

**SET BOARD OF DIRECTORS**  
**FINANCE COMMITTEE**

DRAFT TERMS OF REFERENCE

**A. General Provisions**

The Finance Committee is appointed by the Board.

The Finance Committee assists the Board to undertake and fulfil its financial responsibilities by providing, as required or requested, whatever support it requires in matters relating to finance.

The Finance Committee does not have decision-making powers but makes recommendations to the Board of Directors.

In common with all Board Committees, the Finance Committee will

- a) serve and uphold the objectives of the Spiritan education mission as expressed in the Constitution of SET;
- b) have regard for the best interests of SET and those of its Members, especially as these are set out in the Constitution;
- c) be free to seek professional advice on specific financial or legal issues, as deemed appropriate;
- d) refer to the strategic priorities for SET, as they relate to finance, and these will always create the backdrop for the creation of every Agenda for Committee meetings;
- e) only make recommendations and/or offer advice to the Board whose task it is to ratify or not any proposals made;
- f) be bound to the same fiduciary requirements expected from Board members, including those relating to unauthorised disclosure of confidential information to a third party regarding all Committee discussions, as well as a declaration of conflict of interest regarding matters discussed in relation to a school of which a member is a past student, a parent of current student(s); etc.), or has advised either in a professional or voluntary capacity, or any other matter. No member of the Finance Committee may be concurrently a member of a Board of Management of a Spiritan school, or have involvement on any other campus committee of a school;
- g) will undertake a performance review as part of the annual performance-review of the Board.

**B. Composition of Finance Committee**

- a) The Finance Committee be appointed every year (normally in October) for a term of office that does not exceed one year; it will be a matter for the Board to decide on the composition of the Governance Committee at its meeting in October of each year or as soon as possible thereafter. The existing members shall remain in place until re-appointed, or replaced.
- b) The Finance Committee will be comprised of a minimum of two Directors appointed by the Board;
- c) the Finance Officer will be an *ex officio* member and will serve as Secretary to the Committee, and will be responsible for working with the committee Chair in the creation of a draft Agenda for each meeting;
- d) the Chair of the Board will be an *ex officio* member; as will be the Executive Officer of SET;

- e) the Committee will be chaired by a Director of the Board so elected by the Committee; in the event of his/her (occasional) absence, another Director will fulfil the role of Chair;
- f) the Committee may recommend to the Board the co-option of no more than two experts who are non-Board members, chosen for their specific skill sets and in view of the nature of the issues being discussed at the Committee;
- g) the term of service for co-opted persons will be no longer than one year, and a co-opted person may be invited to renew his or her commitment for no more than one further year;
- h) a quorum shall be no less than 50% of the membership, with the proviso that at least one Director is present;
- i) a vacancy occurring on the Finance Committee due to the resignation of a Director-member shall be notified immediately to the Board and filled at the earliest opportunity.

### **C. Principal Roles and Responsibilities**

The Finance Committee will address its roles and responsibilities within the overarching framework outlined by the policies, procedures and practices of SET as these relate to finance, to ensure that these are in conformity with the ethical vision of SET, and are capable of furthering the mission and goals of SET. As appropriate, the Committee will liaise with the Spiritan Finance and Property Office (representing the Members) on matters of mutual interest.

#### **Financial Management of SET**

- to identify and advise the Board on its financial priorities;
- to recommend financial accounting policies and best practice to the Board, including the maintenance of reserves;
- to prepare and propose the annual budget for SET;
- to review periodically, or as required, the financial risk management policies of SET;
- to perform, as required, a risk assessment with regard to SET;
- to advise on the implementation of the proposed lease arrangement with the Members.

#### **Financial Management of Trust Schools**

- to advise on the implementation of the proposed lease arrangement with Schools;
- to oversee and monitor the annual budgets of SET schools and to make a recommendation to the Board regarding the assessment of the schools' budgets in accordance with the obligations of the Spiritan Education Trust;
- to provide advice on accounting policies and financial reporting mechanisms for SET schools;
- to set objectives regarding the regular and accurate monitoring and accountability for monies received or disbursed in SET schools;
- to receive reports from auditors for SET schools;
- to consider from a financial management perspective, and make a recommendation to the Board on all proposals and plans for campus development in the SET schools above a threshold of €50,000.

#### **Reporting and Compliance**

- to review compliance of SET to financial, accounting, and CRA regulations;
- to monitor the developing regulations and compliances created by CRA with regard to general Charities' law and to the schools;
- to review and recommend the annual financial statements for consideration by the Board;
- to recommend to the Board for its approval the appointment of the Auditors for SET;

- to receive communications from the Auditor of SET.

#### **D. Conduct of Meetings**

The Finance Committee

- a) will meet no less than 6 times a year, or as often as is required to conduct its business;
- b) will generate and keep minutes of meetings, a copy of which is retained at the Executive Offices of SET;
- c) will report to the Board, in writing, at each meeting of the Board.
- d) In the case of an emergency the Board of Directors may be called to an extraordinary meeting with a single-item Agenda in order to discuss and/or ratify proposals from the Finance Committee. In the event that an extraordinary meeting of the Board is not possible (e.g., due to a lack of a quorum), the Chair of the Board in consultation with the Deputy-Chair may make a decision after an incorporeal meeting with available Board Directors, in which case a full report is made to the Board at its next meeting;

These Terms of Reference will be reviewed by the Committee annually (normally in September or October), or sooner if needed, and must be presented to Board for its approval.