



# **TALETE KING PANYULUNG KAPAMPANGAN (A MICROFINANCE NGO), INC.**

## **FINANCE COMMITTEE CHARTER**

### **I. PURPOSE**

The Finance Committee shall assist the Board in its oversight responsibilities relating to financial management. It shall have oversight responsibility for all actions, transactions and policies affecting the financial condition of Talete king Panyulung Kapampangan (a Microfinance NGO), Inc. not otherwise assigned to other Board Committees.

### **II. DUTIES AND RESPONSIBILITIES**

The Finance Committee is established as an independent committee of the Board of Trustees whose primary duties are to:

- a)** oversee and review the financial plans and policies of Talete king Panyulung Kapampangan (a Microfinance NGO), Inc. and implementation of such plans and policies;
- b)** assist the Board of Trustees in reviewing investment policies, strategies, transactions; and
- c)** oversee Talete king Panyulung Kapampangan (a Microfinance NGO), Inc. capital and financial resources.

In furtherance thereof, the Finance Committee shall have the following key responsibilities to fulfill its purpose;

- a)** Review Talete king Panyulung Kapampangan (a Microfinance NGO), Inc. annual budget and business plan;
- b)** Review of financial results;
- c)** Maintenance of an appropriate capital structure;
- d)** Oversee the management of the organization-wide financial assets;
- e)** Review any capital expenditure;
- f)** Review the alignment of Talete king Panyulung Kapampangan (a Microfinance NGO), Inc. capital allocation process and business strategy, including investments and business process transformation initiatives;
- g)** Ensure maintenance of proper accounting records;
- h)** Disclose the company's financial position and performance;
- i)** Establish and monitor proper internal controls;
- j)** Ensure proper external controls and audit;
- k)** Conduct a review of this Charter and recommend any changes to the Board;
- l)** Develop an annual work plan outlining the business to be discussed at Committee meetings during the upcoming year; and
- m)** Perform other duties and responsibilities as may be assigned to the Committee by the Board.



### **III. ORGANIZATION**

#### **a. Membership**

The Committee shall comprise a minimum of three and a maximum of five members. One member of the Committee shall serve as the Committee Chair. At least one member of the Committee should have relevant knowledge and experience in financial management.

#### **b. Appointment and Term**

The Governance Committee of the Board shall nominate the Chair and other members of the Finance Committee for a term of three years. The full Board shall approve such nominations.

#### **c. Duties of Chair**

The Chair shall preside at all meetings of the Finance Committee and perform any duties as may be assigned by the Board from time to time.

#### **d. Secretary of Committee**

The Secretary of the Finance Committee shall come from the Board Secretariat. The Secretary is not necessarily a member of the Board, but if he or she is not, such Secretary must be an employee of Talete king Panyulung Kapampangan (a Microfinance NGO), Inc. or any of its subsidiaries.

#### **e. Resignation**

Any member of the Finance Committee may resign effective upon approval by the Chairman of the Board, unless approval of the effectivity of the resignation specifies a later time.

#### **f. Vacancies**

Any vacancy in the Finance Committee other than by expiration of term shall be filled by appointing any of the Board members, subject to nomination by the Governance Committee. The member so appointed to fill a vacancy shall serve only the unexpired term of his/her predecessor.

#### **g. Meetings**


The Committee shall meet at least two times per year and at such time and place the Chairman shall determine. The Committee shall report regularly about its activities to the Board.

Committee meetings shall be presided over by the Chairman or his/her designated Acting Chair and may be attended upon invitation by any members of the Management or other persons requested to provide pertinent information.

Every decision consented to by majority of the Committee members present in a meeting at which a quorum is declared shall constitute an act of the Committee.

#### **h. Minutes**

The Secretary of the Committee shall keep minutes and other relevant records of the meetings and activities of the Committee. The minutes shall be available for review by the Board and by any regulatory institution having jurisdiction over the



affairs of Talete king Panyulung Kapampangan (a Microfinance NGO), Inc. In the event of any meeting in Executive Session or otherwise where the Secretary is not present, the Chair shall act as the Secretary or designate an Acting Secretary for the purpose of recording the minutes and actions taken at the meeting or Executive Session.

**i. Special Meeting**

Special meetings of the Finance Committee may be called at any time by the Chair of the Committee, by any two voting members of the Committee, by the President and CEO of Talete king Panyulung Kapampangan (a Microfinance NGO), Inc., or by a majority of the Board.

**j. Assessing Committee Performance**

The Finance Committee shall annually evaluate its own performance using a Board-approved performance evaluation tool and report such assessment to the full Board.