

Financial Oversight Committee

Purpose and Objectives: The purpose of the Financial Oversight Committee is to monitor DNA financial matters including review of annual budget, status of reserve funds, and general ledger activity. The committee is charged with assuring the integrity of DNA's financial statements, financial control, and compliance with legal and regulatory requirements including the assessment of any outside auditor's qualifications, independence and performance¹.

Requirements and selection:

1. Chair will be the current DNA Treasurer. Committee members must have knowledge of financial issues.
2. Committee members shall be appointed by the DNA Treasurer with recommendations/approval of the Board of Directors.
3. Committee members must be current DNA members with the exception of one as needed non DNA member.
4. Committee members shall serve a term of two years or until a successor is named.
5. The number of committee members necessary to perform the tasks of the Financial Oversight Committee will be determined by the DNA Treasurer. The ideal committee size is minimum of three and a maximum of five members.
6. For specific projects, a task force may be created by the Financial Oversight Committee and/or the Board of Directors.

Duties and Responsibilities

The Committee shall:

1. Meet monthly² to review all transactions enacted by the Board of Directors and advise the Board of any concerns related to those financial transactions.

¹ The committee will advise the Board regarding the audit process. The committee should take into account the auditor's performance of any non-audit services; review a report from the auditor describing any relationships between the auditor and the DNA, the provision of non-audit services, or any other relationships that may adversely affect the independence of the auditor. If DNA's senior financial staff member worked for the audit firm on DNA's audit within the last year, the auditor will not be considered independent.

² Meetings may be conducted via teleconference or other remote modalities

2. Advise the Board of Directors on the financial positioning of the Association.
3. Review the annual budget as developed by the Board of Directors and the Executive Director and make recommendations as necessary.
4. Make recommendations at least annually to the Board of Directors for additions and/or changes to DNA's asset allocation and/or investment policies.
5. Meet annually with the Financial Advisor for orientation, and quarterly³ to review all financial reports and investment policies.
6. Advise the Board regarding finance policies and guidelines.
7. Consider the desirability of changing audit firms every 5 years, and recommend that the lead engagement partner be changed at least every eight years, with the understanding that the prior engagement partner may be reinstated after two years.
8. Review and discuss with the DNA Board the audited DNA financial statements.
 - a. Report to the Board at the completion of the review any significant concerns.
 - b. Management is responsible for the preparation, presentation, and integrity of DNA's financial statements and for the appropriateness of the accounting principles and reporting policies used by DNA. Independent auditors are responsible for auditing DNA's financial statements
9. Be responsible for additional duties as assigned by the DNA Board of Directors.

³ These meetings may occur during regularly scheduled monthly meetings

Board reviewed and approved May, 2016

Board revised and approved January, 2020

Requirements and selection: 3. Added at end of sentence "as needed non DNA member."