



## Board of Directors Committee Charter Financial Oversight Committee

### Revision History

<b>Date</b>	<b>Revision</b>	<b>Description</b>	<b>Author</b>
16 Sep 2002	0.1	Original	Shirley Williams
29 Jan 2004	0.2	Modifications	David Hardison
10 Feb 2004	0.3	Modifications	David Hardison
10 May 2004	1.0	Approved	Board of Directors
April 2006	1.1	Refinement	Financial Oversight Committee
24 April 2006	1.1	Approval	Board of Directors

## **1 Purpose**

The purpose of this charter is to describe the purpose, membership and scope of work for the Financial Oversight Committee.

As CDISC is a non-profit organization, it must adhere to stringent rules regarding the spending of funds received from its sponsors and members and the reporting of such. The Financial Oversight Committee was established to have oversight of how CDISC is spending and investing the funds it receives to ensure CDISC is in accordance with its Bylaws, Strategic Plan, Governance Document and basic principles.

For more information on CDISC, its Bylaws, Strategic Plan, and Policies, please see the CDISC website at [www.cdisc.org](http://www.cdisc.org).

## **2 Authority**

This document is approved by the CDISC Board of Directors and should be followed by the CDISC Board of Directors and all who provide services to CDISC.

## **3 Related Operational Processes**

Please refer to the CDISC Financial Policies for specific information on the financial policies of the organization.

## **3 Membership of Financial Oversight Committee**

The Financial Oversight Committee shall be comprised of at least two directors as determined and appointed by the Board of Directors, each of whom shall be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee. Unless a chair is appointed by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

Operations personnel may provide information to and take meeting minutes for the Financial Oversight Committee, but are neither members of the Financial Oversight Committee nor active in any voting of the Financial Oversight Committee.

## **4 Financial Principles of CDISC**

With respect to continuing activities involving non-staff personnel paid by CDISC, there are certain principles agreed upon by the Board, as follows:

- CDISC will use volunteers whenever/wherever possible for CDISC activities.

- CDISC will continue to provide sufficient support to ensure consistency and continuity in team leadership for the CDISC working teams (e.g., ODM, SDS, LAB, ADaM).
- CDISC will provide a stipend for no more than one paid technical leader/facilitator for each working team.
- CDISC will define a process for paying a stipend to those who perform paid functions for CDISC (e.g., team leaders or leaders of special high priority projects). The stipend should be reasonable, equitable and appropriate for a non-profit organization.
- CDISC will avoid paying a stipend to Board members for team leadership or instructor activities.

## 5 List of Responsibilities

In accomplishing its assigned responsibilities, the Financial Oversight Committee will review the following listed matters and other such matters as may warrant its attention. It may, with approval of the Board, engage additional assistance to undertake such reviews of financial management performance as it deems necessary.

- Recommend an annual operating plan to the board that will serve as the budgeting tool for the organization
- Review the Corporation’s quarterly and annual financial statements and reports as compared to the budget approved by the board.
- Review projects for funding consideration after development of the appropriate business cases and make recommendations to the board
- Recommend resolutions to the board along with sufficient background information and analysis in order to make good use of the boards time
- Make recommendations to the Board regarding any agreements with outside consultants, the need for such and payment thereof.
- Periodically review the Corporation’s system of internal controls, including its risk management policy and any accompanying insurance coverage, and make recommendations to the Board for changes it considers desirable.
- Make recommendations to the Board regarding an external audit firm who will review the Corporation’s annual financial statements and reports as required by the Bylaws, including the compliance of the Corporation’s accounting and financial management systems and reports with generally accepted accounting principles for non-profit organizations.
- Review the work of the audit firm and recommend actions on the audit, if needed, to the board.
- Make recommendations to the Board regarding an investment strategy. This may include recommending an external investment firm who will manage the organizations financial assets according to goals and principles approved by the Board.

### Authorization

This document has been authorized by:

Name	CDISC Board of Directors
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Date	24 April 2006
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