

## **PROPOSED COMMITTEE CHANGES – July 2024**

### **CURRENT BYLAWS – FINANCE & AUDIT & INVESTMENT COMMITTEE**

**Finance/Audit/Investment Committee.** The Finance/Audit/Investment Committee shall be charged with financial oversight consistent with the organization's mission. It shall recommend policies to the Board of Directors for implementation by management in connection with financial planning and performance, financial management practices, and prudent management of assets, liabilities, revenues, expenditure and capital financing, if required. It shall review funding requests for existing programs/ministries and new opportunities and make recommendations to the Board. The Finance/Audit/Investment Committee shall approve investment policies and guidelines with respect to the funds of the organization and serve as the primary oversight of the investment management process.

### **PROPOSED BYLAW CHANGES:**

To avoid any potential conflict of interest in the Finance, Audit, & Investment, we will establish two committees – Finance & Audit Committee and an Investment Committee beginning in July 2024.

### **RECOMMENDED BYLAWS PROVISION – FINANCE & AUDIT COMMITTEE**

**Finance and Audit Committee.** The Finance and Audit Committee shall be charged with financial oversight consistent with the organization's mission. It shall recommend policies to the Board of Directors for implementation by management in connection with financial planning and performance, financial management practices, and prudent management of assets, liabilities, revenues, expenditure and capital financing, if required.

### **RECOMMENDED BYLAWS PROVISION – INVESTMENT COMMITTEE**

**Investment Committee.** The Investment Committee shall be charged with the primary oversight of the management of the organization's invested funds, in a manner consistent with the organization's mission and goals. It shall develop and recommend to the Board policies and guidelines for the prudent investment and management of those funds, as well as spending from those funds, and shall act in accordance with such of those policies and guidelines as the Board adopts.

## **PROPOSED NEW PROVISIONS FOR BOARD HANDBOOK**

### **FINANCE & AUDIT COMMITTEE MEMBERSHIP**

The Committee shall be comprised of Board members. Others that have expertise in financial matters may be appointed subject to the conditions stated in the Bylaws. The President is an ex-officio member.

The Board Chair, consulting with the Nomination & Governance Chair and the President, appoints the Chair of the Finance & Audit Committee and affirms its members.

### **CHAIR**

The Chair is responsible for scheduling meetings, drafting the meeting agenda, asking a member to read the prayer and modified DEI Statement, and has the authority to call special meetings as needed or reschedule regular meetings, so long as all Committee members are provided reasonable notice (three to five days).

The Chair will ensure that minutes for all Committee meetings are taken and stored on a Board of Directors shared document platform in a timely manner following each Committee meeting. They may delegate this responsibility to another Committee member or staff.

### **MEETINGS**

Meetings will be scheduled as often as needed, so long as all Committee members are provided reasonable notice (three to five days).

### **RESPONSIBILITIES/DUTIES**

The Finance & Audit Committee performs all duties as requested or required by the Board of Directors.

The Committee is specifically responsible for the following responsibilities and duties:

1. Review and present an annual budget, prepared by the President, for the Board's consideration and approval. Ensure that the budget aligns with the organization's strategic priorities. Ensure that the annual budget is prepared in a timely manner. Serve as an ongoing resource and advisor to staff on financial issues.
2. Ensure financial compliance through oversight of the organization's financial resources by periodically reviewing operating cash flows, liquidity position, and performance against budget and projections; suggest adjustments as required to meet strategic and programatic priorities.
3. Recommend policies to the Board of Directors for implementation by management in connection with (a) financial planning and performance, (b) financial management practices, and (c) prudent management of assets, liabilities, revenues, expenditure and capital financing, if required.
4. Present a summary of its work to the Board on a regular basis. Approve investment policies and guidelines with respect to the funds of the organization and serve as the primary oversight of the investment management process.
5. Review and make recommendations to the Board regarding the establishment and termination of banking, investment, auditor and similar relationships.

6. Review funding requests for existing programs/opportunities and new opportunities and make recommendations to the Board.
7. Serve as the Audit Committee (management members are excluded from the Audit Committee). Meet with the auditor before the Board's audit review and acceptance to make recommendations to the Board regarding the organization's Audit Report, 990 Information Return and Report to the MN Attorney General.
8. Set annual goals for the Finance & Audit Committee.
9. Annually evaluate effectiveness of the Finance & Audit Committee. Review its purpose and duties annually and recommend any proposed changes to the Nomination & Governance Committee and Board.
10. Provide training/onboarding resources to ensure new Board members' understanding of the organization's finances.

### **INVESTMENT COMMITTEE MEMBERSHIP**

The Committee shall be comprised of Board members. Others that have expertise in investment oversight and management may be appointed subject to the conditions stated in the Bylaws. The President is an ex-officio member.

The Board Chair, consulting with the Nomination & Governance Chair and the President, appoints the Chair of the Investment Committee and affirms its members.

### **CHAIR**

The Chair is responsible for scheduling meetings, drafting the meeting agenda, asking a member to read the prayer and modified DEI Statement, and has the authority to call special meetings as needed or reschedule regular meetings, so long as all Committee members are provided reasonable notice (three to five days).

The Chair will ensure that minutes for all Committee meetings are taken and stored on a Board of Directors shared document platform in a timely manner following each Committee meeting. They may delegate this responsibility to another Committee member or staff.

### **MEETINGS**

Meetings will be scheduled as often as needed, so long as all Committee members are provided reasonable notice (three to five days).

### **RESPONSIBILITIES/DUTIES**

The Investment Committee performs all duties as requested or required by the Board of Directors.

The Committee is specifically responsible for the following responsibilities and duties:

1. Oversee and manage the investment portfolio on behalf of the organization that includes overall investment policy and guidance, including asset allocation

ranges, advisor selection, strategy and fund performance to ensure the best possible long-term outcome for the organization.

2. Evaluate the investment manager's performance on an annual basis.
3. Serve as an ongoing resource and advisor to staff on investment issues.
4. Recommend policies to the Board of Directors for implementation by management in connection with prudent management of assets.
5. Present a summary of its work to the Board as requested by the Board, but no less often than annually. Approve investment policies and guidelines with respect to the invested funds of the organization and serve as the primary oversight of the investment management process.
6. Review and make recommendations to the Board regarding the establishment and termination of investment relationships.
7. Set annual goals for the Investment Committee.
8. Annually evaluate effectiveness of the Investment Committee. Review its purpose and duties annually and recommend any proposed changes to the Nomination & Governance Committee and Board.
9. Provide training/onboarding resources to ensure new Board members' understanding of the organization's investments.