



CFPA Finance Committee Charter

APPROVED BY CFPA BOARD – JULY 22, 2026

Purpose

The primary purpose of the Finance Committee is to support the CFPA Board in fulfilling its financial leadership and oversight responsibilities. The Committee's primary roles include working with staff, auditors, and financial advisors to review financial records, develop annual operating budgets, manage CFPA's endowments, establish/maintain financial safeguards and report financial results routinely to the Board.

Authority

The Finance Committee is a committee of the Board established under Article 5.1 of the By-Laws.

Membership

1. The Finance Committee will consist of the President, the Vice-President(s), the Treasurer, the Executive Director, the Deputy Executive Director and other Board Directors who must be approved by the Board at CFPA's annual meeting.
2. The Treasurer will serve as the Chair of the Finance Committee.
3. The Board may fill vacancies on the Finance Committee and may remove a member from the Committee at any time, with or without cause.
4. With the exception of the Executive Director and Deputy Executive Director, only Board members may serve on the Finance Committee.

Operations

1. The Finance Committee will meet at least five times a year, generally in January, April, July, October and December.
2. The Chair of the Finance Committee will preside over the Committee meetings. A majority of Committee members will constitute a quorum. Committee approvals

will require a vote of the majority of the Committee members present at a meeting at which a quorum is present.

3. The Finance Committee will report its activities to the Board on a regular basis and will keep minutes of its meetings.
4. The Finance Committee will review this charter periodically and recommend any proposed changes to the Board for review. The Board may amend this charter at any time.

Key Responsibilities

1. Oversee the custody of all CFPA's funds and securities which includes managing CFPA's relationship with its investment advisor and investment custodian. Periodically assess the effectiveness of CFPA's investment advisor and investment custodian and recommend to the Board for Board approval any changes to these relationships as needed.
2. Fulfill the Finance Committee's responsibilities as outlined in CFPA's Investment Policy Statement (IPS). Work with the investment advisor to annually review CFPA's IPS and recommend any needed changes to the Board for Board approval. Maintain and review annually CFPA's Endowment Draw Strategy (EDS) document.
3. Oversee and support the Executive Director in the creation of CFPA's annual operating budget and the submission of the budget to the Board for approval.
4. In conjunction with the budget preparation process:
 - a. Work with the Executive Director to recommend to the Governance Committee an appropriate salary increase pool and discretionary bonus pool from a financial management perspective.
 - b. Recommend/authorize an annual endowment draw of up to 4.5%. Any endowment draw exceeding 4.5% requires Board approval. "Endowment" in this instance represents the combined total of CFPA's restricted and unrestricted funds. It is the Finance Committee's expectation that by 2030, the endowment draw will be based solely on unrestricted funds.
5. Oversee and support the Executive Director in generating and reviewing ongoing monthly/quarterly financial statements and in sharing key financial results with the Board.
6. Work with the Executive Director and the external auditor to ensure that annually audited financial statements are produced and that appropriate tax forms are filed on a timely basis. Periodically assess the effectiveness of CFPA's external auditor and recommend to the Board for Board approval any needed changes. It is best

practice to change the external auditor (or the current external auditor's staff performing the audit) every five years.

7. Monitor financial internal control results with a focus on resolving any control deficiencies identified in the external auditor's management letter.
8. Oversee and support the Executive Director in ensuring that CFPA's financial books and records are maintained and stored for current and future access. Ensure that procedures are in place for providing backup of these records and for ensuring limited access to preserve their integrity. These books and records include but are not limited to (1) operating budgets, (2) monthly/quarterly financial statements, (3) annual audited financial statements, (4) Form 990s, (5) payroll records, (6) other HR records, and (7) an accounting procedures manual.