

**Far Brook School  
Board of Trustees**

**Finance Committee Charter**

**Purpose**

The Finance Committee of Far Brook School's ("School") Board of Trustees ("Board") leads the Board's oversight of the School's short- and long-term financial health. It is a standing committee of the Board.

**Responsibilities**

These are the responsibilities of the Finance Committee:

- Works with the Staff to develop the long-range financial plan and yearly operational budget, including setting tuition levels, for Board approval.
- Oversees the Staff's implementation of the budget.
- Makes periodic – at least quarterly – reports to the Board on the School's financial status.
- Oversees the School's investments.
- Oversees compliance with laws and regulations, including ensuring that the annual IRS Form 990 is completed and shared with the full Board.
- Provides financial oversight for capital projects, when applicable.
- Oversees the School's risk management protocols (if not overseen by another committee).
- Creates financial policies for the Board's approval.
- Ensures that the School keeps complete, accurate financial records.
- Investigates financial issues as the Board directs and reports findings and recommendations to the Board.
- Educates the Board on nonprofit financial reporting and trends affecting the School's finances.

**Member Characteristics**

The Finance Committee requires that its members exhibit the following traits:

- Commitment to the School's mission.
- Knowledge of the School – its program, problems, and leadership needs – and the ability to discuss the intersection between program and resources.
- Knowledge of financial systems, including budgets, financial statements, and regulatory environments.
- Independence from Board and School factions.
- Keep committee discussions confidential and respect the other Trustees.

**Relationship to the Board**

The Finance Committee cannot make financial decisions for the Board. It recommends such decisions, and the Board as a whole considers and approves them. In its facilitator role, the Finance Committee ensures that the full Board has accurate, timely financial information and

sound, objective, transparent processes to support decisions about resource allocation and planning.

The Finance Committee works closely with the Board Chair and with the committees or task forces related to the audit, investments, development, strategic planning, and buildings.

**Relationship to the Head of School and Chief Financial Officer**

The Finance Committee works closely with the Head of School (“Head”) and Chief Financial Officer (“CFO”). This includes involving the CFO and Head in setting its agenda and in making recommendations before bringing them to the full Board.

**Time Commitment**

The Finance Committee meets year-round, with additional meetings during the budget-preparation process.