

POLICY 1.094

5-H I recommend the Board approve the proposed new Policy 1.094, to be entitled "Finance Committee."

[Contact: Leanne Evans, 434-8142.]

Development

CONSENT ITEM

- This proposed new policy is based on an update to the existing "Investment Committee Charter" (dated 4/12/99), to govern the Finance Committee as an advisory committee to the Board.
- This Policy is similar to the recently-adopted Audit Committee Policy and CORC Policy.
- The Finance Committee reviewed the proposed Policy on February 28, 2003 and December 5, 2003 and endorsed its development and adoption by the School Board.

45 in the financial services industry or who have retired from finance-related
46 professions.

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48 c. The six ex-officio members shall include: two School Board Members, the
49 Superintendent (or designee), the Chief Operating Officer, District Auditor, and
50 Treasurer.

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52 d. All voting members of the Finance Committee shall be residents of Palm
53 Beach County. School Board members will appoint community members as
54 provided in this section and Policy 1.09(7), "Advisory Committees to the
55 School Board." Up to two community members serving at any given time may
56 have been nominated by the same Board member.

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58 e. After the initial appointments forming of the Finance Committee, the
59 community members are renewed or replaced by Board action at the School
60 Board's annual reorganization meeting. The Superintendent's nominations
61 are renewed or replaced concurrent with the School Board's annual
62 reorganization meeting. In the event a community-member vacancy should
63 occur between annual organizational meetings, the Board may appoint a
64 replacement at a regular or special Board meeting. To fill a mid-year vacancy,
65 the source of the nomination (Board member or Superintendent) shall be the
66 same as it was for the member whose seat has become vacant.

67
68 f. The voting members of the Finance Committee shall annually elect a Chair
69 and a Vice Chair from among the seven community members.

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71 g. After the initial appointments forming the Finance Committee, the School
72 Board, at its annual reorganization meeting, will decide which two Board
73 members will serve as ex-officio committee members. In the event of a
74 vacancy for an ex-officio Board member on the committee between annual
75 organizational meetings, the Board may designate a replacement at a regular
76 or special Board meeting.

77
78 h. Community members serve in a voluntary capacity, and the membership of a
79 community member who was nominated by a Board member may be annually
80 renewed as long as the nominating Board member serves on the Board
81 ([consistent with Policy 1.09(5)], although Board members may exercise their
82 discretion to remove their nominees at any time, as stated in Policy 1.09(5).
83 The Superintendent may also exercise discretion to remove his/her nominees
84 at any time, subject to ratification by the Board.

85
86 i. Community members will be removed automatically should they miss three
87 consecutive regular meetings, unless, by request of the member, the Chair
88 grants compassionate leave due to personal, business, or familial exigency. A

89 quarterly report will be made to the Board regarding the attendance of
90 appointed committee members.

91
92 **4. Key Areas of Advisory Responsibility**

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94 a. *Investment Portfolio*-- The committee's first area of responsibility is the
95 quarterly review of the School District's Investment Portfolio as further defined
96 in School Board Policy 6.08, "Investment Policy." At a minimum, the Finance
97 Committee will review the Policy annually and comment on the adequacy of
98 the policy in one of its quarterly reports to the School Board. However, it is not
99 within the Finance Committee's charge to make investment recommendations
100 regarding the acquisition or disposal of specific investment securities.

101
102 b. *Short-Term and Long-Term Obligations*-- The second area of responsibility is
103 regarding the debt of the School District. The Finance Committee will review
104 all proposed financings and provide recommendations to the School Board.
105 Upon the implementation of a debt policy, the Finance Committee will review
106 the policy annually and comment on the adequacy of the policy in one of its
107 quarterly reports to the School Board.

108
109 **5. Administrative Matters**

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111 a. Robert's Rules of Order shall guide the conduct of Finance Committee
112 meetings. These meeting-procedure Rules may be suspended for a meeting
113 or portion thereof by a simple majority vote of a quorum of voting members
114 present at the meeting.

115
116 b. During the time a person is a member of the committee, that committee
117 member or his/her company in which that member may have a direct financial
118 interest shall not do business with the School District, in accordance with Fla.
119 Stat. §112.313.

120
121 c. The Finance Committee's meetings shall be subject to the open meeting
122 provisions of Fla. Stat. § 286.011.

123
124 d. All documents maintained by persons in their capacity as Finance Committee
125 members are subject to public disclosure unless exempt under Fla. Stat.
126 119.07 or other statutes.

127
128 **6. Charter Expiration Date**-- Consistent with Policy 1.09(1)(f) & (2), this charter
129 shall expire on June 30, 2009, unless the expiration date is modified by School
130 Board action prior to that date. The School Board may modify the charter set forth
131 in this Policy before its expiration date upon recommendation of the
132 Superintendent. Alternatively, the Board may terminate the charter herein before

133 its expiration date upon the Superintendent's recommendation for stated cause.

134

135 Statutory Authority: §§ 1001.41(1), (2); 1001.43(10), Fla. Stat.

136

137 Laws Implemented: §§ 218.415; 1001.41(1); 1001.43(2), (10), Fla. Stat.

138

139 History: ___ / ___ /04 (based on "Investment Committee Charter," dated 4/12/99)

Legal Signoff:

The Legal Department has reviewed proposed Policy 1.094 and finds it legally sufficient for development by the Board.

Attorney

Date