

SSR Finance Committee SOP

Approved by SSR Board January 20, 2021

Committee Structure: The SSR Finance Committee is a subcommittee of the Board as defined in the SSR Governance document. The Finance Committee is chaired by the Treasurer, and includes the President, Past President, Vice President, Vice President-Elect, Secretary, the immediate Past Treasurer, and Executive Director (*ex officio*). It may include *ad hoc* members invited by the Treasurer and Executive Director such as relevant committee chairs, board liaisons and financial advisors.

Goal of Finance Committee: To maintain the financial health of the Society.

Roles and Responsibilities: Review the SSR budget over time, analyzing and anticipating changes in expenses and revenues; develop draft annual budgets for approval by the Board of Directors at the Winter Board meeting; review the SSR Investment Policy Statement (IPS) and investment account, and recommend changes, as needed, to the Board of Directors. The roles and responsibilities with respect to investments are further defined in the SSR IPS.

The IPS defines three investment pools:

1. SSR Operating Accounts – managed by the SSR Executive Director;
2. SSR Unrestricted Investments; and,
3. SSR Endowments (Note: these are either Board designated or Temporally Restricted by Donor designations, or both).

For investment purposes, the monies in the SSR Unrestricted Investments and the SSR Endowments are currently managed by RBC Wealth Management.

The SSR IPS describes the primary responsibilities of the Finance Committee as fiduciaries under the portfolio, as follows:

- Prepare and maintain the IPS. Review it annually ahead of Winter Board meeting and recommend changes (if needed) to the Board for approval.
- Prudently diversify the portfolio's assets to meet an agreed-upon risk/return profile.
- Control and account for all expenses associated with the portfolio.
- Avoid prohibited transactions and conflicts of interest.
- The Treasurer and Executive Director will recommend annually to the Board any changes in distribution of monies among the three pools, all the time respecting any donor- or Board-defined restrictions on endowment funds.
- As needed, review candidates for a Registered Investment Advisor and recommend appointment to the Board.

Moreover, in overall budget planning and implementation, the Finance Committee, Treasurer and Executive Director Share responsibilities as follows:

- The Treasurer delegates the management of Society financial operations and accounting to the Executive Director (as permitted in the SSR By-Laws). The Executive Director arranges for an annual audit of the SSR accounts by an independent auditor for review by the Treasurer and Board of Directors. As recommended by the auditor, the Treasurer also conducts a monthly review of SSR account balances and financial statements and verifies selected checks in order to document regular oversight of the accounting procedures by the Society.
- The Executive Director disperses Operating Funds in accordance with the annual budget approved by the Board of Directors. Use of Investment Funds to meet unanticipated needs beyond those provided by the budget shall require approval of the Treasurer.
- The Treasurer and Executive Director monitor and report the movement of donations into the appropriate categories of the SSR Endowments on at least an annual basis. After the close of third Quarter is complete, the Restricted Investment Funds will be rebalanced to account for any transactions made from the operating accounts on behalf of the named restricted funds. This rebalance will take place between the unrestricted general endowment fund and the various donor restricted funds upon written instruction from the Treasurer to the Investment Manager.
- The Treasurer works with the Executive Director to track the budget from year to year, develop the next year's budget, to be finalized in mid-December, and recommend changes or initiatives for Finance Committee consideration. The Finance Committee then makes recommendations for Board consideration and approval.



TIMELINE for Treasurer and Finance Committee

- **Quarterly at end of April, July, October, and January:** Review income and expenses year-to-date with respect to targets in the proposed annual budget. Provide input upon request regarding investment portfolio adjustments, and movement of funds from investments if needed.
- **Semi-annually:** Review report from RBC Wealth Management to confirm that asset allocation classes conform to IPS.
- **Annually:** November - December time frame: Reconcile budget for prior year and establish proposed budget for upcoming year for approval at Winter Board meeting. Review IPS and recommend adjustments as needed. Transfer endowment contributions into endowment funds in RBC accounts.

Prior to Winter Board meeting: Conduct analyses needed to determine dues and registration fees for following calendar year at Winter Board meeting.

Fall: Assist with annual review of Management Services Agreement.