Review, revise, and present annually a three- and five-year financial forecast and long-range financial plans based on the forecast initially drafted (caused to be drafted) and proposed by the charter school administrator.

- **Funds Development**
 - Draft or cause to be drafted all grant proposals (including recommending subcommittees for such for approval by the Board). Review, revise, and present all grant proposals and when necessary, recommend action by the board.
 - Assess, conclude, and proposed to the Board necessary funds development activity to increase revenue from all relevant sources. Direct funds development activities, through subcommittees as approved by the Board.

- **Financial Policies and procedures**
 - Establish (cause to be established) and review/revise/propose changes to financial policies and procedures to support meeting JJ Legacy financial goals and exemplary internal financial controls.

- **Audit**
 - Arrange for and support (cause to be supported) an annual audit with submission of the auditor recommendation for hire and final report for approval to the board.

- **Finance Committee management**
 1. Comply with Open Meeting Law and maintain and publish meeting minutes
 2. Annually submit objectives as part of the planning and budgeting process.
 3. Annually evaluate its work as a committee, including against the objectives to which it has committed itself. Further, report on same to the board of directors.
 4. Report to the board of directors at regular meetings of the board in a manner determined by the board, always including the following: inform the board of the committee’s activities for the month, identify any financial matters or issues that the board should be especially aware of to carry out its fiduciary responsibilities, and make a recommendation to the board as to the completeness and accuracy of the school’s monthly financial report.

Goals for Remaining 2021:

- Form a committee and publish dates of consistent meeting at least once per month
- Meet at least monthly
- Define monthly goals in a documented action plan to complete first iteration of all items in scope of the responsibilities outlined in this document and report to board for approval in July 2021 regular board meeting
- Meet monthly goals in accordance with documented action plan and report to progress to board.

Finance Committee Action Plan

Committee Goals:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

Key Action Steps

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| August | 1. 2. |
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|-----------|----------------------------------|
| | 3. 4. 5. 6. |
| September | 1. 2. 3. 4. 5. 6. |
| October | 1. 2. 3. 4. 5. 6. |
| November | 1. 2. 3. 4. 5. 6. |
| December | 1. 2. 3. 4. 5. 6. |
| January | 1. 2. 3. 4. 5. 6. |
| February | 1. 2. 3. 4. 5. 6. |
| March | 1. 2. 3. 4. 5. 6. |

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| April | 1. 2. 3. 4. 5. 6. |
| May | 1. 2. 3. 4. 5. 6. |
| June | 1. 2. 3. 4. 5. 6. |
| July | 1. 2. 3. 4. 5. 6. |

Writing SMART Goals in the Action Plan

SPECIFIC - A well-written goal is clear and specific, not general and vague. It describes specifically what is to be achieved and is not open to guesswork. It states simply and clearly what is to be attained, how much and by when. A good goal indicates the results to be achieved, not a set of activities to engage in.

MEASURABLE - A well-written goal specifies criteria for evaluating its accomplishment (quantity, quality, timeliness, impact on others, etc.). The organization can judge their progress toward goal attainment through the measures.

ACHIEVABLE - A well-written goal is attainable, and at the same time, challenging and aggressive. A goal should be realistic, but should also provide a stretch for the organization.

RESULTS-FOCUSED - A well-written goal must focus on results to be achieved. The organization must be able to see that attainment of the goal has a positive impact on the organizational development. The goal must address productivity, quality, and customer service or team effectiveness.

TIME-FRAMED - A well written goal specifies the time frames in which it is to be achieved, as well as benchmarks along the way that indicate progress toward achieving the results.