



VP Draft 1/24/2022

FINANCE COMMITTEE CHARTER

Effective as of [_____], 2022

1.0 AUTHORITY

This Finance Committee (the "Finance Committee") is a committee of the Board of Directors (the "Board" or "Directors") established under Section [8.2.1] of the Bylaws of the Society of Hispanic Professional Engineers ("SHPE"). Capitalized terms used in this charter of the Finance Committee (the "Charter") that are not otherwise defined herein have the meanings given to them in the Bylaws of SHPE.

2.0 PURPOSE

The Finance Committee oversees SHPE's fiscal management. The Finance Committee shall perform the following oversight functions: (i) oversee the preparation of the annual budget and financial statements; (ii) oversee the administration of SHPE's financial resources; and (iii) advise the Board with respect to making significant financial decisions.

3.0 MEMBERSHIP

- The Board shall appoint members of the Finance Committee to serve for one-year terms, and the Board Treasurer will serve as the chair of the Finance Committee (the "Chair"). The Finance Committee shall consist of at least three members including its Chair.
- Appointment to the Finance Committee requires a majority vote of the Board then in office. The Board may fill vacancies on the Finance Committee. The Board may remove a member from the Finance Committee at any time, with or without cause.
- The chair of the Audit Committee of SHPE may not serve on the Finance Committee.
- No members of the Finance Committee shall have any material financial interest in SHPE or in any entity doing business with SHPE.
- All Finance Committee members shall be financially literate as such qualification is interpreted by the Board in its business judgment. At least one member of the Finance Committee must have accounting or related financial management expertise (e.g., MBA, CFO, CPA, accountant, or certified auditor).
- The Finance Committee members may not receive any compensation from SHPE in excess of the compensation, if any, received by the Directors for their Board services. Members of the Finance Committee may seek reimbursement of expenses reasonably incurred on behalf of SHPE, per SHPE's Travel Policy.



4.0 MEETINGS AND OPERATIONS

- The Finance Committee shall hold four (4) meetings per year at a time and place fixed by the Finance Committee or at such other intervals as needed as determined by the Chair or a majority of the Finance Committee members.
- The Chair shall preside over all meetings of the Finance Committee. A majority of the Finance Committee members shall constitute a quorum. Finance Committee approvals shall require a vote of a majority of the Finance Committee members present at a meeting at which a quorum is present.
- Members of the Finance Committee may participate in a meeting by means of a telephone conference, electronic video screen communication, or electronic transmission.
- The Finance Committee shall report its activities to the Board on a regular basis, including prior to or during the General Board Sessions conducted quarterly and shall keep minutes of its meetings.
- The Finance Committee may invite any non-Finance Committee members to attend meetings or meet with the Finance Committee members.
- The Finance Committee shall review this Charter periodically and recommend any proposed changes to the Board for review.

5.0 RESPONSIBILITIES

In addition to any other duties as the Board may assign to the Finance Committee from time to time, the Finance Committee shall have the following responsibilities:

Financial Planning and Budget Approvals

- Review and make recommendations to the Board regarding SHPE's budget, including the process used in developing the budget.
- Provide strategic oversight of the administration, collection, and disbursement of SHPE's financial resources, in addition to the related policies and procedures. The Finance Committee only has the authority to withdraw money, authorize transactions, or change SHPE's investment strategies without in accordance with the approved actions of the NBOD.
- Advise the Board with respect to making significant financial decisions, such as correcting or restructuring SHPE's books and accounting procedures when fiscal problems arise.
- Review periodically operating cash flows, liquidity position, and performance against budget and projections.
- Lead the Board review and development of SHPE's strategy for long-term financial sustainability.
- Review regularly developments in relevant state and federal funding programs and requirements and SHPE's compliance with such requirements.
- Review and make recommendations to the Board regarding the establishment and termination of banking and similar relationships.
- Prepare a Finance Committee report for inclusion at SHPE's quarterly Board meeting.
- Serve as a resource to the Board regarding the understanding and interpretation of financial and investment reports.
- Ensure policies and procedures for financial transactions are documented, reviewed annually, and updated as necessary.



6.0 GENERAL PROVISIONS

- The Finance Committee may establish such subcommittees of its members, as it deems appropriate to assist in its duties, provided that the Finance Committee shall retain ultimate responsibility for such matters.
- In discharging its role, the Finance Committee is empowered to inquire into any matter it considers appropriate to carry out its responsibilities, with access to all books, records, and personnel of SHPE and, subject to the direction of the Board, the Finance Committee is authorized and delegated the authority to act on behalf of the Board with respect to any matter necessary or appropriate to the accomplishment of its purposes.
- In the course of fulfilling its duties, the Finance Committee may at any time seek advice and assistance from outside legal counsel, accounting or other advisors as the Finance Committee deems necessary to carry out its duties on such terms as the Finance Committee may determine.
- The Finance Committee shall receive appropriate funding, as it determines, from SHPE for payment of compensation to any independent auditors, outside legal counsel, or accounting or other advisors employed by the Finance Committee, and for ordinary administrative expenses of the Finance Committee that are necessary or appropriate in carrying out its duties.
- The Finance Committee shall conduct an annual performance self-evaluation to ensure that the Finance Committee is fulfilling its responsibilities and report the results of such evaluation to the governance committee of the Board.