[Hospital Name]

*Board of Trustees*

Finance Committee Charter

**Purpose**

The Finance Committee assists the board to fulfill its duties relating to the financial management of the hospital and regularly advises the board about the financial position of the hospital and major projects. The Committee also recommends to the board financial policies, goals, and budgets that support the mission, values and strategic objectives of the organization.

**Membership**

The Finance Committee Chair shall be chaired by the Board Treasurer. The committee’s membership shall be appointed annually by the Board Chair. The Committee shall be comprised of [insert number of committee members and any other membership requirements (e.g. “…shall be comprised of at least three board members, and may include two non-board members whose experience or expertise in accounting, finance, or investment may assist the Committee in fulfilling its financial responsibilities.)]

**Meetings**

The Finance Committee shall meet [insert any requirements for meeting frequency; e.g. not less than monthly. Additional meetings may be held as the Committee and/or its Chair deem necessary].

Meeting attendance shall include in-person presence, teleconference, videoconference or other electronic presence. The quorum for the Finance Committee meetings shall be [insert any quorum requirements]. Committee action shall require a majority vote of members present.

Minutes of all committee meetings will be kept and submitted at the next meeting of the Board.

**Responsibilities**

The Finance Committee shall be accountable to carry out the following responsibilities:

* Stays current on important financial trends impacting the organization
* Reviews and recommends a long-term financial plan for the organization, including hospital investment policies and oversight of the hospital's investments
* Monitors the implementation of major initiatives that impact strategic and financial objectives, making appropriate recommendations to the board on an as-needed basis
* Reviews and refines the annual operating and capital budgets prepared by management and presents them with recommendations to the board for approval
* Adopts key financial performance measures, reviews financial statements and monitors actual performance against targets, long-term trends and industry benchmarks
* Reviews and discusses with management and legal counsel pending legal proceedings or investigations, compliance issues and other contingent liabilities that could have a significant impact on the hospital's financial statements
* Conducts an annual review and evaluation of the committee’s performance, including its compliance with this charter.

**Reporting**

Reports to the Board of Trustees

**Approval Date:**

**Dates of Review and/or Revisions:**

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