



Charter Finance Committee

Type

Standing committee per bylaws section 6.05 governed by the Co-op's committee policy.

Accountability

As with any committee, the Finance Committee serves at the request and under the direction of the Co-op board. The committee has no independent authority to direct the General Manager or any Co-op staff, or to commit any of the Co-op's resources.

Purpose

Advise and support the board by reviewing the Co-op's financial position and making recommendations as requested by the Co-op board.

Specific Duties

In consultation with the GM, advise the Co-op board on financial matters related to:

1. The Co-op's capital structure and any material changes to debt, equity and/or liquidity
2. Real estate and/or leasing activities of the Co-op
3. The Co-op's capital budgeting process for any new projects materially outside the scope of normal operations with a focus including but not limited to:
 - a. Cost of capital calculation
 - b. Business expansion planning and budgeting
 - c. Capital structuring
4. Review and advise on financial reporting including but not limited to:
 - a. Audited annual financial statements
 - b. Quarterly financial reports and relevant ratios
5. Recommend to the board the selection of an auditor for annual audit
6. Review the annual Co-op financial position for the purpose of recommending a patronage refund
7. Provide a recommendation to the board on the payment of the preferred shares dividend
8. Such other duties and responsibilities as directed by the Co-op board

Chair

An Co-op board member as appointed by the Co-op board. With assistance from the treasurer or chief financial officer, the Finance Committee chair is responsible for leading the process to create and monitor the board's (not the Co-op's budget) and to report to the board on the possible adjustment of board stipends.

Committee Composition

The committee chair, an additional board member and between 2 and 4 other members. The GM and treasurer or chief financial officer shall serve as non-voting members of the committee. Committee members are selected through an interview process with the committee chair(s).

Meetings

The committee shall meet as often as necessary to fulfill its responsibilities, but not less than once per quarter.

Budget

Included in the SNFC budget as approved by the Co-op board.

Removal

Non-directors serving on a committee of the Board of Directors shall conform to the standards of conduct applicable to board members set forth in California Cooperative Law and the cooperative's governance policies, even though such persons are not members of the Board of Directors. Should any non-director committee member fail to conform to these requirements they may be removed from the committee by the executive committee of the Board of Directors following a 15 day notice to the committee member of the proposed removal, including an opportunity to be heard by the executive committee at least 5 days before the proposed removal becomes effective.