GOLDEN RAIN OPERATIONS

COMMITTEE CHARTER

Finance Committee

Pursuant to state statute (**Corp. Code §7210**; **Corp. Code §7212(c)**) and Article VII, Section 1 of the Bylaws of the Golden Rain Foundation (GRF), the Board of Directors (BOD) hereby establishes the Finance Committee (FC) and grants to the Committee authority specifically stated within the GRF governing documents, and policies as granted by the BOD or as stated within this policy.

In accordance with Article VIII of the Bylaws, committee chair and members shall be appointed by the GRF President and approved by action of the BOD in accordance with policy 5100-30.

1. PURPOSE:

Oversee all matters pertaining to: Finance; Purchasing; Insurance (Excluding Workers Compensation); Investments; Reserve Study; Capital; Income Producing Leases; Fees and Management Agreements.

2. COMPOSITION:

If the Chair of Physical Properties isn't appointed by the GRF President to this Committee, the Chair can be seated as an advisory Director to the Finance Committee if they so choose.

3. DUTIES:

a. Publish an agenda four (4) days in advance of Committee meeting;

b. Elect a Vice-Chair at the first meeting;

c. Meet with the Finance Department (FD) staff at least monthly or whenever such meetings are deemed necessary, unless cancelled by the chair;

d. Ensure that the financial reporting, procedures and practices of the FD are acceptable from an ethical and professional view point and that they conform to all existing standards of generally accepted accounting principles (GAAP);

e. Review on a monthly basis all financial information as required under applicable sections of the Civil code, such review shall include but not be limited to:

   i. Current reconciliation of operating accounts.

   ii. Current reconciliation of reserve accounts.

   iii. Actual operating revenues and expenses compared to current year's budget.

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iv. Accounts statements prepared by the financial institutions where the association has its operating and reserve accounts.

v. Income and expense statement for the association's operating and reserve accounts.

vi. Check register, monthly general ledger and delinquent assessment receivable reports.

f. Develop and control all cost centers and general ledger account numbers as necessitated in the accounting operations of GRF;

g. Originate, research, evaluate and develop plans, ideas and programs pertinent to FD;

h. Receive and analyze requests from the BOD, Standing Committees, Mutual Boards and Administrative Staff;

i. Keep the Board regularly informed of existing or prospective needs or procedures affecting finance;

j. Cooperate with the Director of Finance and Executive Director (ED) in the ongoing accounting matters in conjunction with the Mutual Corporations;

k. Review the draft consolidated budget and make recommendations to the BOD;

l. Make recommendations to the BOD concerning the master insurance policy;

m. Review and make recommendations to the BOD concerning all income producing leases and management agreements;

n. Recommend an auditing firm to the BOD for approval;

o. Assist the BOD in understanding the compliance with any contracts relating to Finance.

p. Initial approval of the annual budget for cost centers 31, 32, 39, 60, and 65, including Capital requests and upcoming Reserve replacements;

q. Review monthly budget comparisons for cost centers 31, 32, 39, 60, and 65;

r. Review the annual audit and draft financial statement and make recommendations to the BOD;

s. Review policies for cost centers 31, 32, 39, 60, and 65 yearly and send recommended changes to the BOD for approval; and

t. Furnish a report at the GRF Annual meeting.

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4. LIMITATIONS:

It is to be recognized that the function of the Committee is to act in an advisory and consulting capacity.

Regulatory or supervisory activities affecting employed personnel are functions of Management and not to be encroached upon by any Committee Chairperson or member, either individually or collectively.

Committee does not have the authority to enter into written contracts or oral agreements with any third parties on behalf of the GRF BOD. Authority to authorize contracts and/or expenses rests solely with the BOD.

Policy
Adopted: 11 Jul 69
Revised: 15 Dec 76
Revised: 19 Nov 85
Revised: 19 Mar 96
Revised: 21 Jun 16
Revised: 27 Sep 16
Amended: 28 Mar 17
Reviewed: 17 May 18
Amended: 26 Feb 19

GOLDEN RAIN FOUNDATION
Seal Beach, California