

Finance Advisory Council Pacific Mountain Regional Council

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Last Revision Date: April 2020
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Terms of Reference

A. Values

Vision

The Finance Advisory Council shall operate out of a clear view of what the future financial picture of Pacific Mountain Regional Council will look like.

Prudence

The Finance Advisory Council will make all recommendations based upon the Prudent Person Principle.

Prudent Person Principle - a prudent person must act in all matters with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

Sustainability

The Finance Advisory Council will plan and operate on the assumption that the Regional Council, its obligations, and its work will continue into the foreseeable future.

Transparency

The Finance Advisory Council deliberations, operations and decisions shall be open to scrutiny as far as possible without jeopardizing confidentiality. Written minutes shall be kept of all meetings. Operating principles, values and procedures shall be written and easily accessible.

Accountability

The Finance Advisory Council will be able to account for its actions and decisions to the Executive Minister. The Finance Advisory Council will ensure its committees execute their tasks faithfully and effectively.

B. Purpose and Goals

To ensure the financial affairs of the Regional Council:

1. support Regional Council Executive priorities and goals
 - a. a clear vision and plan for all Regional Council finances
 - b. budgetary planning and monitoring
 - c. support for the long-range financial sustainability of the Regional Council and its work
 - d. substantial financial support of Regional Council mission and ministries
 - e. maximization of financial opportunities in a prudent and faithful manner
2. fulfill all legal and moral requirements
 - a. due diligence in all financial matters
3. are well known by the congregations, ministries, presbyteries and committees of the Regional Council
 - a. regular dissemination of financial information to appropriate groups;
 - b. good fiscal policies and practices in all Regional Council-related ministries.

C. Authority

1. The Finance Advisory Council and its committees fall under the authority of the Executive Minister as it is defined and limited by Regional Council Executive policies. The Finance Advisory Council will be able to account for its actions and recommendations to the Executive Minister.
2. The Finance Advisory Council advises and makes recommendations to the Executive Minister that are directly related to the accomplishment of the Purpose and Goals above and the Responsibilities below, subject to the Limitations below.

D. Responsibilities

As it seeks to fulfill its Purpose and Goals, the Finance Advisory Council, among the other responsibilities it determines from time to time, will:

1. recommend to the Executive Minister medium and long range financial goals for Pacific Mountain Regional Council within the context of the Regional Council's mission, vision, and priorities, and review them annually;
2. recommend to the Executive Minister annually a Regional Council budget and monitor its implementation regularly;
3. recommend to the Executive Minister annually a mill rate;
4. recommend to the Executive Minister annually loan limits and a formula for interest rate payable;
5. determine investment disbursement interest rate;
6. determine travel rates and other compensation rates for volunteers;
7. prepare recommendations about Regional Council Executive financial policies for consideration;

8. recommend annually a financial auditor to the Regional Council Executive;
9. establish investment policies, recommend and assess regularly an investment manager, and monitor investment results;
10. create and maintain financial committees as needed;
11. establish and/or approve policies and guidelines for committee work;
12. assign tasks and responsibilities to committees;
13. monitor committee work and evaluate committee effectiveness;
14. disseminate Regional Council financial information to appropriate groups;
15. educate Regional Council ministries of good financial policies and practices.

E. Limitations

1. The Finance Advisory Council will not:
 - a. contravene any Executive Minister Limitation policies;
 - b. give final approval to the mill rate, loan limit, or Regional Council budget;
 - c. give final approval to the medium and long range financial goals;
 - d. give final approval to any alteration of this foundational document.
2. The budget determined for the work of the Council and its committees will not be exceeded.

F. Relationships

1. To the Executive Minister
 - a. The Executive Minister is a full participating member of the Finance Advisory Council. When meeting without the Executive Minister the Finance Advisory Council will still exercise its authority within the limitations above.
2. To Pacific Mountain Regional Council Executive
 - a. The Executive Minister has the responsibility to link the Finance Advisory Council to the Executive.
 - b. A member of the Regional Council Executive, and an alternate, will be appointed as a member of the Finance Advisory Council
3. Committees
 - a. The Finance Advisory Council will establish, maintain and monitor a committee structure that plans and carries out some of the financial work of the Region as necessary, supported by written foundational documents.

G. Membership

1. The Finance Advisory Council Size and Membership
 - a. Chair
 - b. Representative of each Finance Advisory Council committee;
 - c. 1 Member of the Regional Council Executive (or alternate)
 - d. 3 Members At Large
 - e. Executive Minister
 - f. Director of Finance and Property for Pacific Mountain Regional Council
 - g. General Council Stewardship and Gifts Coordinator

2. Decision Making

- a. all members of the Finance Advisory Council are entitled to vote;
- b. all major recommendations, except those restricted by the Limitations, above shall be made on a motion duly moved and seconded with a majority vote of voice, hands or ballot;
- c. the Chair shall vote only in the event of a tie vote;
- d. while consensus shall be sought, it shall not be at the expense of silencing dissenting voices or unnecessarily delaying decision-making.

3. Recruitment

- a. the Finance Advisory Council shall annually recruit members through the Region's nomination process
- b. skills needed among members include but are not limited to:
 - financial management
 - business experience
 - investment management
 - accounting experience
 - property development
 - not-for-profit management
 - good understanding of Pacific Mountain Regional Council
 - understand the Regional Council's mission and goals
- c. selection criteria:
 - The Finance Advisory Council members shall be chosen primarily on the basis of their skills and experience that will assist the Finance Advisory Council in meeting its purpose and goals. Budget constraints may restrict the selection of some potential members. There shall also be an attempt to reflect some of the diversity of the Regional Council.
- d. terms:
 - 3 year terms; renewable once
 - terms begin July 1

H. Typical Meeting Agenda

Worship
Review of Minutes
Monitor Budget
Major meeting work (from schedule below)
Monitor committees (only necessary items)
Finance Advisory Council policies, if necessary (review, monitor)
Regional Council Executive policies, if necessary (review, draft)
Other Business Items
Next Meeting Dates

The following agenda items shall also be included at the noted meetings. This does not preclude other agenda items at each meeting.

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|---------|--|
| March | <ul style="list-style-type: none">• begin recruitment work• establish and/or review Finance Advisory Council and committee policies and guidelines• set interest rates: loans, investment disbursements• review draft audit statement and audited statements• meet with the investment manager |
| June | <ul style="list-style-type: none">• finish recruitment work• evaluate committee effectiveness• planning: long and medium range goal setting |
| October | <ul style="list-style-type: none">• budget preparation• set mill rate• set loan limit• set interest rates: loans, investment disbursements• set volunteer expense rates• budget finalization• recommend auditor for current fiscal year• review Region Council Executive policies |

It is expected that the agenda and documentation for each meeting shall be in the hands of members one week prior to the meeting date.

Appendix: Finance Advisory Council Policies

Medium and Long Range Goals

Auditor – regular review and assessment

Committee Monitoring Policies and Practices

Loan Policies:

- Total Loan limit
- Loan interest rate

Investment Policy

Investment Disbursement to Funds

Volunteer Expense Guidelines

Finance Advisory Council Member Terms

PDC Property Holdings