

## GUIDELINE:

# Finance Committee: Operating Guideline

## OSBA Board of Directors

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1. The Finance Committee provides oversight for OSBA's investment portfolio, financial audits, the annual budget for OSBA, and the overall finances of the association. The duties and responsibilities of the Finance Committee include:
  - a. Oversight of OSBA's Investment Portfolio: The Committee will:
    - i. Monitor compliance with the Investment Guideline.
    - ii. Monitor the performance of the investment portfolios.
    - iii. Review and recommend revisions to the Investment Guideline. Revisions must be forwarded to the OSBA Board of Directors for approval/adoption prior to implementation.
    - iv. Monitor expenses incurred in the management of the investment portfolio, including fees, commissions and other transaction costs, and soft dollar arrangements, if any.
  - b. Serve as the Audit Committee: The Committee will:
    - i. Receive and review the annual financial audits for OSBA, Legal Assistance Trust, and the Local Government Center and its other entities each year.
    - ii. Recommend to the OSBA Board of Directors any proposed actions that emerged from the audits.
  - c. Serve as the Budget Committee: The Budget Committee consists of the Finance Committee and OSBA's Executive Committee, (OSBA policy 3300). The Committee will:
    - i. Review and revise as deemed necessary the proposed budget presented by OSBA staff.
    - ii. Recommend, no later than June 30, a proposed budget to the OSBA Board of Directors for adoption.
  - d. Monitor general finances: The Committee will:
    - i. Monitor the general finances and financial practices of the Association through Finance Committee meetings and monthly reports generated by OSBA staff.
    - ii. Monitor OSBA's existing systems of internal control designed to prevent losses of public funds due to fraud, employee error, and misrepresentation by third parties, or imprudent actions by employees or officers of OSBA.
2. Committee Membership: The membership of the Finance Committee is set out in OSBA's bylaws (See Section 4.1.2.) The Executive Director or designee is designated as the staff liaison to the committee.

3. Meetings of the Finance Committee: Unless otherwise determined by the Chair of the committee, the committee will generally meet on a quarterly basis. The meeting schedule should enable the committee to report to the Board on any important actions or recommendations of the committee. Meetings shall adhere to public meeting law.
4. Conflicts of interest can be especially destabilizing to an investment portfolio. Therefore, in addition to any conflicts of interest provisions that apply to OSBA at large, the following shall apply to the members of and the activities of the Finance Committee:
  - a. No money advisor, asset custodian, broker, manager, or other advisor may be retained by OSBA if any member of the Finance Committee is an employee of such firm. All Finance Committee members shall comply with Oregon State Ethics laws.
  - b. OSBA may employ money advisors in which a member of the Finance Committee is also invested, provided that the member shall make full disclosure of the member's interest.
5. Duties Specific to the Chair of the Finance Committee:
  - a. At each meeting of the OSBA Board of Directors, the chair of the committee will provide either a written or oral report outlining the current work of the committee and other pertinent information.
  - b. Annually, the chair of the finance committee will provide a report to the membership of OSBA detailing the financial health of the Association.
6. Review and Revision: This guideline may be revised by majority vote of the Finance Committee and approval of the OSBA board of directors.

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Revision History: Manual adopted by OSBA Board on 11-16-14. Revised to a guideline and approved by the Board on June 19, 2021.