

USMF FOUNDATION

BUDGET/FINANCE COMMITTEE CHARTER

PURPOSE

The Budget/ Finance Committee (“Committee”) will assist the Board of Directors (“Board”) in fulfilling its oversight responsibilities of Foundation financial policy and budget matters. Budgets are an important element of an internal accounting control system. This Committee will be responsible for ensuring that sufficient resources are available to fund operations.

In performing its duties, the Committee will maintain effective working relationships with the Board of Directors and management. To effectively perform his or her role, each Committee member will obtain an understanding of the detailed responsibilities of Committee membership as well as the Foundation’s business operations and risks.

ORGANIZATION

The Committee will be comprised of no more than ten members, and shall meet at least four times a year.

The Chairs of the Spending Policy Committee and the Investment Committee shall be members of the Budget and Finance Committee.

The University of Maryland College Park Foundation and the University of Maryland Baltimore Foundation may designate a staff member to attend meetings of the Committee.

Members of the Committee should be financially literate, and should possess the ability to read and understand the budgeting process relating to not-for- profit organizations. The Committee Chair should have accounting or related financial management experience.

The members of the Committee may participate in a meeting by means of a conference telephone or similar communication equipment by means of which all members participating in the meeting can hear each other at the same time, and participation by which means shall be conclusively deemed to constitute presence in person at such meeting.

New members shall receive a copy of this charter upon appointment, and shall receive appropriate orientation from management and the Board.

A majority of the Committee members present at a meeting (i.e. a quorum as defined by the Bylaws) must approve any proposed action or recommendation of the Committee, and a Committee member dissenting from a Committee proposed action or recommendation may, at his/her discretion, make a presentation to the Executive Committee of the Board regarding his/her views and opinion.

The Chairperson and other members of the Committee shall be appointed annually by the Board, provided, however, that the Board shall have the right to ask a member to resign from the Committee.

ROLES AND RESPONSIBILITIES

The Committee shall review the annual operating and capital budgets as presented by management at the meeting scheduled in the last quarter of the fiscal year. This review shall include an assessment of revenue sources.

The Committee shall recommend the budget to the Executive Committee.

The Committee shall receive from management and review quarterly a report comparing actual results to budget estimates accompanied by explanation of variances.

The Committee shall receive from management and review quarterly the statement of financial position.

The Committee shall review the procedures in effect for considering officers salaries and perquisites and interested parties transactions.

The Committee may, at its discretion, meet separately with any of the external auditor, the internal auditor, members of management, the general counsel or others to discuss any matter that the Committee believes should be addressed in such an executive session.

The Committee shall periodically update the Executive Committee of its activities, and formally report its activities to the full Board at least annually.

The Committee may, at its discretion, utilize the services of any counsel, experts or advisors as the Committee determines are necessary or appropriate to enable the Committee to fulfill its responsibilities.