

## **Title: Finance Committee**

**Effective Date: July 1, 2021**

**Revision: FY22**

**Supersedes:**

**Approved with Motion B2212**

**August 11, 2017**

### **Purpose**

The Finance Committee is tasked in the Society of Women Engineers (SWE) Bylaws to be primarily responsible for:

1. Budgeting and long-range financial planning;
2. Monitoring the fiscal health of the Society on an ongoing basis;
3. Reviewing the independent annual financial audit, and reporting their recommendations to the board of directors; and
4. Consulting on other financial matters of the Society on an as-needed basis.

To achieve these objectives the Finance Committee will advise the Board of Directors (BOD) and Senate on budget and financial matters and assist in preparation of the proposed operating and conference budgets for the following fiscal year. The committee will review the monthly financial statements as prepared by Headquarters (HQ) staff to ensure the ongoing financial health of the Society.

The committee also provides financial input into the development of the long-term strategic plan for the Society, actively works with the section/Members At Large (MAL) treasurers for training on financial matters including safeguarding funds and maintains the Finance Manual so all treasurers have a set of basic information to follow.

### **Background**

The Society has always had a concern for the proper oversight of the operating and conference budgets and how the finances of the Society are managed. In addition there is focus on safeguarding of funds for all parts of the organization. The Finance Committee needs to actively be involved with the sections and MAL to ensure proper oversight is accomplished. The Finance Committee has expanded to provide the support of sections/MAL through documentation, training, and fiduciary responsibilities.

### **Scope**

- In scope:
  - Maintain and update the Finance Manual and any other guidelines needed for financial management.
  - Ensure the annual budget is tracked, and review and provide feedback on monthly financial statements.
  - Evaluate and recommend safeguarding guidelines for use by sections/MAL.
  - Train and inform sections and MAL leaders on any relevant financial procedures and guidelines.

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- Review and provide input to the annual operating and conference budget. Provide a recommendation to the BOD, via a motion from the Treasurer.
  - Support HQ with a semi-annual audit of section/MAL tax filing status to ensure that sections and MAL maintain their tax exempt status through proper tax filing with the U.S. Internal Revenue Service (IRS).
  - Review the annual financial audit and provide feedback to BOD as needed to ensure fiduciary responsibilities are maintained.
  - Review motions as requested for any financial impact to the Society and provide relevant feedback.
  - Other items as guided by the bylaws or requested by the BOD.
  - Out of scope:
    - Creation of any budget.
    - Consultation or completion of section/MAL tax filings.
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## **Resources and References**

Existing policies and procedures on finances, the Finance Manual, Society bylaws, and SWE Legal Counsel.

## **Authority & Limitations**

- Committee chair may bring to the attention of the BOD any financial issues that may have been identified by the committee.
  - The committee has no budget authority.
  - The committee is limited to providing guidance for United States tax laws as enforced by the U.S. IRS.
  - The committee does not serve as a tax advisor and does not prepare tax filings for sections/MAL.
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## **Deliverables**

- Updated Finance Manual as needed.
  - Training materials and informative sessions to use with section and MAL officers.
  - Maintain the Finance Committee page on the SWE.org website.
  - Input into the annual budgeting process with a recommendation to the BOD.
  - Trend analysis during the budget process, and financial statement analysis on a periodic basis throughout the fiscal year, with recommendations as needed.
  - Multi-year strategic financial analysis for inclusion in the annual Strategic Plan Review.
  - Provide input to Treasurer on committee activities for the BOD reports.
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## **Membership**

- Chairperson (preferably with SWE finance experience or other finance background) (1 year term)
- Chairperson-elect (1 year term with a commitment for a 2<sup>nd</sup> year as Chair)
- Treasurer (ex-officio member of the committee)

**Criteria for  
Success**

**Report To  
Duration**

- 1 member of the BOD (Treasurer to identify, typically the current Society President)
  - Executive director
  - Liaison members of Society boards and committees, as needed to accomplish committee goals, e.g. Board of Trustees (BOT), Leadership Coaching Committee (LCC), etc.
  - Additional members interested in the finances of the Society, including:
    - Collegiate members
    - Professional members
    - Affiliate members
  - No limitation on the number of members
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- Work with the executive director and BOD for on-time completion of the annual operating and conference budgets.
  - Train and inform section/MAL treasurers on financial matters.
  - Complete updates to the financial materials used by the Society.
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Treasurer

Review in FY24 (intent to review every 2 years)

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